

INNOVATIVE ENTREPRENEURSHIP: AN INDIAN SCENE OF DRIVERS AND OBSTACLES

**Saif Siddiqui*
& Sumaira Jan****

ABSTRACT

Global entrepreneurship monitor (GEM) in its report in 2013 revealed that India is a nation whose economy is factor driven and not innovation driven. But still entrepreneurs here are continuously coming up with ideas, leading to the creation of such products/services which carry a great competitive advantage for them and thereby helping them to survive in this highly competitive business world. At the same time, this business world is becoming increasingly more complex. We see rapid advances in technology and most critically markets face rising churn and this causes an unprecedented rise in business failures today.

Among many reasons to avoid this failure we recommend the Innovative Entrepreneurship to be the most important factor with which Indian companies can achieve competitive advantage and avoid the likely failures in future. Still Indian economy is factor driven and not innovation driven. So there are great obstacles in its way, due to which India is not able to unleash its innovative entrepreneurial potential to the fullest.

The purpose of this paper is to identify the factors that act as positive forces of the innovative entrepreneurship in Indian scenario. We also focus on identifying the obstacles in the path of the said field and also attempt to identify the ways in which this innovative potential can be realised to the fullest.

Keywords: Entrepreneurship, innovation, innovative entrepreneurship, drivers, negative forces

INTRODUCTION

Innovation and Innovative Entrepreneurship

Recent decades have witnessed the innovation as a prime focus of economic research as it is seen to be a key long-term factor of economic development. Studies reveal strong Links between innovation, underlying research and entrepreneurial effort aimed at providing innovative products/ services to the masses/ customers. With innovation in their hands companies can achieve competitive advantage and successfully survive in the market. At the same time, start-ups and academic spin-offs, which bring the

****Dr.Saif Siddiqui, Assistant Professor, Centre for Management Studies,
JamiaMilliaIslamia-Central University, New Delhi-110025. drsaifsiddiqui@gmail.com,
Mob: 9990969168***

*****Sumaira Jan, Research Student, Centre for Management Studies, JamiaMilliaIslamia-Central University, New Delhi-110025***

R&D results to the market are supposed to have become a major driver of continuous and sustainable economic growth.

Organisation for Economic Co-operation and Development (OECD) says that innovations are not only associated with technological developments but they can also arise out of the business practices, workplace organisations and external relationships of the company. The importance of innovative entrepreneurship is being realised by many companies today. Companies, both new ventures and existing, are now spending their resources in training their employees, so that they understand the value of innovation in present competitive and dynamic era. It is considered to be the major requirement for sustained survival and growth of companies. Entrepreneurs take huge risk for their ventures and see things from the angle not visible to a common man. They are the ones capable of breaking the cocoon and thinking out of the box.

Innovative entrepreneurship is also about being able to identify the immediate and the future problems that could occur and being ready with the necessary defensive solutions to remove the hindrances that would come in the way of successful running of the venture. Dynamic entrepreneurs also believe in investing their resources for the research and development stream of their organization, so as to meet the changing needs of their customers by coming up with the products/services which are improved and better ones.

Innovation and entrepreneurship therefore cannot be viewed separately in the context of any business, whether small, medium or large. An organization in today's hyper competitive era can make its presence felt only by focusing on ensuring innovative entrepreneurship in their ventures.

Innovation and Entrepreneurship in India

As per a report published by United Nations Educational, Social and Cultural Organisation (UNESCO, 2013), India as a developing nation, is still struggling to fulfil even the basic needs of its 1100 million people. Compared to the United States of America, it has an annual per capita income of about \$940. About 800 million Indians have \$2 and 500 million Indians have \$1 income on per day basis, which is obviously very low and just not enough to ensure a proper survival and better future.

These people who are barely able to make their living can't be expected to deliver innovative thinking (exceptions could be there) and show great entrepreneurial behavior in the same way as the people who have best of everything in each and every facet of their life. Such people also lack proper access to finance as well which could have fostered their innovative entrepreneurial potential.

Considering the Indian business environment, solutions to these problems are there but they are not being implemented well. So here we have a problem with execution and not getting into unknown boundaries. Here in India we already know the solutions to all our problems but execution is where we lack. We need a huge number of skilled manpower for the same. This would in turn help us to remove the problems and give employment opportunities to millions of unemployed but skilled as well as unskilled population. Indian unemployed people are ready to grab the opportunity but they just need to be shown the path to be followed.

We, in India, lack the opportunity to be innovative and to implement our innovative ideas. We move to west because they are the people who are innovation driven. Their economy is worthless without innovation. So they continuously focus on thinking out of the box and being innovative. It is said that India doesn't need innovation; we are more focused towards implementing the innovations of other countries. The fact is that US has more Indian innovators in the US than India has in India because the demand for innovation is greater in the US than in India.

However a comforting fact is that the Indians have a tendency of self-employment which was revealed in the 62nd National Sample Survey Organisation's report on employment showing a national average of 254 per 1000. We have seen great entrepreneurs whose innovation potential has paid the nation in the form of:

- Jobs to millions of people
- Great infrastructure in the form of hospitals, roads, universities etc.
- Making international technologies local
- Contributing around 18% to the nation's Gross National Product annually.

All these facts make it clear that India has a great potential for innovative entrepreneurship but it needs to be unleashed to the fullest. For it we need to know what the positive and negative forces are, which drive its growth and act as obstacles in the same field.

We, through this study, will identify the main drivers and obstacles of innovative entrepreneurship in India and will also unveil the ways in which its innovative potential can be unleashed.

LITERATURE REVIEW

Abhyankar (2014) in his study suggested that in spite of making heavy investments in technology and innovation, India has so far not been able to tap its innovative potential to the fullest. This is attributed to the reason that we have a fragmented innovation ecosystem. The existent policies towards innovation have certain basic flaws which lead to its failure. This study examines the governmental initiatives taken to promote innovative entrepreneurship in the country for ensuring better economic development. Many initiatives have been taken by the government to strengthen the innovation ecosystem including: establishment of national innovation council, the new Science, Technology and Innovation Policy 2013, which is intended to promote entrepreneurship and science-led solutions for sustainable and inclusive growth etc. it proposes that with measures like these we should be able to strengthen the innovative ecosystem in our nation. The current challenges identified include: fragmented policy and policy implementation, inadequate funding of research and development, difficult and lengthy funding procedure, angel, venture capital and seed funding, weak linkage between stakeholders, non-conducive educational system, poor infrastructural facilities in rural areas, inadequate protection of intellectual property rights etc.

Sharma (2014) proposed a study which revealed a few enterprises from the selected sectors including: IT and pharmaceutical in India which are innovative in their business dealings and the process itself. This study is done in the form of case studies and the factors investigated include: background information, management of innovation, factors that influence innovation, resources of innovation that affect implementation of innovative practices in SMEs. In it some enterprises are start-ups which belong to first time entrepreneurs while some others are decade old which have shown quite a growth with time. The study revealed the following factors to influence innovation: opportunities, new business proposition, high cost of existing product, aim to have more market share or to be the market leader or to provide affordable medicine to everybody. It also revealed that this innovation will be managed differently in different sectors.

Sharma (2014) in her second study revealed the various innovative and non-innovative small and medium enterprises in India. More specifically, it answers the following queries: How are innovative SMEs different from non-innovative SMEs in India? What different types of innovation are adopted by SMEs? This study is conducted on four sectors: Automotive Component, Textile (Garment

manufacturing), Pharmaceutical and Information Technology. The study found the innovations and resources availability to be the main differentiating factors between the innovative and non-innovative firms in India. The innovative small and medium enterprises are involved in the improvements depending on the nature of sector, product, cost and demand of that product in the market. And the non-innovative firms in their failure to recognize the challenges are not able to survive successfully and hence perish.

Crumpton (2012) proposed a study which aims to discuss the importance of innovation and entrepreneurship in today's economic environment and why such activities should be part of leadership. It shows that more innovation and resulting entrepreneurial activities are needed as companies need to redefine themselves to continuously enjoy that competitive advantage with which they can successfully survive and grow in the market. It also revealed that for innovation to work, we need to have a proper culture within which it operates.

Spulber (2012) in his study proposed that tacit knowledge affects the trade-off between entrepreneurship and technology transfer. A model is presented where an inventor and the existing firm get involved in the strategic innovation game by choosing whether to compete or to cooperate through technology transfer. This model highlights how the problem of tacit knowledge affects the inventor's R&D investment and the existing firm's investment in absorptive capacity. The inventor's tacit knowledge implies that benefits from own-use through entrepreneurship can exceed the benefits from technology transfer. While at equilibrium the high quality inventions lead to entrepreneurship while the lower quality leads to the transfer of technology. R&D investment and absorption investment are strategic substitutes in the innovation game with the option of entrepreneurship. Entrepreneurship increases the expenditure on research and development and reduces the absorption investment.

Dubey (2011) conducted a study which puts forward the importance which the innovation has in businesses and explains the process which incubates the same and is often pointed to entrepreneurship. Innovation as a factor influenced by entrepreneurship and vice versa is not new but has started to gain practical importance recently. This study gives a framework that assesses the general factors in a qualitative fashion and defines key variables imposed on identified constructs. This paper brings to light the fact that the entrepreneurship which is innovation driven tends to give the outcome which is innovation intense.

Dahlstrand and Stevenson (2010) proposed that small and medium sized enterprises are essential for the economic growth and development. These organisations are heavily involved in the research and development and innovation at their work place. This paper suggests that the areas of innovative policy and entrepreneurship policy need to be integrated for an effective economic development. It suggests that problems are likely to occur in the path of this integration for the policy makers but it will also bear fruits in the near future in the form of economic development. So policy makers are suggested to put forward their policies on innovative entrepreneurship for greater impact on developmental works in the countries.

Schapperetal (2010) proposed a study which focuses on identifying the various challenges/ negative forces which come up while running a business in some selected nations including Australia, New Zealand, China, India, Singapore, Malaysia and Hong Kong thereby providing a truly international perspective. It also focuses on providing the theoretical and practical knowledge needed to successfully own and manage a new, small or growing business venture. It covers all of the key concepts and tools needed in both entrepreneurship and small business management in the above mentioned selected countries.

Gopal and Shetty in their study on innovative entrepreneurship in the year 2008 suggested that due to intense competition and global economic churn most of the businesses have not been able to sustain in the market. They have not been able to identify and come up with something which could differentiate them and made them survive such instability. This study proposes that innovative entrepreneurship is one way through which companies can get their sustainable competitive advantage. This way they can not just survive but also overcome their competitors in terms of market share, revenue, profitability etc.

According to **Levenberg and Schwarz** (2008) developing nations need to work on improving their level of entrepreneurial activity and treat it as an economic and a political goal, if they want to achieve greater economic growth. This study reveals as to what could be the next generation of entrepreneurs in India and it is found to be the undergraduate business students. After identifying the class, it then attempts to draw comparisons between the students in India with that of USA. Despite a lot of barriers emerging from the past, a number of factors now tend to come up, change the national mindset and facilitate the development of innovation and entrepreneurship in India. This new class showed higher level of interest in starting new ventures than their counterparts from the west as per this study.

Bonte, Falck and Hebllich (2007) in their study propose that demographic divergence is going to be a major problem for the policy makers in the developed world in the years to come. This paper studies the relationship between demography and the innovative entrepreneurship. It suggests that the demography has a great impact on the level of innovative entrepreneurship. USA is seen as a nation which is driven by innovation while India is settles at being driven by availability of the factors required for the production process.

Fang Zhao (2005) developed an alternate understanding of the positive nature of entrepreneurship and innovation. It involved conducting an empirical study of various organisations; and to develop an integrative framework of the interaction between entrepreneurship and innovation. The study revealed that innovation and entrepreneurship are positively correlated and help the firms to maintain, grow and flourish in this highly competitive and dynamic global era. Organisations need to show a proper mix to enjoy the leverage from the two. These are required not only at initial levels of the venture creation but stay equally important during the other phases of the venture life cycle.

Faltin in 2001 in his study on innovative entrepreneurial culture proposed that entrepreneurship has many more things attached to it than just self-employment and hard-work; to tap its potential to the fullest. He identified it as the capability to identify the opportunities which no other person sees, tendency to convert it into some novel or innovative product, service, method or measure etc. this study suggest that today's dynamic society should be carefully researched upon to know about its actual and latent needs and use innovative entrepreneurship to convert them into self-business opportunities. So this study calls for fostering the innovative culture in all the countries. It further adds that it is one of the great measures with which developed nations can enhance their infrastructure and hence ensure overall development.

Researchers like **Hebert** (1989), **Dees** (1998), **Hagedoorn** (1996) etc have conducted studies to know about the contribution of Joseph Schumpeter in the field of innovative entrepreneurship and it was found that he has revolutionised the field of innovation by giving numerous concepts related to innovation, entrepreneurship and economic development, change and renewal among persons, organisations and institutions. These concepts have changed the ways in which entrepreneurship and innovation was being viewed about 70 years ago. Schumpeter said that entrepreneurs are the ones whose innovative efforts can make the economic development of any nation. He said that entrepreneurs through innovation destroy the already existing economies to give way to the creation of new and better economies which are fully developed. Prior to his work, innovation was seen as something with negative implications. Schumpeter said that entrepreneurship should focus on

innovation to ensure economic development. Innovative entrepreneurs should carry out odd combinations and make things different. These odd combinations will lead to the creation of a new product with new features, quality etc., or service, new market, new source of raw materials, new process etc.

The review of literature reveals that concepts of innovation and entrepreneurship partly overlap and are pretty close to each other.

RESEARCH OBJECTIVES

- To study the various positive forces/drivers of innovative entrepreneurship in India.
- To identify the various obstacles/negative forces which are in the way of innovative entrepreneurship.
- To study the ways in which India can explore its innovative potential to the fullest.

With these objectives in mind and after the review of relevant literature, we have identified the following positive forces of innovation and entrepreneurship in India:

Government initiatives

- **Innovation Inclusion fund (IIIF)**, launched in India in January 2014 with the view to bring together innovation and the dynamics of enterprises to solve the problems which are being faced by the poor people who are at the base of economic pyramid in India. This fund is registered under SEBI's alternative investment fund category I guidelines. This fund has an initial investment of Rs.500 Crores in which 20% is provided by the ministry of small and medium enterprises and the rest being given by the banks, insurance companies, financial institutions etc. One of the objectives of this fund is to provide good financial returns and providing maximum benefits to the concerned people. The IIIF involves the incubators, angel groups, R & D programmes etc. to promote innovative technologies and hence innovative entrepreneurship in India. The government doesn't intervene in the day to day operations of this Fund. The same is entrusted to an Asset Management Company (AMC), set up as a Section 25 not for Profit Company. The AMC in turn appoints a professional management team for this purpose. Governing council of reputed persons from public services, industry, entrepreneurship etc. keep sight on this fund to ensure that the main purpose of this fund is maintained. The AMC enables incubation, provides training and skills development programmes to entrepreneurs to facilitate innovation in India, thereby acting as one of the major drivers in current scenario for innovation and entrepreneurship in India.
- **The government of India** has adopted some globally available systems which are customised as per Indian requirements. Focussing on certain industries, some institutes have been established to facilitate innovation and entrepreneurship, under the flagship of the systems so imported.

National Science and Technology Entrepreneurship Board (NSTEB) promote entrepreneurship and innovation development through Science & Technology in India. Researchers and academicians, through this program are encouraged to participate in socially relevant entrepreneurial roles. Under the shade of NSTEB, various institutes and training programmes have been formulated for innovation and entrepreneurial development, which are as:

1. Technological Business Incubators ensure that technology and knowledge driven enterprises are established and research outputs are used for the benefits of all.

2. STEP – Science and Technology Entrepreneurs Park (STEP) provides a link between universities, academic and R&D institutions to ensure the free-flow of research knowledge across these all, promote the development of innovative organisations and give resource based R & D support to the small scale industries.
 3. IEDC – Innovation and Entrepreneurship Development Cell (IEDC) promotes innovation, creativity and entrepreneurship among the students of different educational institutes.
 4. EDP – Entrepreneurship Development Program (EDP) gives a training session of 6-8 weeks duration which aims at training the students for learning to tackle the different aspects of setting up an enterprise.
 5. OLPE – Open Learning Program in Entrepreneurship (OLPE) is a distance learning programme that aims to help the potential entrepreneurs by giving them necessary study material and imparting the knowledge through other means, to handle different processes which are involved in running a venture.
 6. EAC – Entrepreneurship Awareness Camp (EAC) is a 3 days duration training programme that gives career counselling to students and motivates them to take entrepreneurship as a career option.
 7. STEDS – Science and Technology Entrepreneurship Development Scheme (STEDS) aims to ensure the economic and social development of an area by efficiently and effectively using the resources available in that area, be that human or natural resources.
 8. FDP – Faculty Development Programs (FDP) are supposed to give training sessions to teachers of science and technology institutions, so that they can motivate students to take entrepreneurship as a career option.
 9. TEDP – Technology-based Entrepreneurship Development Program (TEDP) is a 6-weeks duration training developed in collaboration between research and development institutions and CSIR labs which focuses on certain specific products and technologies only.
- **Indian govt.** in its 12th five year plan has decided to invest around US\$ 400m to establish 15 technology-development centres with help from the World Bank. The main objective of these centres would be to strengthen the innovative entrepreneurship in the country.
 - **Indian govt.** has also set aside a sum of US\$36m to fund the organisations which are involved in doing research and development, focus on innovations and commercialise the products for the people as per its 12th five year plan.
 - Every year **ministry of micro, small and medium enterprises** felicitates outstanding performers in the field of innovation and entrepreneurship, gives financial and other support for R & D, product quality etc. to promote the same. Besides helping to motivate the people to choose entrepreneurship as a career option, it also helps to strengthen the entrepreneurial culture of the country.
 - **India today is a young nation** as every third person here is a youth. As per “State of the Urban Youth, India 2013: Employment, Livelihoods, Skills,” a report published by IRIS Knowledge Foundation in collaboration with UN-HABITAT says that from about seven years from now, the average Indian will be of the age of 29 and with this it will be the youngest nation in the world. So we are a young nation and are just to be the youngest nation in the world. A closer analysis of youth psychology reveals that they have more creative minds than others. This creativity in them sparks their genes for innovation. Youth are the key agents of economic development in the country through entrepreneurship and innovation. They are more active in political activities, give urgent

attention to improving the quality of their lives, social causes and when it comes to do anything for their country, they are always pro-active than others. So, Government support and this creative mind is the reason why many young innovative entrepreneurs have created their own name and fame in the society in the recent past only eg. Sachin Bansal and Binny Bansal (founders of Flipkart), Kunal Bahl (Snap Deal founder), etc.

So all these institutes and various other programmes in the form of providing technical assistance, subsidies, tax deductions, motivation for innovative entrepreneurship etc. have been started by government of India to facilitate innovation and entrepreneurship in India and ensure better and enhanced overall development of our country.

OBSTACLES

- **Research and development:** India globally has always been seen as a nation which doesn't focus on innovation much as per Global Entrepreneurship Monitor's annual report of 2013. As per National science foundation, India used to spend less than a percent of Gross Domestic Product on the research and development programs annually. The expenditure of a single Japanese company on R & D was even more than what all our industries, taken together, spend on R & D. Ministry of statistics and programme implementation's 2012-13 report reveals that the corporate sector contributes about 18% to India's GDP alone. In developed nations it is about 45%, thereby showing that we still need to unleash our potential to the fullest. Potential for innovation is influenced by factors like scope for R & D which impacts the level of innovations and inventions which can be converted to products/services for people, number of universities and research institutions which conduct researches by creating incubation cells, governmental regulations concerning innovations etc. These factors impact the business environment where the organisations work and hence determine demand for innovation. So we see that India has a lower R & D expenditure and so lower innovations. This becomes one of the obstacles in the way of innovative entrepreneurship in India.
- **Insufficient Communication and Collaboration:** One major obstacle to innovation and entrepreneurship in India has been found to be insufficient communication and collaboration between the Universities, research institutes, scientific community, business operators etc. which are the major stakeholders of the innovation and entrepreneurship in India. These help and support entrepreneurs in establishing companies, commercialise their innovations, bring them to the market and provide financial support. Since in modern times, the linear model of innovation is not applicable, so the links between different aspects of the model need to be closer and stronger. But considering Indian scenario, these links are weaker and hence insufficient. These links if strengthened can lead to greater research activity and hence more would be the innovations and market needs would be met in a better way.
- **Risk averse society:** Today even after being an independent nation, Indian society doesn't encourage entrepreneurship especially the ones which are innovative as it carries huge risk with it e.g. International monetary fund in a report in 2013 revealed that every year lakhs of new companies are set up in USA, among these about 50% fail but in India just a few thousand companies are established each year. It is because failure is seen as a beginners step for greater success in life, in USA. But if we talk about India we don't encourage any such thing which could lead to failure, to a greater extent. Due to this thought society becomes unsupportive and acts as an obstacle in the way of innovative entrepreneurship.
- **Lack of true seed capital:** During the course of study on the topic, it was found that the true seed

capital used at the very initial stages of the development of an innovative enterprise was lacking in Indian scenario. Normally here we find availability of seed capital at the later stages of development only. Reports of venture intelligence June 2011 revealed that smaller ventures here are often overlooked especially when they are located in rural areas. This report also says that much of the funding is taken away by the companies which have greater growth potential. Also the private equity players focus on firms which are mature and have better growth options.

UNLEASHING THE LATENT POTENTIAL

Irrespective of so many problems, many innovative entrepreneurs are breaking the cocoon and emerging as the leading corporate. But we have still a long way. Now the ways in which we in India can unleash innovative potential to the maximum extent include:

The Demographic Dividend Way

Currently population of India is around 1.21 billion, which not only poses great challenges but also means very good opportunities. As per "State of the Urban Youth, India 2013: Employment, Livelihoods, Skills," a report published by IRIS Knowledge Foundation in collaboration with UN-HABITAT, about seven years from now, the average Indian will be of the age of 29 and with it we will be the youngest nation in the world leaving behind China, Japan and USA. This means that we won't have any shortage of manpower in the years to come which will help the country to enjoy sustained and improved economic growth. But here with this young population we need to orient them towards creativity at the very early stages of their life. Here role is to be played by the educational institutes, governmental organisations etc. who will work on unleashing and exploring the innovative potential of this young population.

Unsaturated Indian Markets

International companies are now eyeing the Indian markets because its huge population gives huge market to be served and meet the hidden needs of the masses. Launching a scooter (kinetic) which is non-steel, gearless and self-start in response to the latent need of Indian customers one such example. Indian companies are now competing against some of the finest international brands like GUCCI and Prada to serve the needs of changing Indian consumer. Indian consumer is continuously working to meet the international standards of living. This paves great opportunities for the emerging entrepreneurs to come up with their innovations, unleash their potential, tap these unsaturated markets and get the competitive advantage.

Mobilise the savings of common man

Economic survey 2012-13 revealed that domestic savings in India were 31% of GDP. If all this money is pumped back into the economy, it can considerably impact the national income. These savings under proper guidance and mentorship can work wonders for the country. But this money can also be used in some other fruitful things like research and development projects, giving financial support for entrepreneurship and innovation in the country etc. So we just need to mobilise these savings to be spent on the research and development purpose, which in turn will facilitate innovation and ultimately innovative entrepreneurship in the country.

Streamlining Foreign Direct Investments

Foreign investments have always been a great source of growth to the Indian economy. Despite the current economic downturn in the world, India has still received its share of foreign investment in

different industries and sectors. In fact the FDI inflow has grown to about 17% in FY 2013 as per a report published by United Nations Conference on Trade and Development (UNCTAD). Mauritius led inflows into India with US\$ 4.11 billion of FDI during April–January, 2013–14, followed by Singapore (US\$ 3.67 billion), the UK (US\$ 3.18 billion) and the Netherlands (US\$ 1.7 billion). With the change in the Indian govt.'s policy towards foreign investors, some of the huge international companies have pushed some dollars into our economy. These include TESCO, Singapore airlines, Etihad etc.

Streamlining these funds from FDI towards the innovation and R & D will greatly help Indians especially youth to unleash their innovative potential and come up with enterprises or products/services which can revolutionise not just the national but global markets as well.

Immunity from the Recession

During the recent recession India has shown some immunity as against others. No doubt there was a slowdown but majority of the sectors made promising profits. When world class organisations were firing their employees to reduce their costs, Indian companies were unaffected. A report revealed that Indian companies are still hiring new people and promoting older ones. Traditionally India was known for lesser employment opportunities but the fact is now we have tremendous inflow of funds and valuable experience. We have abundant skilled and experienced employees in the market. All these things clubbed together can prove to be of great importance where youth can use their creativity and all the above things to establish successful and competitive innovative enterprises. "Recession can lead to Indian progression", is the verdict.

Fear Is In the Air, Instilling Confidence Is the Key

With the huge loss to the companies, an era of fear has crept in the minds of the corporate. They now have greater fear of the uncertainty of the market. Here govt. With its lesser interest rate credit facilities, better insurance schemes, motivational programs, workshops, conferences etc can help innovative entrepreneurs to gain back the lost confidence and unleash their confidence.

CONCLUSION

India has potential to become a developed and prosperous nation. But, has a long way to go to realize its dream. It is further noted that by improving the quality of life of the masses, dream may be realized. Quality of life may be improved by generating jobs/employment for them. This demand for jobs can only be met by promoting entrepreneurial activities. It would provide the right platform to entrepreneurs in the form of organizations.

Indians have launched new ventures in the past, as opportunities are in abundance, but many ventures have failed. Innovative entrepreneurship may provide solution to the problems. In this regard, main drivers and obstacles of the same have been identified. It further suggested the ways to explore the innovative entrepreneurial potential by instilling the lost confidence, mobilising domestic savings, streamlining FDI etc.

REFERENCES

- Calantone, R.J., Cavusgil, S.T., Zhao, Y. (2002). Learning orientation, firm innovation capability, and firm performance. *Industrial Marketing Management*, 31, 515- 524.
- Carland, J. W., Hoy, F., Boulton, W. R., Carland, J. C. (1984). Differentiating Entrepreneurs from Small Business Owners: A Conceptualization. *Academy of Management Review*, 9, 354-359.

- Collinson, S. (2000). Knowledge networks for innovation in small Scottish software firms. *Entrepreneurship and Regional Development*, 12, 217-244.
- Covin, J.G., Slevin, D.P. (1991). A conceptual model of entrepreneurship as firm behaviour. *Entrepreneurship Theory and Practice*, 16, 7–25.
- Crespell, P., Hansen, E. (2008). Work climate, innovativeness, and firm performance: in search of a conceptual framework. *Canadian Journal of Forest Research*, 38, 1703–1715.
- Crumpton, M. (2012). Innovation and entrepreneurship. *The Bottom Line*, 25 (3), 98 – 101.
- Drucker, P. F. (1993). *Innovation and Entrepreneurship: Practice and Principles*. Harper Business, 149-157.
- Dubey, S. (2011). The Entrepreneurship-Driven Innovation Growth Framework for Innovation-Intensive Outcomes, a Qualitative Definition. Social sciences research network.
- Fagerberg, J., R.R. Nelson, and D.C. Mowery. (2005). *The Oxford Handbook of Innovation*. Oxford Univ. Press, Oxford, UK, 181 – 208.
- Freel, M. S. (2000). Barriers to Product Innovation in Small Manufacturing Firms. *International Small Business Journal*, 18, 60-81.
- Global Entrepreneurship Monitor (2013). [Missouri:USA].
- Gopal,R., Shetty, K. (2008). Innovative entrepreneurship: key DNA for a successful turnaround in the hospitality business.
- Hagedoon, J. (1996). Innovation and entrepreneurship: Schumpeter revisited. *Oxford Journals*, 5(3), 883-896.
- Levenberg, M., Schwarz, T. (2008). Entrepreneurial Orientation among the Youth of India: The Impact of Culture, Education and Environment. *The journal of entrepreneurship*, 17(1), 15-35.
- Schaper,M., Volery, T., Weber,P.,Lewis, k. (2010). Entrepreneurship and small business. *Asia-pacific journal of management*, 3.
- Southon, M., Davila, T., Epstein, J., Shelton, R. (2006). *Making Innovation Work*. Wharton School Publishing.
- Sharma, N. (2014). Management of Innovation in Small and Medium Enterprises: A Case Study Approach. Social sciences research network.
- Sharma, N. (2014). Innovators versus non-innovators among SME's in India. Social sciences research network.
- The economic survey (2012-13). [India].
- Zhao, F. (2005). Exploring the synergy between entrepreneurship and innovation. *International Journal of Entrepreneurial Behaviour & Research*, 11(1), 25 – 41.