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Skill Development and Entrepreneurship- A Solution to Unemployment

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ABSTRACT: The aptitude and preparedness to create, plan and manage a business enterprise along with all of its uncertainties in order to turn it profitable is what is meant by entrepreneurship. The creation of new firms is the most visible illustration of entrepreneurship. Without any doubt, unemployment has always been a factor that has hindered the development of society. The most effective tool to address this issue and to give the young generation more power is creating opportunities for entrepreneurship. The Indian government is working hard to create a robust startup environment in the wake of the pandemic. The government has established a ministry that is focused on aiding new enterprises and giving them vital expertise and other facilities in order to expand to support and benefit entrepreneurs. In the recent past, the Indian government and Prime minister Narendra Modi has stressed on the importance of self-reliant Bharat and creating new opportunities for job creation. One of the important steps taken by the government to amplify the growth of start-ups and entrepreneurs is the Startup India initiative which is a flagship initiative of the government of India. It intends to build a strong ecosystem that is conducive to the growth of startup businesses, drive sustainable economic growth, and generate large-scale employment opportunities.

KEYWORDS: skill, unemployment, entrepreneurship, pandemic, Narendra Modi, ecosystem, sustainable, employment

I. INTRODUCTION

Entrepreneurship is a solution to the unemployment problem since it opens opportunities for new projects, businesses, alliances, etc. When an investor invests in a startup or venture, the entrepreneur is instantly allowed to grow their staff to scale the business and generate additional growth and employment opportunities. In contrast to corporate or big companies, who insist on hiring from renowned colleges or shortlisting candidates based on qualifications rather than capabilities, entrepreneurs are now willing to hire even resources who lack formal education or a degree but have the right attitude, skill set and willingness to learn.¹ Below are some key factors that prove entrepreneurship is a visible long-term solution for unemployment in society:

Entrepreneurship generates new job opportunities: In today's economy, entrepreneurship is more important than ever, for creating new jobs and driving the economic growth of a country. A new business typically requires several promising and skilled employees to get it off the ground and scale rapidly.²

Entrepreneurship helps to revitalize a community: Starting a business is just one aspect of entrepreneurship; another is reviving a community. When business owners make investments in their community, they contribute to boosting employment and the local economy.³

Entrepreneurship helps to develop a sense of pride in the community in addition to producing jobs and strengthening the economy. People are more likely to desire to live and work in a place where successful enterprises are located.

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This sense of pride can contribute to community regeneration by recruiting new businesses and people. A new business can bring new life to a community, which can help in improving the local economy.

Entrepreneurs up the level of competition: Entrepreneurs increase competition for already-existing businesses by starting new ones. Lower prices and a wider selection of products as a result benefit consumers. A measure of market mobility has been created by researchers to show how new company creation affects already-existing businesses. A shift in the order of established companies according to their staff count denotes a change in market share and increased market mobility. This effect is most pronounced when taking into account entrepreneurial activities five years prior to the start-up, which suggests that start-ups have a significant time lag before they have an impact on market mobility. Furthermore, the creation of new businesses encourages existing businesses to perform better, which indirectly increases competition.⁴

Entrepreneurship leads to innovation: Economic expansion and the creation of new jobs are both fuelled by innovation. Any economy that wants to succeed needs to have a strong entrepreneurship ecosystem. Entrepreneurs who have the ability to problem-solve creatively and outside the box are the most successful. This is what creates successful economies and prosperous enterprises.

Risk-taking and a willingness to try new things are essential components of entrepreneurship. Innovation is the key to success in any profession, and this is what drives it. Successful entrepreneurs are those who are always thinking of new methods to expand their operations and solve issues in novel ways.

Gauging at the entrepreneurship ecosystem, the best course of action for the government is to create institutions and policies for entrepreneurship development that harness the potential of young people and provide them with the skills and resources they need to succeed. The regulations should be designed in a way that covers that and encourages a risk-free innovative atmosphere for entrepreneurs to grow. Many young people today recognize the value of focusing on consistent business growth, assembling the best team possible, and giving that team the tools necessary to achieve that growth.⁵

Entrepreneurship and self-employment are a significant source of jobs and economic growth and are even more important in the context of the growth in unemployment, the displacement of many traditional jobs and new opportunities of doing business. We need to find solutions to tackle unemployment and close the skills mismatch which needs to be shared, replicated and scaled to solve the employment and skills equation. Traditional education systems can be restructured to adequately nurture talent for the needs of the market and the process of learning must continue during employment. Entrepreneurship or business ownership is a significant source of employment and economic growth. This gains greater significance in the context of newly developing business models, the displacement of traditional jobs and new opportunities of doing business. The divide between education and employment, complex labour markets, along with changes in demographic patterns, migration and urbanization, are factors to match supply of talent with demand for it.⁶

II.DISCUSSION

To achieve entrepreneurship success here are some guidelines:

Create Multiple Segment Partnerships

Such partnerships generally leverage the expertise of each partner in a complementary manner. This is an absolute necessity in making scalable solutions to employment and skills. For e.g. a single business creates partnership with

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one enterprise for its own talent needs, partnerships between multiple businesses across any industry results in an overall increase in the talent pool, mostly cheaper with greater overall benefits. Such partnerships are complex to implement but mostly effective keeping in mind the widest range of interests.⁷

Develop Successful Approaches

Enterprises matching mass interest with private interest are mostly sustainable in the long term. Many of the business-led initiatives actually have a positive impact on communities they cater to and are likely to be sustainable for the business sustains for a long period of time if they are connected to a core business sector.

Test first, scale second. Research and feedback on the model involving pilot activities must be undertaken analysed and communicated, objectives should be defined in the initial stages of an enterprise.⁸

Be relevant to the Context

According to Keith Davis, business environment refers to "aggregate of all conditions, events and influences that surround and affect business." Entrepreneurs should customize interventions as per local culture and socio-economic conditions and should consider specific needs of the target audience as it is critical to achieving sustainable results.

Committed Leadership

Management and its leadership support are most vital to sustain entrepreneurship, engage partners, gain greater leverage within the organization and motivate employees. Leaders also need to constantly evolve, with introspection, self-awareness, and a keen sense of strategy—both in the short and long term.⁹

Futuristic Design

Sustainable design, pro-active and long-term approach, skill development and intervention hold the key for entrepreneurial success in today's scenario of economic and technological disruptions.

Leverage Information Communication Technology

The business landscape now thrives on technology. When used effectively, IT can enable growth for businesses, restructure processes and develop the efficiency of the work force.¹⁰ Capitalising on information and communication technology offering a number of advantages help implement jobs and skills initiatives. It can enable enhanced impact.³²

III.RESULTS

Unemployment is one of the pain areas and prickly issues being faced by any economy. Unemployment not just in uneducated but also has branched its roots in the educated sectors. India being a young country constitutes a major chunk of its population be youth and to tap their full potential we need to empower our youth with the right set of skills and opportunities.

Entrepreneurship is our greatest weapon to counteract this issue and to empower our youth. Youth by default are energized and empowered, they are willing to explore new territories and take up new challenges and risks.¹¹

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While working as an entrepreneur, an individual gets to work on multiple things, juggle different roles and turn them into better leaders and better individuals. Put aside the fact that Entrepreneurship brings big money from investors and even foreign clients, it also has a key role to play in building a character.

When battling unemployment, entrepreneurship is a solution, entrepreneurs open doors to new ventures, new business, new alliances etc. When an investor puts money into a startup or a venture, the entrepreneur automatically gets to expand its team to scale the venture and hence providing employment to more people.³²

These days entrepreneurs are willing to hire to even resources who do not have formal education or a degree but have the right attitude, skillset and willingness to learn, which is a big shift in the thought process in comparison to corporate or big companies who are adamant on hiring from Ivy League colleges or shortlist candidates on the basis of qualifications not capabilities.

The way forward should be to establish Entrepreneurship Development policies and institutions from the Govt, that focuses on harnessing the power of the youth and empowering them with the tools and means to venture out. Of course, not all ventures will take off and few will have to come across failures often, the policies should be planned in a way to cover that and promote a risk-free innovative environment for entrepreneurs to flourish.¹²

Entrepreneurs these days are moving back to their home towns in Tier 2/3 cities from Tier 1 cities in order to uplift their towns and cities and give employment in their community. Surya Power Magic, a cleantech venture based out of Coimbatore was build up by founders who initially started their first ventures in Bangalore – the IT hub of the country. Now in Coimbatore, they hire and source their staff locally.³¹

Entrepreneurship is not money-driven venture but a passion-driven one that facilitates positive change in the society. The role of the government in entrepreneurship should be that of a facilitator and not a controller. The tremendous impact of internet in business, which has obliterated geographical barriers, has made business a lucrative career option.¹³

Many young minds now understand the importance of looking at a steady business growth, forming the right team and empowering it to bring about that growth. Targeting rural areas and tier 2-3 cities with better product and services is the way forward for entrepreneurs as there is already saturation in metros and big cities. Industry experts say any business that adds value to the quality of the life of youth will see growth. Startups have the opportunity to grow and become big. Keep challenging yourself and keep pushing yourself.³⁰

The argument that a lot of young people are now attending educational institutions cannot make a case for why there are still 25 million unemployed people within the country. Employment levels in India are just about stagnant or declined for the last two decades. Some people ought to have gotten the jobs only if the economy was making them. Not having jobs in sight could also be one among the most for pursuing higher studies.¹⁴

As India targets to turning into a 100 percent employment rate in our country, it's to equip its force with employable skills and information. Skill building is a powerful tool to empower people and improve their social acceptance. Today, the globe and India want a talented force to enhance the employment rate. If we have to promote the development of our country then our mission has got to be "skill development" and "Skilled India". Skills and knowledge development are the driving forces behind the employment growth and community development of any country. It should be complemented by economic process and an employment opportunity to meet the rising

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aspirations of youth. The challenge lies not only in an immense quantitative enlargement of facilities for skill training but also in raising the employment rate.³²

Skill development still has to go establish deep roots in India. Indian universities and skilled establishments churn out hordes of degree and certification holders, most of them are unemployable because they lack the talent producing and skill set to explore for. Of the 400,000-odd engineering graduates – several from non-public universities – who pass out every year, only 20 per cent would meet the business necessities. The rest would have to be compelled to undergo rigorous coaching before businesses might realize them helpful.³¹

However, the capability of the poorest sections of society to soak up credit and to begin enterprises is restricted owing to because of their lack of business skills, illiteracy, their inability to take risks and their lack of motivation for business. It would be far better to upgrade their skills and create them employable within the recently emerging industries and trades. The poor would prefer to enhance their skills, and be used employed on a regular basis at a decent salary, instead of face the danger of operating in an unsure market and the ignominies of humiliation from the insensitive police and municipal officials, that is everyday story for a small enterprise owner and petty merchant. Hence the strategy of the Ministry of Labour to specialize on skill upgradation makes far more sense than the Rural Development Ministry that aims on self-employment.¹⁵

Skill development is to be correlated to the demands of the industry and service sector in and around the city. Skill improvement is one of the important things needed in active labor market policies while employment growth in the relatively higher productivity services sector has been slow in recent years. The quality of training at ITIs has to be improved through upgradation and creation of Centres of Excellence by introducing multi-skilling courses.³⁰

However, well the talents of people match those required in the labor market, and also the outcomes of varied interventions undertaken thus far.

Millions and Millions of Indian youth should acquire the skills that may contribute to creating India a modern country and less pink-slipped country. Additionally need to create a pool of young people who are ready to create jobs and therefore the ones who are not capable of creating jobs and do not have the opportunities, they must be in a position to face their counterparts in any corner of the globe whereas keeping their heads high by virtue of their diligence and their dexterity of hands and win the hearts of individuals around the world through their skills. Thus, encourage people to resolve to enhance skill development at a highly rapid pace. Even a small event of growth reinforces the fact that you believe in and the sense of trust is hugely important for country development in employment rate.¹⁶

Training and skill Development considerably helps to provide an opportunity and broad structure for the development of human resources' technical and behavioral skills in the company that ultimately leads to optimum resource utilization, furthermore, it also helps the normal people in achieving their goals in carrier pathway. Training and skill development helps in increasing the job knowledge, task data and skills of employees at every level. It helps to expand the horizons of human intellect associated an overall personality of the staff.²⁸

Encourage continued learning to develop the potential of each people further. Knowledge transfer proves intrinsic to republic success since people learn from one another.¹⁷

IV.CONCLUSIONS

Jobs in India are diminishing as the unemployment rate crept to nearly 7.8 percent in June, according to the Centre for Monitoring Indian Economy (CMIE)—much higher than anything seen in the country over the last three

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decades. Whilst most countries saw joblessness rise in 2019, India's rate exceeded most emerging economies like Bangladesh (5.3 percent), Mexico (4.7 percent) and Vietnam (2.3 percent).²⁷

With one of the highest unemployment rates in Asia and its vast resultant poverty, India needs to take a long hard look at what unemployment looks like and where it resides to combat it and the poverty that ensues.¹⁸ With roughly 65 percent of India's population residing in rural areas, agriculture forms the basis of most livelihoods. But the unproductivity of agriculture, primarily due to a lack of skills, means that it's not only youth being affected by unemployment. Farmers and women are also suffering, with actual numbers skewed due to 'disguised' unemployment where large families work unproductively on small, marginal landholdings.²⁶

As World Youth Skills Day comes around once more, the topic of skilling comes to the fore. India's data highlights that skilling is the fundamental key to generating dignified employment and livelihoods. And as a nation, we must look at skilling in a broader, more holistic sense than mere vocational training that focuses primarily on youth.²⁵ With most rural families holding 'white collar' aspirations for their children, skilling takes a backseat in many rural households. However, time and again, data shows that vocational training provides tangible jobs and security for young people, not higher education and degrees.¹⁹

Sadly, the penetration of vocational training in rural India is abysmally low—93.7 percent (2017–18) of youth have not received any vocational training. A dearth of quality trainers, inadequacies in training programmes and an over-focus on academics rather than vocational training remain hurdles to skill development. Most training institutes are located in the nearest small towns, inaccessible to most, especially women, due to the lack of public transport facilities.

Indian agriculture is at crossroads and the need of the hour is to make farming a profitable venture to attract and retain those who want to quit farming. We also need to enhance agricultural productivity and incomes to solve the issue of unemployment which is often 'disguised' in the agricultural workforce.²⁰

For this, we need to develop practical skills among our farmers in various aspects of farming so that the traditional methods of farming (often time and cost consuming) are replaced by scientific, modern, economic, and efficient methods. Skill training is also pivotal to supporting farmers in diversifying and de-risking their income streams—helping them add high-profit ventures to their existing crops, including horticulture, aquaculture, poultry, and goatery.

Training can also support farmers in capitalising on various new opportunities like warehousing and logistics supply that are emerging in the agriculture and allied sectors due to the increasing commercialisation of farming. While encouraging farmers to use the latest technologies and machines, opportunities also arise in servicing such systems. Skill training can, therefore, provide an 'edge' to those who are seeking job opportunities in these sectors.²¹

History has proven rural women as pivotal torchbearers for social, economic, and environmental transformation. In India, agriculture employs about 80 percent of rural women—empowering them with knowledge and skills can bring about a paradigm shift towards economic growth in rural areas.²⁴

Additionally, providing capacity-building and skill training to women, particularly via the SHG movement, can help support a variety of women-led micro-enterprises and income generation opportunities. It can act as the tipping point for a family out of poverty, reducing their need to migrate.

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Skilling rural India provides a fundamental key to addressing unemployment in India and should be a top developmental priority for the nation—focusing on skills relevant to the rural economy in both the farming and non-farming sectors—and targeting youth, farmers and women, all of whom have the potential to create prosperous livelihoods.²²

Rural India, abound with natural resources and human capital, has all the ingredients to become a powerhouse of national development, but we must curb the unemployment that resides there. Unless we invest in the human capital that lives there—and empower them with knowledge and skills—we will not only squander a valuable resource but reducing unemployment will remain a distant dream.²³

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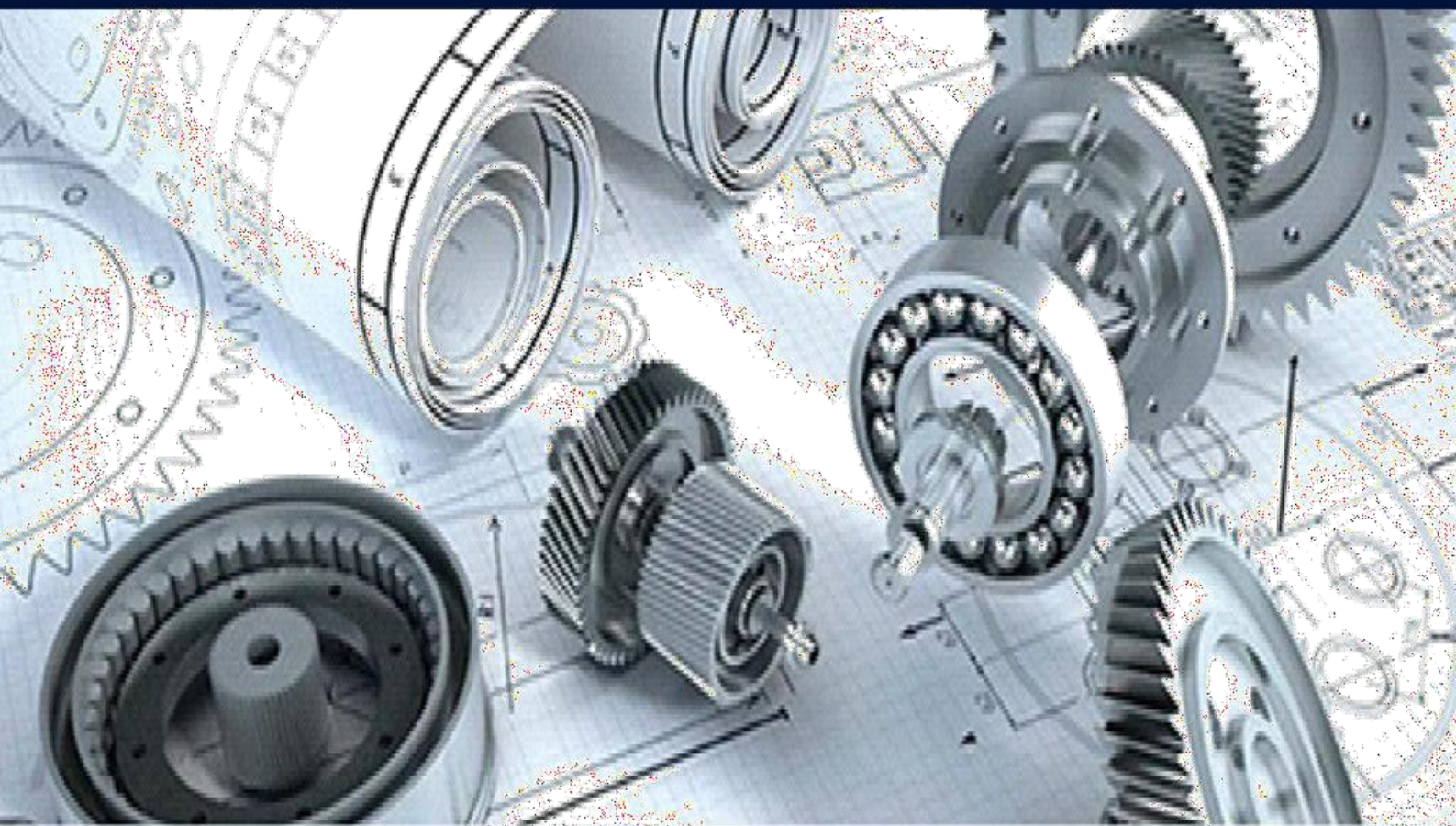
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