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ORIGINAL SCIENTIFIC PAPER

Identifications and Exploitation of a Business Opportunity: Case of Women Entrepreneurship in India



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ABSTRACT

This case study showcases the initiative and hard work of a women entrepreneur from India, who had a passion to guide and counsel the young graduates towards their professional education. This case study discusses in detail the education acquired by the entrepreneur, her vision, initiative, development and operation of her venture, major impediments that came her way, measures adopted by her to overcome them and her plans for future expansion and growth. It also showcases how the women entrepreneur was successful in creating several new jobs in the society, besides assisting the youth to take up their desired career path.

KEY WORDS: *entrepreneurial alertness, entrepreneurial traits, opportunity recognition, franchisee model*

Introduction

In India for generations women have been perceived as home makers with their role limited to - nurturing their children, providing emotional and psychological support to their spouses. Stepping out of their home to take up a job or to start a venture was a social taboo. Prevalence of education, change in cultural and economic scenario has led to a paradigm shift. Especially the last five decades have seen phenomenal changes in the status

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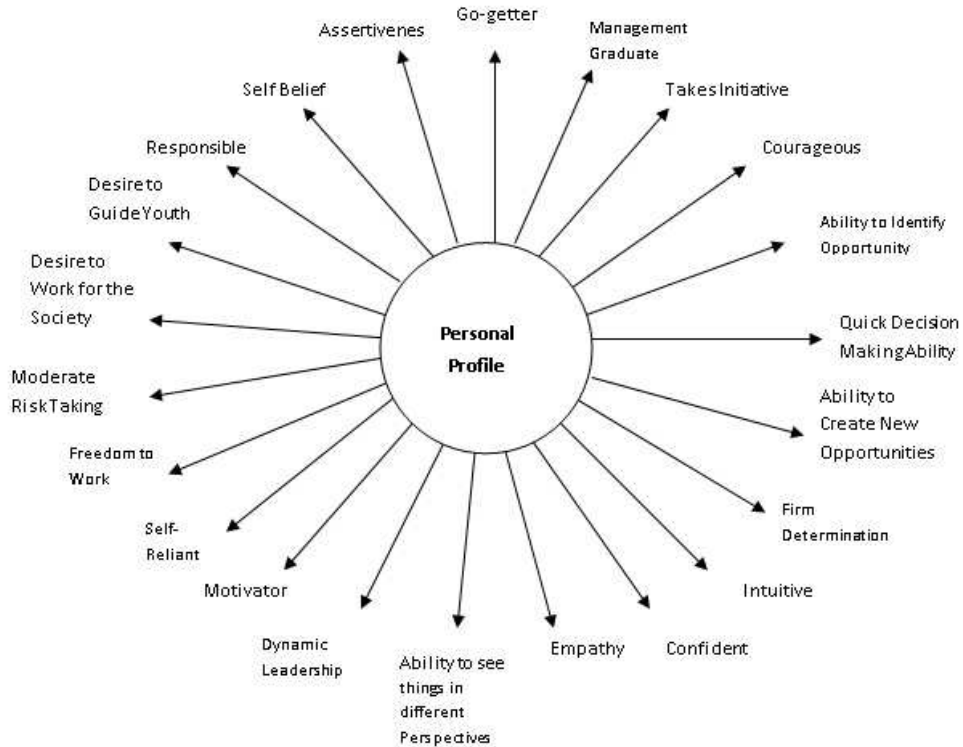
of women in India. In sixties women created small enterprises, which they operated from their home, just to keep themselves engaged. In seventies besides looking after their home and children, they also worked hard for the success and growth of their enterprise. In eighties, the number of women pursuing highly sophisticated technological and professional education increased and these women made personal choices, stood up for their convictions. The women of the nineties and thereafter are found to be competent and confident, with clear cut goal and objectives in life, have courage to establish new ventures and create innumerable jobs in the economy. Thus the role of women in family and in economy has being re-defined as equally contributing partner. Today when the global economy is experiencing a slowdown and there is a need to escalate economic growth and create more jobs in the society, it is necessary that the efforts made by governments across the globe should be supplemented by the support from entrepreneurs as well. It thus becomes equally important that we also motivate and encourage women to initiate and develop small and medium size ventures to promote inclusive growth.

This story is about a women entrepreneur named Charu Srivastva who acquired a professional education and then decided to initiate her own venture to earn her livelihood and in the process created innumerable jobs in the society.

Entrepreneur Profile

Charu Srivastva is a management graduate from Lucknow. She always had a keen interest in English and Political Science. In her school days she was an introvert and quiet person. But her decision making ability gave her confidence while her ability to empathize with people made her popular. People of all age-group confided in her and often took her advice on crucial matters. These interactions gave her valuable insights and the ability to see things from different perspectives. Her father's untimely death forced Charu to take care of her siblings. The hardships of her formative years instilled in her the following attributes – sense of responsibility, boldness, intuitiveness and perseverance. In college she became popular among her peers and teachers. Her strength primarily was her strong sense of self belief, firm determination, empathy, assertiveness and self-motivation. She took several bold initiatives such as protecting her colony from illegal encroachment, tabling petition to the mayor of Lucknow city for improvement of the public utility services and counselling the females.

Figure 1: Profile of the Entrepreneur

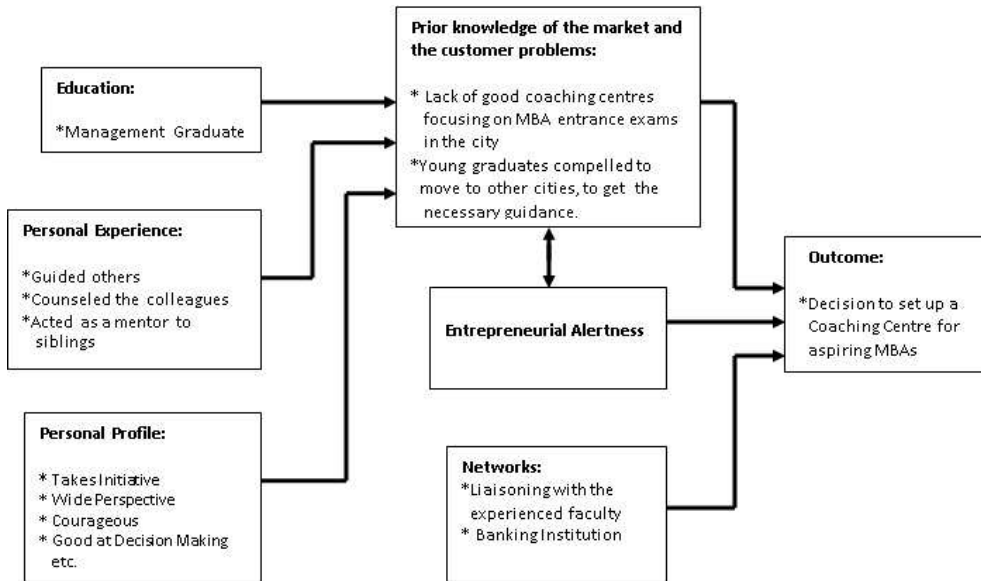


Source: Author

During 1990s in India the job scene was not good, and there was lot of job insecurity. It so happened that Char's husband had to quit his job and they decided to start their own venture ,which would provide freedom to work stability, sense of satisfaction and above all financial stability. This was the time when MBA course was gradually becoming popular among the young graduates. Young aspirants hardly knew about the premier management institutes of the country and their admissions process. Lucknow also did not have good coaching institutes, which could guide these young people to prepare for professional examinations and thus most of the candidates had to travel to metropolitan cities, to seek expert guidance. Charu realized that, with the increasing level of education and general awareness, good coaching institutes would be in great demand in Lucknow. Initially she thought of taking franchise of a renowned coaching institute having a brand name and national visibility, but then she dropped

this idea because (1) it required huge finances (2) it would not provide freedom to operate (3) it would not have given sufficient scope for creativity and innovation. She finally decided to establish her own institute and create her own brand. Professional education, inherent attributes, entrepreneurial alertness and necessary networking helped her to tap the huge unexplored market potential.

Figure 2: Opportunity Recognition Model



Source: Author

• Entrepreneurial Vision

Charu realized that there was an apparent need for specialized institutes that could provide necessary counselling to the young graduates and help them in identifying their innate potential, assist them in choosing professional courses of their aptitude & ability and prepare for the same.

• Choice of Product /Service

To begin with she started offering coaching classes for the entrance of most sought after courses like management programs, defence courses and probationary officers for banks. She then introduced coaching classes for the

preparation of the Combined Admission Test (CAT) for management program offered at the premier management institutes in the country.

• **Business Model**

She established a venture in the name of Institute for Careers & Competitions (ICC) to provide coaching to young aspirants for CAT. The acronym 'ICC' to her mind meant "I see sea" which aptly reflected her inherent feeling that, there was a sea of opportunities for entrepreneurial people. Establishing an institute was a great challenge for her, as she did not have any work experience, neither did she come from business family and nor was she aware of the modalities of operating a coaching centre. She approached renowned faculties with the request to join her project, her passion, self-belief and zeal convinced them to give their consent and soon she succeeded in constituting a very dynamic, strong and motivating team of instructors. There was an appropriate mix of youth and experienced people in her team. She and her husband shared their roles and responsibilities according to their respective personality traits. Charu was outgoing so she became the first face of her institute and as her husband was an introvert he preferred to remain at the backend.

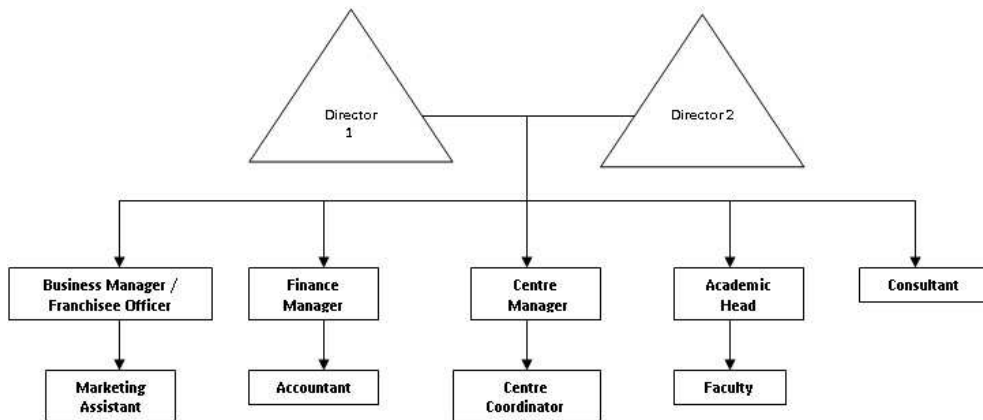
Due to family constraints Charu could only work from home. The institute started operating in a two room set, where she used one room as classroom and the other as office. Initially ten candidates joined the course and gradually the number increased. Everything was done from scratch on a trial and error basis. Over a period of time, as more and more people joined and the institute grew in size and offered quality services. Charu's institute was the first institute to launch a programme exclusively for MBA entrance in the whole of Uttar Pradesh, the maiden batch had sixteen students, out of which fourteen got selected in top B-schools in India and other Asian countries. This increased the organization's visibility and students started approaching in large numbers. Over next few years the institute opened four more self-owned centres in the prominent areas of Lucknow and four franchisee centres in the neighbouring cities Kanpur and Allahabad. These centres provide employment to more than two hundred fifty people and the total strength of the students has grown to ten thousand. Beginning with a meager annual turnover of INR twenty thousand, the institute moved up to an annual turnover of approximately INR thirty million.

The institute's flagship product is coined as Catalyst: an eight months to two years long preparation for combined entrance test for premier management institutes. Apart from this they offer various other programs

such as (1) Foundation: a three to six month long course building the basics of math, English, personality etc, (2) Elite: rigorous classes for the sixty days are given to students who qualified the in-house test series, (3) Techno CAT : Program focused on preparing engineers for the CAT, (4) MPOP: An MBA oriented program for GDs and PIs which trains students for personality development, (5) Camp: Campus placement program for students of various engineering colleges, takes care of Aptitude tests, Personality tests, GDs and Interviews, (6) Young Managers: Intensive preparatory programme for 10 + 2 students for Undergraduate Entrance Tests for Law, Hotel Management, BBA, BMS, BCA, CLAT etc, (7) Career Counseling: To enable students identify and choose careers for themselves based on their aptitude and interest. The other variants include designing and conducting soft skill and personality development workshops for young aspirants.

The institute faced intense competition from prominent national brands, which were able to leverage their pan India presence. Charu felt a need for creating national visibility; otherwise the institute would not be able to retain and grow its market share. To fulfil this objective she thought of an innovative strategy, which was to conduct NATCAT- Mock CAT test series across states. She personally visited number of cities like Indore, Bhopal, Bangalore, Ludhiana, Pune, Mumbai, New Delhi, Chandigarh etc, to create a consortium of similar stand-alone coaching centres, which did not have pan India presence, but had a strong desire to remain in the race and grow. With continuous hard work and perseverance Charu could consolidate her efforts and today NATCAT gets conducted in sixty five centres across thirty two cities of India. Recently she started conducting Placement Training Programs [PTPs], workshops for working professionals such as conducting a fifteen day compulsory training program on General Management and Communication Skills [GMCS] for fresh Chartered Accountants, an assignment given to her by Institute of Chartered Accountants of India.

Charu could achieve this success due to her diligent stewardship and focused approach. She developed a well-defined organizational structure. Level I consists of two directors ; Level II comprise of - business managers; academic heads ; finance manager ;centre managers and a consultant and Level III constitutes of the faculties; marketing assistants ;centre coordinators and accountant at the . Every person has a distinct role in the organization.

Figure 3: Organization Structure of ICC

Source: According to the author findings

Both Charu and her husband Arvind are the directors. Charu looks after (1) **Financial Aspects:** financial planning and review, capital budgeting decisions and cost analysis approval of functional and master budget. (2) **Business Development:** finding new business opportunities, establishing brand equity, supervising the franchisees. (3) **Academics:** taking reports from academic head about the performance of the faculty members, review the of performance of the students via center coordinator, managing brand ambassadors. (4) **Human Resource Management:** recruiting staff, doing performance appraisal, resolving issues within and outside the organization.

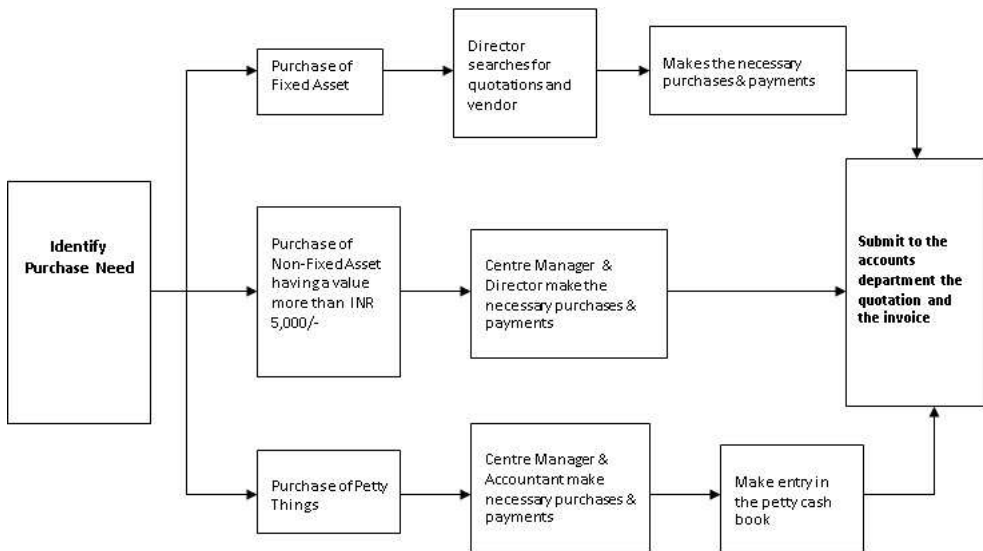
Arvind manages (1) **Marketing Activities:** designing and implementing advertisements and promotional campaigns and observing competitors' strategies (2) **Business Development:** building up relations with faculty, social groups, students community, academic community, media etc (3) **Research and Development:** ensure up to date and comprehensive teaching material is used in all the programs (4) **Operations:** keep an eye on overall progression of syllabus and smooth conduct of programs and (5) **Strategy:** develop new strategies.

Role of the **Business Manager / Franchisee Officer** is to: design the operating procedures; implement promotion strategies; conduct market intelligence; ensuring targets are achieved by centre managers, identifying training and development needs and design necessary training programs. **Finance Manager** monitors the financial transactions; ensures the

compliance of statutory obligations; manages the tax departments, bank and the auditor; manages working capital and prepares the budget. The **Centre Manager** looks after admission and marketing. **Academic Head** monitors the progression of course and the performance of the faculty; looks after the new product development. The **Consultant** recommends innovative products and methods.

With an aim to make the institute self-driven and self-sustaining organization Charu has developed several standardized in-built processes these include procedures for admissions; development of course material; recruitment; marketing and purchase etc. Necessary delegation of work is done so that every person can focus on his/her duty and responsibility. She works hard for the growth and development of the in-house staff and often designs and conducts extensive training and development programmes for them.

Figure 4: Procedure for Purchase



Source: According to the author findings

Charu uses pull strategy for marketing. Newspaper advertisement; flyers; radio advertisement; magazines (Career & Economy, Business & Management); hoardings ; bus shelters are used to gain substantial visibility in the city. She also conducts seminars and events such as Free Mock CAT,

Career Vision, and '*Masti Ki Pathshala*' in colleges to attract the target customers. Institute for Careers & Competitions spends about thirty percentage of their annual revenue on the marketing activities. It offers fee discounts up to thirty five percent if groups of ten or more candidates wish to join a course. It also has a policy of differential pricing, under this different fees is charged from different candidate. In case there is a candidate, who has already acquired technical education and now intends to prepare for MBA course then he is charged reduced fee. The brand ambassadors who refer students are also given monetary incentives.

Once the organization started growing and more people were inducted into the system, ego clashes, personality clashes and difference of opinion started surfacing. Building an organization culture based on precept that every employee is a part of the '*ICC family*' required a blend of strong leadership in consonance with a soft human touch. The biggest challenge for any leader is to develop a common vision amongst all those who work in the organization and make them toil towards it. According to Charu this can be achieved only if the leader has empathy and regards every individual as a human being rather than as a resource. She feels that every human being has some aspirations, he/she at time might unintentionally commit mistakes and everybody loves to get appreciation and recognition. Therefore, it becomes crucial for a leader to let his employees know that he/she cares for them. If the leader is impartial, has integrity and uses an ideal mix of appreciation and constructive criticism, to deal with his subordinates, he/she will be successful in creating an environment of confidence and trust in the organization and this also will help in building goal congruence.

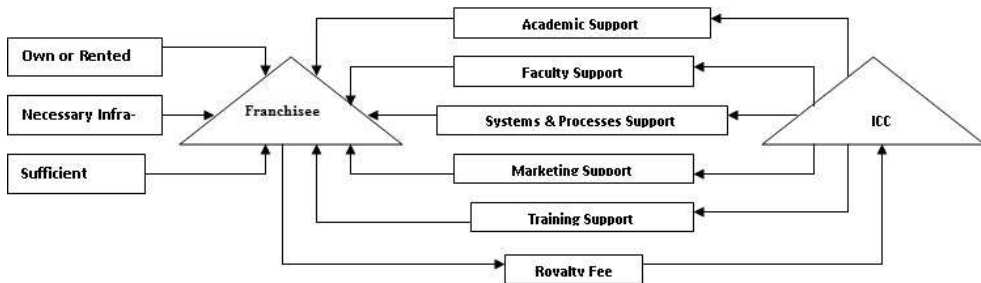
For an entrepreneur who has no previous work experience and no precedence to follow every experience is valuable and every decision a milestone. While Charu proceeded on the path of growth and success she came across several challenges some were financial in nature while others were related to human resource. There were occasions when influential people tried to force unreasonable demand, but Charu stood firm on her principles and gained a reputation of not yielding to unwanted demands. Today, the major impediment is immense competition posed by national level brands, which have huge turnovers, and can afford to offer heavy fee reduction to the students. These competitors enjoyed huge economies of scale in regards to printing of study material, advertisements etc. and their financial strength got consolidated by their massive branding and advertising campaigns. Such tactics were not at all feasible for a small

venture that was struggling hard to maintain its status quo and yearned for sustainable growth. Other challenges faced by the organization were optimum utilization of resources, creation of well-developed systems and healthy environment within the organization and sustaining the economic slowdown.

Franchisee Model

After gaining recognition and acceptance in the education sector, where Institute for Careers & Competitions is considered as a brand, Charu thought of making use of the franchisee model to expand the reach. Charu developed a franchisee model wherein an individual is accepted as business partner if he/she has: (1) own or rented space of twelve hundred square feet, with provision for future expansion as well, (2) necessary fixtures and furniture and (3) adequate number of workforce. Assistance provided by the Institute for Careers & Competitions to the franchisee includes: (1) **Academic Support:** fully developed course plan, training in teaching methodology ,study material, instructors` material, evaluation tools, performance enhancement capsules, conducts two seminars and one scholarship test (2) **Faculty Support :** helps in faculty selection and make available core faculty at ICC for limited time period. (3) **Systems & Processes Support:** provide to franchisee enquiry form, enrolment form, student feedback form and help in designing class schedule etc.(4) **Marketing Support:** help in designing leaflets, posters etc, advice on effective use of marketing budget, give five complimentary advertisements (5CC) in a year. (5) **Training Support:** training the proprietor on business issues, training the faculty in handling students ,training of counselors in handling teachers and students and training of administration manager in systems and processes.

The franchisees are expected to: (1) conduct market research for potential clients (2) increase the awareness about MBA and CAT and other such examinations (3) conduct seminars and student counselling camps regularly (4) appoint competent faculty and manage the show wisely (5) understand market requirements and work with the Institute for Careers & Competitions towards new product development (6) submit weekly report (7) ensure continuous up gradation of the faculty. The franchisee is expected to pay royalty which is based on the location and size of the coaching centre this also includes the cost of the course material provided to the students.

Figure 5: Franchisee Model*Source: Author*

Future Growth Agenda

Charu takes pride in her achievements over last fifteen years where she assisted thousands of youth in building their future, but she feels that this is just the tip of an iceberg still and she still has a long way to go. She would like to expand her business all over Uttar Pradesh, Bihar and Uttarakhand.

The projects on which Charu intends to work are (1) create a soft skill and managerial skill development centre by the name of '*Converse*' which will cater to people in the lower rung of management and provide the service of improving spoken English, office etiquettes development, accent development etc. (2) launch a company by the name of '*Ed Consultants*' which shall bridge the gap between the B-Schools and the students community in a more effective manner, creating a forum, where all the B-Schools can show case their offerings to the potential candidates by holding events, seminars and other promotional activities.

She has inclination towards social welfare as well. She intends to set up shelter for homeless children, especially homeless girls. She also dreams to join politics, because she feels that people with empathy and integrity seriously need to venture out in politics and work for the betterment of society at large. She wants her successors to act smart and be more business savvy, so that delegation of leadership for her becomes smooth.

Conclusions

The youth can draw innumerable learning from Charu's case study. There is no shortcut to success. Hard work and smart work must go hand in hand. In today's time one must have a very sound education base with a wise mix of theoretical knowledge and practical experience. For those who wish to start their own projects, the necessary traits are: strong belief, courage to take initiative; ability to plan and implement; perseverance and dedication. No success is permanent, as business is governed by external environment, which is very dynamic and ever changing. Until and unless one has the capability to foresee change and move ahead accordingly, one cannot survive in the business. The key factors for organizational success are: optimal and judicious use of resources; proper alignment of organizational and individual goals; highly motivated team; healthy work environment and cohesive teamwork.

Identifikacija i korišćenje poslovnih prilika: primer poslovnih žena iz Indije

APSTRAKT

Ova studija slučaja prikazuje inicijativu i naporan rad žena preduzetnica iz Indije, koje su imale pasiju da usmeravaju i savetuju mlade diplomirane studente u smeru njihovog profesionalnog usavršavanja.

Ova studija slučaja govori detaljno o obrazovanju, koje je stekla jedna poslovna žena, njenoj viziji, inicijativi, razvoju i funkcionisanju njenog poslovnog poduhvata, glavnim preprekama na njenom putu, merama usvojenim za njihovo prevazilaženje i njenim planovima za buduće širenje posla i njegov rast.

Studija takođe prikazuje kako je žena preduzetnik bila uspešna u stvaranju nekoliko novih radnih mesta, pored pomaganja mladim da ispune njihov željeni profesionalni cilj.

KLJUČNE REČI: *preduzetnička budućnost, preduzetničke osobine, šanse*

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