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A STUDY ON CHALLENGES FACED BY YOUNG ENTREPRENEURS WHILE ENTERING THE SMALL AND MEDIUM ENTERPRISE SECTOR IN CHENNAI

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ABSTRACT

The reason for this paper was to analyze the youthful business people entering the small and medium ventures in Chennai. The review included non-likelihood purposive inspecting test of 76 youthful business people from government and personal business. The discoveries showed that an absence of help to youthful business visionaries from monetary establishments, an absence of individual investment funds and business guidelines were unmistakable difficulties, which impacted youthful business visionaries. The concentrate likewise extended that instruction of the business people impacted their insight towards challenges. For example, the insight in fire up and funding, running business and business support administrations were practically equivalent between the alumni and the postgraduate business people. The limited scale business people experienced many difficulties in business support administrations contrasted with the medium scale business visionaries. The sole owners and organization business had practically equivalent discernment on fire up and supporting, business enrollment and administrative and business support administration challenges. Nonetheless, the sole owners dealt with more issues in maintaining their business.

Key Words: Young Entrepreneurs, MSME, Challenges

INTRODUCTION

Youthful Entrepreneurs are supporting in the business is definitely not a simple errand. An Young Entrepreneurs needs to make information in the whole field of his business. The Young Entrepreneurs needs to satisfactory him in the troublesome basic circumstance taking care of to get the errand of his business. Business visionaries should regularly settle on choices in incredibly dubious environments where a lot is on the line, time powers are gigantic, and there is an board enthusiastic speculation ,individuals thinking diversely in these stressed conditions than they do when the idea of an issue is surely known and they have time and ordinary occasions close by to goal it. Youthful Entrepreneurs are supporting in the business is certainly not a simple undertaking. An Entrepreneur needs to make the information in the whole field of his business. The business person needs to satisfactory him in the troublesome/basic circumstance dealing with to get his undertaking of his business. Young Entrepreneurs should frequently settle on choices in profoundly questionable conditions where a lot is on the line, time pressures are enormous, and there is an extensive enthusiastic speculation. Individuals

figure diversely in these stressed conditions than they do when the idea of an issue is surely known and they have time and levelheaded techniques within reach to settle it.

STATEMENT OF THE PROBLEM

Entrepreneurship is something that should be taken up with passion and courage. It also requires some special skills like doing things in advance, in an innovative way and with lot of care and professionalism. While starting new businesses entrepreneurs facing problems like financial crisis, production, lack of skilled labor's heavy competition, lack of marketing strategy, and lack of self confidence. The present study is an attempt to know major curdles faced by the new entrepreneurs.

OBJECTIVES OF THE STUDY:

- To study the challenges experienced by young entrepreneurs while starting their business.
- To analyse the challenges experienced by young entrepreneurs during 1- 5 years of running their business.
- To identify difference between the educational level of young entrepreneurs while running their business .

SCOPE & SIGNIFICANCE OF THE STUDY:

This research addresses the challenges experienced by the young entrepreneurs, education of the entrepreneurs and perception of the challenges experienced while establishing their business. The research concludes by comparing the perception of challenges experienced by entrepreneurs while running their business for first 5 years.

SAMPLE SIZE:

The number of inhabitants in the flow concentrate on comprises of 76 young entrepreneurs in Chennai city.

SAMPLE LOCATION:

The point of this review is to investigate the difficulties experienced by young entrepreneurs people in Chennai city ,Tamil Nadu, India.

SAMPLE TARGETED PEOPLE:

The targeted people used for this research is young entrepreneurs.

HYPOTHESIS:

H0:There is no significant difference between challenges experienced by young entrepreneurs while running their business.

H1:There is significant difference between challenges experienced by young entrepreneurs while running their business.

H0:There is no significant difference in challenges experienced by young entrepreneurs during 1- 5 years of running their business.

H1: There is significant difference in challenges experienced by young entrepreneurs during 1- 5 years of running their business.

H0:There is no significant difference between the educational level of young entrepreneurs while running their business.

H1:There is significant difference between the educational level of young entrepreneurs while running their business.

REVIEW OF LITERATURE

Porter & Kramer, (2019)Capital is essential from the start-up stages until the time the organization is mature and controls a bigger percentage of the market. Additionally, they require adequate funds to expand the business, employ more employees and provide them with a good salary according to their job description .

Nabi,(2017)Education provides the entrepreneurs with the required knowledge on how to run their ventures. Educated entrepreneurs address the problems in critical and creative ways compared to those entrepreneurs with limited education . Education is essential in analyzing the competitors, advertising, keeping up with current trends and the target market. Skills alone

might limit the entrepreneurs, as the other aspects require an in-depth understanding of the successful running of business ventures. Education promotes entrepreneur in doing research about the other ventures to identify their strengths and weakness.

Sarkar, (2016) When sufficient funds are not invested in a qualified workforce, technology, marketing and provision of the best working environment, its growth becomes limited. A business enterprise requires a lot of money to successfully go through all the stages of development and expand to provide employment opportunities to more employees because of the increased workload. Funds are essential for the timely payment of salaries, training and the provision of bonuses to the employees to ensure they are motivated, therefore, being able to invest their best skills within the organization. Limited credit is one of the biggest challenges facing new entrepreneurs.

Fayolle & Gailly, (2015) Entrepreneurship education is essential for the successful running of the small and the medium business enterprises. Education on entrepreneurship prepares the entrepreneurs for the management, financing and the marketing elements, which are significant in the running of the business operations. Adequate business education promotes individuals in developing successful business enterprises through enhancing entrepreneurial thinking, which is essential for a robust economy and sustainable development. Challenges are inevitable when running a business; therefore, education of the entrepreneurs becomes a tool, which can alter these challenges into opportunities, thereby promoting the growth of their ventures.

Hampel-Milagrosa et al., (2015) Young entrepreneurs experience many challenges when entering into business. Some of these challenges include insufficient funds, unfavorable government policies and lack of experience in running the enterprise. The lack of funds is a prominent challenge affecting entrepreneurs in India.

Sanghi & Srijia, (2015), explains an input-output affiliation is a vital factor whose profits can be spread in a number of different ways such as better wages and working situations to workforce; enlarged profits and dividend to stakeholders; eco-friendly protection and increase in revenue to Administrations.

The **Khosa & Kalitanyi, (2014)** entrepreneurs need to have adequate funds to ensure they address all aspects of the business stages. Capital is essential from the start-up stages until the time the organization is mature and controls a bigger percentage of the market. Additionally, they require adequate funds to expand the business, employ more employees and provide them with a good salary according to their job description.

DATA ANALYSIS AND INTERPRETATION

Garrett Ranking

ATTRIBUTES	1	2	3	4	5	TOTAL
Cash flow management	41	23	11	1	0	76
Time management	35	20	16	5	0	76
Hiring of employees	19	29	18	7	3	76
Choosing the product	50	20	4	2	0	76
Delegations of tasks	52	14	9	1	0	76

GARRET VALUE:		
$100(R_{ij}-0.5)/N_j$	Calculated Value	Garrett Value
$100(1-0.5)/5$	10	52
$100(2-0.5)/5$	30	40
$100(3-0.5)/5$	50	30
$100(4-0.5)/5$	70	20

$100(5-0.5)/5$	90	10
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Calculate garretvalue	1	2	3	4	5	TOTAL
Cash flow management	2132	1196	572	52	0	3952
Time management	1400	800	640	200	0	3040
Hiring of employees	570	870	540	210	90	2280
Choosing the product	1000	400	80	40	0	1520
Delegations of tasks	520	140	90	10	0	760

Garret Score:			
Factors	Garret Score	Average Score	Rank
Cash flow management	3952	51.97	1
Time management	3040	40	2
Hiring of employees	2280	30	3
Choosing the product	1520	20	4
Delegations of tasks	760	10	5

Inference: There is significant difference between challenges experienced by young entrepreneurs while running their business.

CHI-SQUARE ANALYSIS

S.No	Factors	hi-square Value	Degrees of Freedom	'P'Value	Result
1	Finding new customers	15.503	14	0.05	Significant
2	Keeping existing customers	10.955	14	0.204	Nonsignificant
3	Funds to run the business	6.446	14	0.511	Nonsignificant
4	Funds to grow the business	10.955	14	0.204	Nonsignificant
5	Self doubt and fear	6.191	14	0.626	Nonsignificant
6	Laws, Policies and Regulations	8.770	14	362	Nonsignificant
7	Skilled Employees	7.311	14	0.504	Nonsignificant
8	Network and Connections	8.389	14	0.396	Nonsignificant
9	Information Education & Knowledge	6.446	14	0.511	Nonsignificant
10	Social support	8.389	14	0.396	Nonsignificant
11	Time to devote to the business	6.191	14	0.626	Nonsignificant
12	Location and Region	5.656	14	0.686	Nonsignificant
13	Technology	7.311	14	0.504	Nonsignificant
14	Mentors to provide guidance	8.770	14	362	Nonsignificant
15	Inclusion	5.656	14	0.686	Nonsignificant

There is significant difference between challenges experienced by young entrepreneurs during 1- 5 years of running their business.

FINDINGS OF THE STUDY

- Majority (51.3 %) of the respondents are age between 18 to 25 years.
- Majority (33.3) of the respondents educational qualification were Master Degree.
- Majority (61%) of the respondents were female.
- Majority (61%) of the respondents were women entrepreneur and (39%) of the respondents were male entrepreneur .
- Mostly the entrepreneurs specify the challenges are in the cash flow management . So they are work hand to scarify the funding problem .

- Marketing Issues are the second major challenges of entrepreneurs. The young entrepreneurs are not well experienced in choosing product based on the market analysis. So they are very much challenges to face in the business. I suggest the young entrepreneurs have gathered the full market potential of his business.
- Others are the general challenges to face like labour management, work place management etc so the young entrepreneurs should face clearing the technical issues of the business.

SUGGESTION

- Mostly the entrepreneurs specify the challenges are in the financial issues. So they are work hand to scarify the funding problem.
- The entrepreneurs specify the challenges are space availability. They don't have more space in their own. They are rented to their business. So it they are mostly started their business by own place.
- Workforce issues are the third major challenges of entrepreneurs. Workers are notworking permanently. They will consist to switch over their job in different places of the job. I suggest to the Entrepreneurs workers are consist of minimum work relaxation of the job.
- Marketing Issues are the fourth challenges of entrepreneurs. The young entrepreneurs are not well experienced in the market analysis. So they are very much challenges to face in the business. I suggest the young entrepreneurs have gathered the full market potential of his business.
- Others are the general challenges to face like cash management, labour management, theft issues, etc., so the young entrepreneurs should face clearing the technical issues of the business. I suggest the young entrepreneurs are making good decision making in each and every steps perfectly.

CONCLUSION

The Young entrepreneurs mostly suffer due to the lack of capital and encouragement from the society and there are many tax regulations passed by the government which also highly affect the youth people to make the business effective. The opportunity for the entrepreneurship is growing highly as they have to take positive decisions but the risk factor in the entrepreneurship is high when compared to others. The young entrepreneurs face many risks in the business. The business makes the entrepreneur take an excellent decision in the business which does not affect the environmental factors of the society. These are the above tables and charts are showing the challenges and prospectus of young entrepreneurs. These are the steps to follow the young entrepreneurs are to run the success of a new business.

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