

Entrepreneurial action in dealing with Business challenges During Covid-19

The cases of startup in India

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Abstract

This study is primarily aimed at demonstrating entrepreneurial action in dealing with business startup challenges in developing countries, specifically India. The study's research methods are qualitative, with primary and secondary data analysis carried out in accordance with a descriptive research design. The primary data was collected using a structured questionnaire, and the secondary data was obtained from a variety of sources, both electronic and non-electronic. Primary and secondary data synthesis with previous findings and literature were processed and analyzed to produce research findings. This unprecedented coronavirus crisis has caused destruction for many businesses around the globe and it is challenging to survive with reduced revenue, covering expenses, less financing and work cancellation and weak marketing performance. It is even difficult to keep a calm head and keep their business alive. Looking on the bright side, this challenge can be viewed as an opportunity for the entrepreneur to start and grow a business. To create a business, entrepreneurs must know what to do or what not to do, as startups have limited resources and often struggle to bring their ideas into the market. To assist these businesses, the government should employ a variety of mechanisms, including collaboration with wealthy individuals and non-governmental organizations. According to the findings of the study, the motivation for entrepreneurial action is the desire to create a valuable product or service during this coronavirus scare, as well as the use of various alternatives to deliver their product to the market and recover from the crisis. This study is expected to provide those with an entrepreneurial spirit with insight and knowledge.

Keywords: Entrepreneurship, Entrepreneurial Action, Business Challenges, Startup, Pandemic, Covid-19

Introduction

The COVID-19 outbreak serves as a clear reminder that pandemics, like other unusual tragedies, have happened in the past and will happen again. Even if we are unable to prevent hazardous diseases from spreading, we may plan to lessen their effects on society. The current pandemic is having major economic consequences all around the world, and no country looks to be exempt. This has far-reaching consequences not only for the economy, but also for society as a whole, resulting in radical changes in businesses, particularly in developing countries like India. Entrepreneurship is a component of the business world, and it comes with a variety of hard situations. Entrepreneurs are risk takers who have the bravery to build and market their ideas as a business. An entrepreneurship is a creative activity, and the entrepreneur is an innovator who implements change within markets through the carrying out of new combinations. An entrepreneur is indeed an innovator who introduces something new into the economy, which not existed before. Entrepreneurial actions should be profitable while also being creative and imaginative in order to survive in a difficult scenario. The concept of entrepreneurial action is measured in a variety of ways in academic literature. Entrepreneurial action refers to behavior in response to a judgmental decision under uncertainty about a possible opportunity for profit (McMullen & Shepherd 2006, 134). During the COVID-19 crisis, start-ups continued to play an important role for economies. Some innovative young firms reacted quickly and flexibly to the pandemic, and have been critical in assisting many countries in transitioning to fully digital work, education, and health services, as well as providing innovations in medical goods and services. Adapting commercial products (such as snorkeling masks to be used for oxygen provision in hospitals); launching a range of digital health services; and introducing 'no-contact' food delivery in restaurant businesses are a few examples. masks to be used for oxygen provision in hospitals); launching a variety of digital health

services; and introducing 'no-contact' food delivery in restaurant businesses are a few examples.

Study Objectives

1. The main objective of this study was to identify the challenges of business encountered by entrepreneurs during the corona virus pandemic in India.
2. This study will identify the ways to overcome the challenges faced by entrepreneurs in doing business startups during Covid-19.
3. It will explore entrepreneur views and practices related to create and develop a business startup.
4. Provide recommendations in terms of entrepreneurial action issues.

Study Significance

This study adds to the existing literature on crisis management by identifying entrepreneurs' survival and resilience tactics in building and developing business startups throughout a long-term crisis and struggle. This study is necessary for identifying the problems that entrepreneurs face during a pandemic situation, such as finding new customers, finding funding sources to start the business, funds to grow the business, time to devote to the business, customer satisfaction and managing relationships, loss of revenue due to work cancellation, and remaining in business while maintaining personal health and safety. It will also help to find solutions to these problems and the best entrepreneurial action to deal with all of the issues that entrepreneurs faced during a pandemic.

Methodologies

This study employed a descriptive research design and employed qualitative research approaches. The target group of the study were companies operating in India during the coronavirus pandemic. The data analysis technique used in the study was the descriptive analysis method and time-series data analysis as the researchers used secondary data analysis related to the challenges faced by these companies during the COVID19 crisis.

Results and Discussion

Primary Data analysis

The studies performed at numerous corporations which have one-of-a-kind traits and each of those startups faces one-of-a-kind commercial enterprise demanding situations and is taking a one-of-a-kind direction in overcoming. The demanding situations maximum confronted with the aid of using the entrepreneurs are: locating new customers, retaining current customers, budget to begin the commercial enterprise, budget to develop the commercial enterprise, retaining up income volume, cash flows etc. The open-end response of the survey describes the biggest challenges faced by entrepreneurs during pandemic, which shown by word cloud, as below: -

Challenges faced by entrepreneurs during covid 19



Secondary Data analysis and Literature Reviews

According to the research, the post-pandemic environment for entrepreneurs is worse than the pre-pandemic position due to changes in market demand, customer taste and preferences, income level, networking and relationships, uncertainty about the economy and society, and market instability. Entrepreneurs that are energetic and imaginative, and who are willing to learn from crises, recover swiftly. The most difficult obstacle is market uncertainty about whether they desire the product or service being given. Entrepreneur recognizes an issue or gap in the market to which they can provide an alternate solution, but they struggle to integrate their answer into a market. The most critical responsibility is to understand their clients and market. As stated by Swanson and Baird, (2003, 104) is to establish a niche market which your technology and product can profitably play. Entrepreneurs should focus on niche and innovative products.

The next challenge is coping with the dynamic market environment, changes in market demand, customer are not purchasing any non-essential products as much due to corona virus so their buying attitude is changed. Entrepreneurs should know their customer and markets. Market equates with the people who want, need and reacts to the product and services being offered. Make sure it's something that doesn't already exist, that customers are dying to have (Ryan 2002, 35). 35). Entrepreneurs create demand for their product or service, figure out how to get the customer and change their buying behavior.

The following difficulty is finance and coverage costs. Because of the Covid 19 dilemma, businesses are shrinking, resulting in lower income but the same expenses. During Covid 19, entrepreneurs sought access to finance for long-term viability. They can only get out of this condition by finding opportunities in the crisis, such as when mask-making companies establish their businesses during Covid 19. The quality of decision making, in the risk-charged environments that entrepreneurs often face, can be improved with a better understanding of risk and its role in opportunity evaluation ([Forlani & Mullins, 2000](#)).

According to the study, decreased sales lead to decreased revenue, which has a significant impact of the Covid 19 situation on the business. The first step for startup is to focus on learning and discovery process, from starting the company to scaling the business (Blank 2006, 12). The first case offers innovative product with unknown market, this requires a learning process in terms of product, customer, market and many other things. While on the other hand, there is no government support for innovative startup. At the heart of the entrepreneurial process is the innovative spirit (Timmons & Spinelli 2007, 55). Government assistance is required to develop entrepreneurship. Entrepreneurs who are successful are adaptable and resilient. Resilience, an ability to go on with life, or to continue living a purposeful life, after hardship or adversity

(Tedeschi & Calhoun, 2004). An exhaustive literature analysis led us to the conclusion that entrepreneurial self-efficacy (ESE) and resilience are especially important, as key factors that may affect the pursuit of entrepreneurial actions under dangerous conditions.

Conclusion

Startups exist as a result of entrepreneurs who have a positive attitude toward ideas and situations. Entrepreneurs tend to behave appropriately with their feelings or information in order to drive them to create an innovative product. They are passionate about their profession and have a strong personal commitment to the company. Entrepreneurs' actions and responses to obstacles are influenced by their attitude. Entrepreneurs must concentrate their efforts in order to discover what buyers truly desired. To deal with this circumstance, entrepreneurs must gather customer information. Entrepreneurs who respond to existing opportunities and exploit them to create a business can run a business in a crisis situation. Managerial skills are a primary focus in dealing with the obstacles they faced, especially Intellectual Property (IP), collaboration, and human resources in order to build the best product to serve the best market. The main challenges revealed in this study are unknown market, customer expectation, uncertainty in market, uncertainty in economy and society, keeping customer etc. Entrepreneurs must be able to identify a business startup difficulty and find a solution. The purpose of entrepreneurial action is to innovate and capitalize on opportunities. Business startups use technology to create an innovative product with commercial value to provide a solution that is presently not being provided, or business startups use opportunities to create and develop creative products with commercial value. Entrepreneurs must be innovative and creative when starting a firm. It should be complemented by managerial abilities in providing value to customers. These factors are

mutually helpful; success will not be reached if only one of them is strong. By evaluating theories with actual practices, evaluating the literatures and troubles findings with instances findings, simply states that this paper is predicted to make a contribution in enhancing the knowledge of entrepreneurial action in handling commercial enterprise demanding situations in startup environment, it conjures new opportunity methods and innovative in going for walks the commercial enterprise.

Although each business has its own set of circumstances, similar things, such as the experience of object study, could occur in every startup and anyplace with no geographical borders. The study offers illustrations of many business issues during covid 19, as well as explains the theory of entrepreneurial activity and opposing viewpoints on how entrepreneurs respond creatively and innovatively under diverse conditions. This study evaluates existing theories' capacity to describe the actual course of events in entrepreneurial action.

Suggestions

The following ideas are offered in the field of entrepreneurial action. A startup entrepreneur should have a strong passion, determination, originality, attentiveness, and a high dedication to leveraging innovation and opportunity to build something valuable and lucrative. Furthermore, the role of the government and educational institutions in India is encouraged to aid the society by acting entrepreneurially. Create chances by really supporting the nation's ingenuity and creativity. Raising awareness of the importance of entrepreneurship for a nation's economic progress, supported and facilitated by educational institutions and the government, in order to encourage people to become entrepreneurs through education, training, improved services, financial aid support, connectivity, policies and regulations that facilitate and promote entrepreneurial spirit.

Appendix

The findings reported in this study are based on structured questionnaire data. During covid 19, 405 entrepreneurs and 109 aspiring entrepreneurs participated in the survey. Entrepreneurs were defined in the poll as persons who have either started or co-founded their own enterprises. As part of these polls, entrepreneurs were asked to name the most difficult problem their company is encountering amid the current recession. Following the open-ended section, respondents were given a list of potential barriers and asked to rank each one such as "extremely difficult", "somewhat difficult", "not that demanding", "not at all difficult", or "not applicable to my business. Respondents were asked open-ended questions before being presented with a list of potential barriers to evaluate, ensuring that their open-ended responses were unaffected by the options. Responses of "extremely tough" or "somewhat challenging" are considered challenges in this report. Descriptive statistics were computed using probability weights. Due to rounding mistakes, the percentages of entrepreneurs reporting specific obstacles do not necessarily equal the aggregate total of very challenging and somewhat challenging percentages displayed in the data.

Questionnaires

RESEARCH QUESTIONS

1. Explain the biggest challenges you have encountered during covid 19 and how did you overcome them?
2. Please tell us about the most challenging situation you have ever been in which you could not handle, and what can be learned from it?
3. What are your business potential risks and opportunities during pandemic? Please state responsive actions you will do?

4. How would you evaluate (x) the following difficulties affecting your business during pandemic based on your experiences and insights, and please explain your rating:

Challenges	Biggest Challenging	Challenging	Somewhat Challenging	Not Challenging
Locating new customer				
Retaining customer				
Customer satisfaction				
Budget to Start business				
Budget to grow business				
Cash flows				
Marketing				
Market demand				
Retaining up turnover				
Revenue				

5. How do you prepared to deal with uncertainty and dynamic changes on your business?

6. What do you do to turn the challenge into an opportunity that can be utilized to grow your business?

7. What do you believe are the most important reasons why your business survives during pandemic situation?

8. What advice would you give to aspiring entrepreneurs or students from entrepreneurial action perspective?

Please feel free to provide additional comments:

Thank you once again for taking the time to read and answer to these research questions. If you wish to be informed about the result of this research, please indicate your e-mail address

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Figures

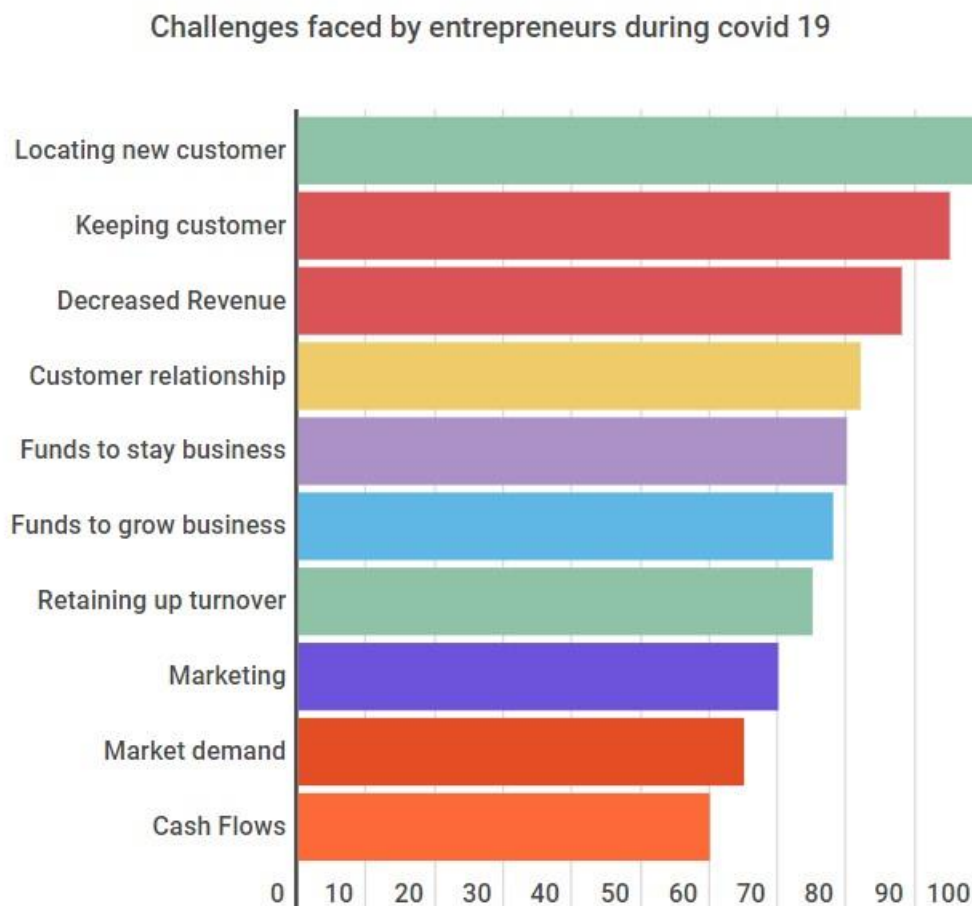


Figure1: This graph depicts which problems entrepreneurs regard as "Biggest Challenging" and which as "not challenging." The rank 100th indicates a "Biggest Challenging" problem, whereas the rank 10th indicates a "not challenging problem." The left side depicts all of the potential issues that entrepreneurs may face during Covid 19. In a pandemic situation, this statistic indicates that each potential problem is either very difficult or relatively difficult. Entrepreneurs must solve all relevant challenges and take appropriate measures to overcome these problems.