Strategic Entrepreneurship, a Global Scenario for the Development and Sustenance in Emerging Economies

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Abstract:
Several advances and breakthroughs have been made in the past few years on the link between entrepreneurship and economic development. This research analyses the multiple factors that influence entrepreneurship in countries with an emerging economy, especially India. Apart from this it even talks about Strategic Entrepreneurship and its tool. It also aims to establish difference between Entrepreneurship and Strategic Entrepreneurship.

Keywords: Economic Development, Entrepreneurship, Strategic Entrepreneurship, Emerging Economies.

I. INTRODUCTION
India has undergone remarkable transformations after Independence. In the past decade, India’s growth rate has accelerated because of the varied programs initiated by the government. Roughly its economy has improved with the average annual growth lying between 6.66% to 7.498%. It is quite evident that India is a relatively large economy and can be grouped amongst the low-income countries of the developing world. Hence, the size of the economy ensures that the process of averaging must be at work. This has further given a perfect platform to the people belonging to the middle-class population to come up. In the case of India, Economic growth is the need of the hour. To achieve the same, the economy should undergo an annual growth of around 8.95% every year, consecutively for around 12 to 15 years. Employment is the most appropriate option for economic growth. India is a country which comprises of more than 50% of youth, mainly belonging to the middle class who possess more resources and information about the same. Along with all these things the need for a sustainable plan for employment generation and wise implementation of human capital is the utmost priority. Rapid Industrialization has long been viewed as a key to sustained growth and modernization of the economy. With such expeditious advancements, a change in the prospect of job opportunities in the entrepreneurial sector is surely expected even when the industry can generate a large amount of employment. Moreover, it would possess a flexible and adaptive networking. Entrepreneurship has evolved through centuries, and it has been viewed differently according to conditions prevailing in the world’s economy. The new-age business ventures are now becoming more and more idea-centric. However, against this industrialization and advancement in entrepreneurship in India, there are some obvious shortcomings. In India, the start-ups cost about 40% of the income generated while in countries with a strong economic background this cost cuts down to some 8% to 11%. Furthermore, the documentation and regulations that are to be completed before starting a firm are around triple times longer than those in the top 30 economically advanced countries where everything goes on an online base. Money is the output of every business but what is more important is satisfaction. One of the big four auditors and a professional service company, Klynveld Peat Marwick Goerdeler surveyed to study the same. They mainly focused on the level of satisfaction of entrepreneurs in India. As per the survey entrepreneurs were rated a 3.99 on 5 for their inheritance and constant innovation. One of the main aims of the study was to look out for the various factors which affect entrepreneurial growth. Some of them were government issues, compliance issues, and environmental issues. However, at the top of all were factors such as Capital investments in the form of infrastructure, human resources, and financing options. In India the establishment of small scaled and medium enterprises though seems easy despite the various aids provided by the government, enterprises face several problems due to uncooperative attitude of financial bodies. It has clearly been stated by this research that there is a difference in what entrepreneurs anticipate and what is given to them in the form of financial aid and governmental support. In stock, all entrepreneurs face the problem of infrastructure and hiring experienced and able employees. All this leads to considerable capital investment and ends up investing more than required on assembling a skilled working team.

II. AIM
The main aim of this chapter is to appraise all those aspects which affect entrepreneurial growth. Moreover, theoretically shedding light on the channel between opportunities provided by countries on the verge of economic development to Entrepreneurship mainly in India.
III. STATEMENT OF OBJECTIVE

• To reassess specific works of literature written on entrepreneurship that has necessarily contributed towards investigating strategic entrepreneurship in the emerging economies.
• To knit a relationship between the opportunities provided by the countries developing economically and the factors influencing the entrepreneurial practice in India.

IV. SCOPE OF THE RESEARCH ON ENTREPRENEURSHIP AND EMERGING ECONOMIES

Entrepreneurship has evolved through centuries, and it has been viewed differently according to the conditions prevailing in the world’s economy. As these economies grew, and companies started competing with one another globally, the emergence of numerous idea-centric and need-based companies mushroomed all over the country. Usually, researches have defined an entrepreneur just as a catalytic agent of change in the business world along with his works. Analyzing researches done in the past, portrayed only about the entrepreneurial firm and its sustainability. However, these aspects are somewhat incapable of testing Entrepreneurship. Instead, it falls under Strategic management. Therefore, due to this the researches on Entrepreneurship did not encompass the opportunities spotted by the entrepreneurs. Early studies within the area of Entrepreneurship looked into the situations below which entrepreneurial possibilities had been exploited inside the market. The preliminary framework of Entrepreneurship is regarded into three factors. First, one being the sustainability, discovery, and exploitation of opportunities. The impact of Individual and opportunities and last but the most important strategic opportunities. Entrepreneurship makes it clear that the key to success in business is not just inheritance; instead, it is the creation of more wealth and the constant innovation, from the prevailing to the next best practices. An entrepreneur, therefore, is a self-confident and optimistic person, willing to assume the risks involved in innovations, new ventures, and expansion of an existing venture. After researching over a long period, researchers from the point of sustainability and inheritance defined Entrepreneurship. Moreover, the research would certainly help in identifying the difference in the situations of the developed economies and emerging economies on a large scale, keeping emerging economies such as India in mind. In all, the research would analyze the numerous aspects which have an impact on the entrepreneurial opportunities. Accumulation of data in order to build up a scholarly article and giving a new perspective to the field is now essential. The research builds up a well-versed logical connection between the opportunities provided by the developing economies and the establishment or inheritance issues faced by the entrepreneurs. Aiding with the scope of empirical researches this study succeeds in achieving the aim and thereby extending its appropriateness and practicality across all the industries in which the emergence of Entrepreneurship can be expected.

V. CONCLUSION DRAWN

In order to expedite the strategic growth in the entrepreneurial area, this study obtains a holistic picture of the practical challenges faced by Entrepreneurs, theoretically, which is further accomplished by analyzing all the aspects which influence the growth of Entrepreneurship in India. By assessing these two significant points the problems faced by budding Entrepreneurs is expected to cut somewhat short. By using a mixed method wherein statistical analysis involves descriptive-correlational approach to mark the opportunities provided by Emerging economies to Entrepreneur, the research will also specify its level in the present market; whether it needs to be saturated or be increased by introducing more sustainable and idea-centric aspects for a rapid emergence of innovation in the Sector.

VI. LITERATURE REVIEW

Amongst the six significant challenges spotted, four arose because India is still on the verge of economic development. Therefore, this structured Literature Review is used to evaluate the controversies which influence the pursuance of Entrepreneurship in developing economies such as India. Apart from the issues mentioned above some more were diagnosed by analyzing the numerous theories on Strategic entrepreneurial opportunities. Against several challenging and complex situations emerging economies stand out firm on still providing significant opportunities. This chapter focuses on all these factors and assesses them theoretically.

VII. ENTREPRENEURSHIP AND RESEARCHES

The key to building prosperity and stimulating economic growth of the country is fostering Entrepreneurship amongst the people. Entrepreneurship and economic growth in India have become a topic of interest for research scholars. It is now necessary to investigate the vast spectrum of Entrepreneurship in order to acquire a better understanding of Economic Development in various sectors of a country. The major items on the list of investigation on Entrepreneurship are: Beginning with, who are entering the field, with what purpose and what opportunities has he/she created. Secondly, the unique locations at which Entrepreneurship emerges. After this, its historical background finds a place. And well known to all, Knowledge about history helps to avoid mistakes in the present and thereby, ensuring a sustainable future.
VIII. LINK BETWEEN EMERGING ECONOMIES AND ENTREPRENEURSHIP

The relation shared by Economic Development and Entrepreneurship as stated above has become an active field of research. As a central element in securing the competitiveness of the countries which are developed economically, it plays an even more extended role in the developing economies. The Countries which are on the verge of economic development can be called as low-income nations with aid provided in the form of policies by the Government bodies. However, this has not been supported much because it is believed that Natural Resources are one of the essential criteria in shaping the economy. This research, therefore, discusses the role played by Entrepreneurship in the economic development of a country. Mostly the debates going on currently; focus only on the significance of Entrepreneurship concerning economically developed countries. However, it seems to be more critical when connected with the less developed economies. The researches on advanced countries cannot be linked with the less developed Economies because of the differentiation by factors such as Stability, industrialization, and development. There is a vast difference seen between the background of developed nations and the ones which are still on the verge of economic development in numerous areas. Business is not just made successful by efforts and investments; Social background is even an essential aspect of the same. The Governing bodies in a nation are not just meant for decision making but even for participation in the various business activities through firms, center owned, etc. Thereby playing a vital role in the development of a country. People with useful social contacts and innovation as the base have molded their Business well. By studying researches done on developing economies, it can be figured out that the situations of emerging economies differ from those of the ones which are developed. With advantages come short-comings as well, and in case of Entrepreneurship, the cause of its less adaptability and sustainability in the current market scenario is because of the absence of transparency, costly monitoring, and distortion of data collection. Markets occupy an essential position in shaping economies, as a result of unpredictability in institutional, political and economic areas, risks increase as Business firms face difficulties. As discussed above business is provided a crucial belvedere by developing economies to inherit themselves. There are three angles pointed out which influence the growth of Business Firms majorly in the nations on the brink of economic development, namely Resource-based, transactional cost-based and the institutional theory. All of the theories mentioned above have a connect with the challenges faced by Entrepreneurs in emerging economies. The full impact of each of these three aspects has been discussed below. Starting by analyzing the resource-based theory. This perspective can easily provide us with an explanation about how various business organizations look for advantages by a competitive perspective and by making use of available resources.

The availability of resources is essential mainly when a business firm is located in a developing economy. However, aggregation of resources to establish good productivity is an operose task due to the numerous policies introduced by the government. The elemental resources required by a Business firm are Uniqueness, reputation, and sustainability. The presence of accessible resources influences the mode of expansions of a firm, thereby opening safer options.

Next theory is related to the Transactional cost. This perspective helps carefully examine the conjunction between the business organization and the external environment and principally deals with the ideals of minimizing waste. Furthermore, it depicts the efficiency of an organization and at the same time projects an ideal structure of complex transactions. It helps to figure out an improvised organizational adjustment and to locate an alternative which is somewhat related to transactions thereby keeping efficiency objectives in mind. For instance, a convoluted and perilous transaction may come out to be expensive, but this expense can be wisely cut down by personalizing the transaction by using vertical integration offers. This method seems to be more economical than market transactions. Almost all firms work by getting connected with external firms. Therefore, this theory gives us an idea of the background in which entrepreneurial firm functions. Last on board is the Institutional theory, which looks out on the structure which influences the functioning and structure of the Organization. It indicates those factors which influence the organization’s decision making and are empowered enough to make decisions. When we compare the Domestic organizations with the Multi-National ones operating in the developing nations we observe that in the domestic ones respond rapidly to changes in the institution, whereas the ownership in multinational firms is well planned to keep efficiency and transparency in mind. These firms even stand at an advantageous position over the domestic ones because of their experience with emerging nations and their thoughtful response towards uncertain situations. This theory even encompasses the adversities caused because of the regulatory issues proposed by the government. These regulatory principals have a profound impact on the setups of the business organizations counting the issuing of the license till the permission of practicing. Due to uncertainty in the amendments in these policies in the future, the pursuance of entrepreneurship becomes an extremely tedious task in emerging economies. However, these experiences which companies accumulate in the developing countries prepare them to survive in the developed nations.

IX. THEORETICAL MODELS EXPLAINING ENTREPRENEURSHIP

Most of the theories and researches describe entrepreneurship as a ship on a voyage that has onboard innovative people who like to do all the constructive things which nobody could lay on themselves, believe in making a fortune out of ideas and are bold enough to carve their futures. Many theories stated that Entrepreneurship is not just an essential element of economic growth or a combination of innovation and commercialization; rather Entrepreneurship involves organizing and setting up
firms based on some ideal theoretical models as well. Two researchers named Zahra and Wright even proposed one of them. Their model helped pinpoint the numerous factors which affect the Entrepreneurial Growth. It even included the entire cycle of the entrepreneurial journey. The theory dealt with the issues related to the background of an Entrepreneurial firm and stated that networking and social contacts are also a part of an entrepreneur’s journey. Apart from these issues the Government policies and judiciary framework even alter the expansion. The first part of this research is theoretical and hence encompasses all the frameworks from the economic theories proposed so far. As in an Emerging economy, there are many uncertainties, all these factors undoubtedly affect the Entrepreneurial practice.

X. ENTREPRENEURSHIP AND OPPORTUNITIES

Entrepreneurs can be called as problem solvers as their Entrepreneurial actions are efforts to solve problems for others. With each solution they find, there is an emergence of a new value. In the Business world, problem solvers take risks but often create value by solving a customer or market problem, which is the key to creating a profitable enterprise. Larger the problems an entrepreneurial organization solves, more is the profit generated. Business is therefore determined just by the wise decision making of an entrepreneur. Along with this, it is even imperative to utilize the available resources strategically. However, all the firms practicing in developing nations have become adaptive enough towards uncertain conditions in the political, social and industrial changes. Most of the Entrepreneurial ventures have survived when they solve problems of people understanding their needs and accordingly changing the product as per their needs. Being a developing nation leads to several challenges arising on the pathway of establishing a successful entrepreneurial firm. Moreover, these influencing factors have been specified by the researchers. The first is one’s educational qualification which helps a person possessing knowledge about the Entrepreneurial field before starting with the venture. With knowledge, it becomes effortless to spot opportunities. Family background and some work experience even influence the opportunity-seeking ability of an entrepreneur. The second one is the property of maintaining consistency and effectively using the available human resources. The pathway to success is never a cakewalk and hence even after spotting the opportunities the work is still not done. The skill of strategic implementation is what matters more.

The economically developing nations are in a constant state of change, and the uncertainties arising in the market indeed offer more opportunities and enough scope to establish firms and make profits. This is where the entrepreneurial perspective finds a way. Apart from all these factors, optimism and creative thinking are equally important. It is the ability of decision making and implementation of entrepreneurial skills in an appropriate manner which makes a firm successful.

XI. ACTIVITIES ASSOCIATED WITH ENTREPRENEURSHIP

Emerging literature suggests that entrepreneurial startups are vital links between knowledge creation and commercialization of similar knowledge. As stated above, knowledge about Entrepreneurship is essential before starting a firm. Hence, knowledge by itself might constitute a necessary condition for growth. There are three points identified by the researchers which carve the entrepreneurial activities. The first on the list is the number of firms established, added and expanded. In the present time Entrepreneurship is likely to extend at an International level as well. However, the progress of an Entrepreneurial firm lies in the hands of the Entrepreneur. Broadening the Business to an international level or say shifting from Emerging Economies to Developed ones helps them to build a reputation nationwide. Not shifting from the topic, the second aspect is the innovation of the product or service as compared to the current market. Well, it is known that sustenance of an Entrepreneurial firm is in creating new things of value as well as new and creative processes that add value to the existing products or services. The budding Entrepreneurs in India somewhat have a frail approach. Exact reason behind this is still unknown, but this may be due to the crises of resources either in terms of the workforce or raw materials. The use of resources and technologies which are available in the market to create something unique takes place, but the perspective of carrying these technological advancements on a higher level is missing. This does not affect the Entrepreneurial firm much and teaches them how to survive with limited resources and capital. Diversity is crucial to surviving in the contemporary world and hence, distinctive initiatives, knowledge, background and analyzing opportunities in this field are found. These factors vary from person to person and even lead to the creation of competition amongst the business firms. Exploitation is, therefore, quite common because when a person is termed as an Entrepreneur, it is not just because of qualification but because of his/her innovative perspective. Also, all these aspects help to differentiate one entrepreneurial firm from another.

XII. STRATEGIC ENTREPRENEURSHIP, THE ENTREPRENEURIAL PERSPECTIVE OF THE 21ST CENTURY

The crucial role played by Entrepreneurship in economically advanced countries have made the individuals of developing countries conscious about its importance for economic development. So, in order to pave the way towards economic development, it is essential to make advancements in the field of Entrepreneurship both qualitatively and quantitatively. Competition has become an inevitable part of the business world, for a business firm of any size and therefore, it is not a drawback rather an essential part of business eco-system. With the Business opportunities and perspectives changing rapidly, the need for constant innovation to adapt to the changing business scenario becomes a priority. Moreover, concepts such as innovation, flexibility, networking, adaptability stand well in establishing Entrepreneurial firms. The art and science of planning and assembling resources for their most efficient and effective use with a tinge of creativity and entrepreneurial
perspective is what we can term as Strategic Entrepreneurship. Some researches state that the combination of strategic perspective and Entrepreneurship can open doors to several opportunities and profits.

In a nutshell, Strategic Entrepreneurship is the consolidation of strategy and Entrepreneurship. It is a new approach in the management literature and can even be termed as the Entrepreneurial perspective of the 21st century. A combination of Entrepreneurship, Strategic Planning, and Marketing complete its definition.

An ideal structure of strategic management can be explained well by pointing towards the four elements. The first one being the strategic use of resources, the second one is the implementation of creativity, third is the confidence and leadership skill required to begin with a new venture, and the last one is constant innovation. Researches carried out over time suggest that there is an enormous leveled scope of the same shortly. The primary use of Strategic planning lies in the predictability of possible future scenarios and variations and therefore, in the times of increasing dynamics and uncertainty, strategic formulation method should be regarded as a future investment. Strategic Entrepreneurship links itself to seeking opportunities, and similar is the case with Entrepreneurship. This is what links both these academic field well. Identification of opportunities is crucial as well as the first ladder to the stair of establishing a Business firm the next one is to develop competitive advantage thereby maintaining a position in the Contemporary world. Succinctly, Strategic Entrepreneurship combines the ability to seek opportunities and advantages from competitions along with a touch of entrepreneurial skills and marketing to establish a successful and profit-seeking Business Firm. Strategic management is not just constrained to Multi-leveled Business firms but even to the Small Enterprises because strategizing is that abstract thing which even shapes human personalities. To bring out long term orientations, strategic management is a must, as it is not just providing visions but more specifically, extrapolating present development tendencies into the future. A prospective entrepreneur has to find an opportunity which would be suitable for him/her in terms of customers to be served and profits expected. Also, it is not necessary that the market needs provide with opportunities, but they can even be derived from the needs and problems arising in society.

XIII. STRATEGICENTREPRENEURIAL STRUCTURE

A compelling and capable Strategic entrepreneurial structure is found out to stand on six significant junctures. So, a firm working hard on these six annexations stands out to be more competitive and an advantage as compared to other Business Firms.

The six junctures are namely, able management team and human resources, innovation and inheritance, organizational work, growth, flexible and adaptive networking, complaisance and change, and internationalization. Apart from these six junctures, the strategic entrepreneurship has further divided into four ambits which are entrepreneurial perspective, leadership, and entrepreneurial skills, applying strategic skills to business and bringing innovation in the service or products. All these junctions mentioned above and dimensions enable the sustenance of higher quality in entrepreneurial work and strategic handling. All this come under an exemplary structure of strategic entrepreneurship.

XIV. PLATFORM PROVIDED BY DEVELOPING ECONOMIES

Starting up a business in a nation which is developing is strenuous, and this has been made clear by the literature review. Despite the stressful situations, emerging economies still provide a vast platform to make a beginning as an entrepreneur. The primary concern of the study is to establish a secure connection between strategic planning and entrepreneurship. Moreover, it intends to mention all the opportunities provided by the Emerging economies to the Entrepreneurs by assessing specific Literature Reviews.

XV. FROM DEVELOPING ECONOMIES TO ADVANCED ECONOMIES

Nowadays, Business firms focus more on Venturing from Emerging Economies to advanced ones, and the most effective means of the same is internationalization. For this shift from emerging to developed economies, there are two ethereal opportunities which are often used, namely Reputation and Knowledge. Building a strong reputation of a firm helps to ensure sustainability and national recognition. Moreover, knowledge provides the firm with an ability to make wise decisions and prevents it from missing out on any golden opportunity. Apart from these factors, there are some more such as orientation towards international expansion, social networks, and level of knowledge. From the information analyzed by researchers, it can even be figured that those firms associated with technology are more likely to industrialize and prefer a stable environment over the uncertain ones. Researches also included the concept of Informal Economies or an organized and successful firm in an uncontrolled market. However, the history of Entrepreneurship in India starts from the era of Indus Valley Civilization. Across the perspectives of Entrepreneurship, there can be two significant conclusions drawn.

Firstly, the economic and social development and secondly, despite the separate fields of analysis entrepreneurship is more than just an economic function. The developing economies accept these kinds of Informal activities as their impact is based over two things namely the magnitude of the Business Firm and second is that these activities are connected with social beliefs. They form up to 12% in the total GDP especially in the advanced economies such as Europe, Japan, United States. Their contribution varies, and at times it can even increase up to half or two-thirds. Usually, the general laws and regulations of Business put up by the Government are ignored by the Entrepreneurs. However, some of the Formal
institutions have tried to handle all of them well, but it leads to constriction. At times it is the honesty which is also being tested. In a Formal organization, a business can be carried out in order to support the social economy, but at times the similar activities can even be done just for benefit. The decision lies totally in the hands of an Entrepreneur. Most of the Entrepreneurs prefer working with an informal economy rather than formal institutions because at times due to corruption they are not supportive enough. This can be a drawback in economic development because due to all this more and more people rely on Informal institutions. When we compare all the three, Emerging Economies, Advanced Nations and Informal Economies, it can be clearly stated that in the nations which are on the verge of development practice of Entrepreneurship is quite tricky because of uncertainties in the institutional framework, corruption and changes in laws and regulations. However, this is not the situation in the Advanced nations. They have a functional and robust institutional framework and judicial body.

XVI. CONCLUSION

Entrepreneurship is often categorized as an opportunity- or necessity-based venture. Serving as a vehicle of innovation and change, it generates economic growth. This Research has strived to illustrate the relation between Entrepreneurship and Economic development. The study also involves a Structured Literature Review, which theoretically analyzes all the challenges faced by Entrepreneurs. Previously discussed, the primary issue faced by budding Entrepreneurs is the difference between theoretical knowledge and practicality. However, the research does not provide solutions to these issues. Unlike the other researches, it does not discuss the literal meaning of Entrepreneurship rather centralizes the study over strategic entrepreneurship and further links it with the Economic Growth. Based on the survey of theoretical contributions in the vein of research, the ambition is to pinpoint the challenges which stunt the Entrepreneurial Growth in India. Some of these were issues related to human resources, capital investments and some of the governmental issues. Also, the research also evaluates the relationship between the platform provided by the emerging economies and the problems faced by the Entrepreneurs using a theoretical justification.

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