

outside entrepreneur or the local politicians may incite feelings against him. Local governments committed to regionalism may also pose threats. New and small entrepreneurs find it difficult to overcome these barriers. Only experienced and established entrepreneurs can assume such risks.

### **5. Culture:**

The entrepreneurs uprooted from their traditional native places are more mobile than those who have not been, like a displaced person or a foreigner. They develop a more cosmopolitan outlook as they adjust themselves in new cultures and are free from the sanctions and bondages of their own culture.

### **6. Nature of Enterprise:**

If the enterprise involves only expansion of the existing plant, the entrepreneur is likely to acquire additional land in the vicinity of the existing plant. Same will be the case when the enterprise has backward or forward linkages with the existing industry. But when the new unit cannot be started near the existing one, he will move out.

The above considerations are inter-related and influence simultaneously. However, the resources and experience of the entrepreneur play a decisive role and others may be considered as contributing factors.

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## **CHAPTER TWENTY TWO**

### **A study on Factors Affecting Growth of Entrepreneurs in India**

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#### **Factors in Favour of Entrepreneurship Development**

Entrepreneurship is playing a vital role in the development of industrial culture. In developing economies the most required thing is balanced regional development, poverty alleviation, rural renovation, introduction to advance technology, innovation, human resource development and developed society.

In context to India, following facts are in favour to entrepreneurship development, these are:

- (1) Enhancing the planned economic development.
- (2) Providing opportunities of self-employment.

- (3) Abolition of poverty.
- (4) Removing regional imbalance.
- (5) Proper use of natural and human resources.
- (6) Helpful in capital formation.
- (7) Maintaining conducive environment for industrial development.
- (8) New research and product technology.
- (9) Commercial use of scientific invention.
- (10) Helpful in setup of socialist society and welfare society.
- (11) Successful implementation of government's economic policies and programme.
- (12) Scouting new domestic and international market.
- (13) Scouting the feasibility of industrial development and their implementation.
- (14) Enhancing social changes and living standard.

Entrepreneurship Development in India – Factors Affecting Entrepreneurship Growth:  
Economic, Social, Personality, Psychological, Sociological and Cultural Factors

In the under developed countries there are certain variables that influence the development of entrepreneurship.

Few of the major factors include-

1. Economic Factors.
2. Social Factors.
3. Psychological in addition to Sociological Factors.
4. Personality Factors.
5. Cultural Factors.

1. Economic Factors:

The economic factors effecting the growth of entrepreneurs in under developed countries are-

- i. Unavailability of capital
- ii. Unavailability of superior raw materials and finished goods.
- iii. Lack of adequate basic facilities.
- iv. Higher risk involved in the corporate.
- v. Unavailability of skilled manpower.