

ENTREPRENEURIAL TEAMS

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ABSTRACT

Entrepreneur is the key term for the growth of any country. If more companies are established the more production will be there, more employment, more income, more infrastructural developments etc. Thus the whole development depends on the successful operations of the companies. If the organization fails the whole development will be affected. In this regard the entrepreneurial teams are very useful for countries like India to develop itself. This paper focuses on the presence of teams and the net profitability of the teams in Indian Industry.

KEYWORDS: Entrepreneurial Teams, Indian industry, GDP

INTRODUCTION

The term business in the initial days was mainly about producing a good and selling it. But now the forms of business have changed completely. The role of middlemen became high. The innovative methods are changing the face of business. The new systems are changing the face of competition in the market. OLX and Quikr have increased the sale of second hand items and thereby affecting the sales of the companies in various sectors. Online shopping changed the position of retail outlets. Growth of digital world is affecting business and automation is affecting the number of employees of the companies.

Entrepreneurship is the process of establishing, developing and running a business venture to make a profit. It may typically begin a startup company or a small business and later expand into a large corporate. Thus entrepreneur is the key for the success or failure of a venture. An entrepreneur is the one who organizes, develops and manages the new venture by facing risk. He is the main operator of the factors of production like land, labour, capital, technology and management. He takes risk as he starts his venture. An entrepreneur holds the whole result of the success or failure of an organization. But as the international business is developing a lot the complexity in a business is increasing four folds. Thus the need for sharing the responsibility and resources has incurred for an entrepreneur and this resulted in the formation of Entrepreneurial teams.

Reasons for emerging as Entrepreneurs:

- To achieve ones' goal or destiny
- The earnings opportunity is unlimited.
- It gives a chance to leave a legacy.
- It provides time to spend on what is important in your life.

- Lack of job opportunities.
- To contribute to the society with innovative products.
- To have control on your workplace.

Entrepreneurial Teams

Entrepreneurial teams is a form where the people come together with a common purpose and also share the ownership among themselves.

REVIEW OF LITERATURE

(Mohammad Hassan mobaraki) The relationship between the team members will decide the individual's behavior which affects the organizational performance. In this study a survey is conducted to study the Hassan and conducted a survey to identify the relationship between the relational capital and its relation in the formation of entrepreneur teams and its success. This paper found that the effect of relational capital in the formation of entrepreneurial team is insignificant.

(Schjoedt) This paper especially argues that the members of entrepreneurial teams should have cognitive characteristics. These cognitive characteristics are affecting the venture performance. The cognitive characteristics are the abilities to think and react properly according to the situation spontaneously. This improves group understanding and develops proper relationship among the members.

(Hoeff) Hoeff conducted an empirical research in Amsterdam region to investigate the effect of entrepreneurial team on the success of venture. From the study it is identified that the organization with teams are more successful than the organizations with solo owners and that men forms team very easily than females.

(Sami, 2015) Sami focused on the establishment of companies and the entrepreneurs involved in it. Now a days establishing the companies is very difficult as more pressure is exerted on them from all the dimensions. Thus rather than a single owner a team is always better. But in this complicated environment the people of different characteristics are becoming a cause of conflicts rather than success. Thus in future the characteristics of the team members should be considered.

(Sanna Tihula and Jari Huovinen, 2009) This study focused on the entrepreneurial team formation and their impact on the success of organization especially in small firms. The study concluded that the teams are common in large organizations but not in small firms.

(Ruef, 2010) This study focus is on the success of teams as entrepreneurs. They identified the problems of the members as cohesion, internal conflicts, and group decision making. The success of the teams depends on the mutual cooperation among the members. If they are not cooperative it result in the loss for the organizations.

OBJECTIVES OF THE STUDY

1. To explore the presence of entrepreneurial teams in Indian industry.
2. To evaluate the impact of entrepreneurial teams on the profitability of the organizations.

RESEARCH METHODOLOGY

A sample of 11 industries was selected. From these total 86 companies are been selected which have active trading in the national stock exchange in India out of which 58 are owned by single owner and 28 are by teams.

Table 1

Automobiles				Computers - Hardware			
Bajaj Auto	2,813.74	Hero Motocorp	2,385.64	Redington	181.96	Ricoh India	33.9
TVS Motor	347.83	Mah Scooters	54.76	Smartlink Net	13.21	ACI Infocom	0.1
Atul Auto	40.57	Majestic Auto	26.37	TVS Electronics	2.29		
Kinetic Eng	10.22	Scooters India	11.09	Eco Recycling	0.93		
Cigarettes				Computer - Software			
Godfrey Phillip	183.08			Wipro	8,193.10	TCS	19,256.96
VST	152.21			HCL Tech	6,345.95	Infosys	12,164.00
Kothari Product	49.31			Roita	716.52	Tech Mahindra	2,256.20
Consumer Goods – Electronics				Mphasis	553.03	Oracle Fin Serv	1,058.02
BPL	7.79	Salora Inter	0.36	Financial Tech	445.14	Mindtree	534.3
Videocon Ind Sharp India	3.04 1.56			Hexaware Tech	318.4	Sasken Comm	158.79
Mirc Electronic	0.81			Cyient	271.16	NIIT Tech	147.59
Media & Entertainment				Persistent	259.3	Mastek	74.39
Zee Entertain	831.8	Raj Television	8.16	Hinduja Global	112.58		
Sun TV Network	737.23	Dish TV	1.01	Infinite Comp	103.55		
Eros Intl PVR	124.19 13.62			Tata Elxsi	102.9		
Balaji Telefilm Zee Media	12.27 6.17			Hinduja Venture	92.59		
Pressman Advt	3.97			Saksoft	5.72		
Printing & Stationery				Aptus Ind	0.12		
Archies	4.12	Navneet	129.3	Hotels			
Sambhaav Media	3.55	DIC India	29.71	EIH	96.63	India Tourism D	34.37
		Orient Press	1.92	Mahindra Holida	79.02	Savera Ind	2.89
Esha Media	0.51	Olympic Cards	0.13	Mac Charles	25.01	Royale Manor	2.45
				EIH Assoc Hotel	24.73		
				Speciality Rest	9.45		
				Royal Orchid	8.98		
Transport & Logistcs				Hospitals and Medical Services			
Interglobe Avi	1,295.59	Container Corp	1,047.55	Apollo Hospital	346.6		
Allcargo	97.49	Balurghat Tech	0.68	Indraprastha	32.49		
VRL Logistics	91.22	Inter State Oil	0.3	Fortis Malar	7.66		
Transport Corp	75.94						
Patel Integrate	5.99						
Agarwal Ind	5.79						
Telecommunications - Services							
Bharti Airtel	13,200.50	Tata Comm	674.62				
Idea Cellular	2,809.84						
Nu Tek India	0.38						
Netlinx	0.32						

DISCUSSIONS

The impact of entrepreneurial teams is going on increasing in the present scenario. The complexity of business is increasing thereby increasing the need for teams in organizations. The teams are performing better in terms of profitability. This is evident from the above organizations.

Table 2: The Profitability of the Total Firms is as Follows

S. No	Entrepreneur	Total Net Profit	Proportion in the Sample
1	Single	41,279.67	67
2	Teams	40,095.56	33

Even though the proportion of the sample organizations is 1:2 the net profitability is almost equal for both the proportion. The main reason for this is as follows:

- The entrepreneurial teams have the facility to procure more capital for operations.

- The teams will have members of different specializations which enables them to enter into different markets with different products.
- In the present digital world the establishment of startups is done easily by teams.
- Young entrepreneurs are forming into teams and enjoying the benefits of the teams.

CONCLUSIONS

The entrepreneurial teams are the current required term for the growth of the developing countries like India where more than 50% of the population are in working age group. If more teams are there they can contribute for the growth of GDP of our country.

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