

## Review Article

# Reviewing Skills and Competencies For Innovation, Entrepreneurship And Success

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## I N F O

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## A B S T R A C T

This paper critically examines the current state of education in India and evaluates the skills and competencies required for fostering entrepreneurship among students. The author advocates for a substantial overhaul of the existing curriculum and pedagogical approaches, asserting that the current educational system inadequately equips students with the distinct skills demanded by entrepreneurship. Drawing on contemporary research, including the exploration of the Hubris Theory, the paper explores avenues for transforming students into successful entrepreneurs. Additionally, it delves into the challenges posed by the existing skill gaps and proposes comprehensive strategies for bridging these divides. The abstract underscores the urgency of aligning educational practices with the evolving demands of the entrepreneurial landscape, emphasizing the pivotal role of education in shaping a dynamic and innovative workforce for the future.

**Keywords:** Innovation, Entrepreneurship, Education, Skills, Competencies

## Introduction

Entrepreneurship has become a priority in every country. The government of India has also started promoting entrepreneurship. However, mere policy initiatives would not be enough. There will be a need for many changes to create an ecosystem for entrepreneurship and to develop competencies among the youth so that they may become successful entrepreneurs. The future of a country depends on the skills and competencies of its citizens and on the skills and competencies being imparted in educational institutions. Skills and competencies develop a tendency among people to take up a particular profession or self-employment. Entrepreneurship requires some skills and competencies. We will review this sector and try to identify the possibilities for the future.<sup>1</sup>

## Review of the Current Skill Gaps

Some people think that degrees and certificates are all that recruiters look for. A degree gives an indication that the person has spent some time in the institution. It gives a clue that the person may be able to complete some tasks and undertake some work. There are vacancies in the companies. There are unemployed people in the market. The unemployed are either not getting jobs or they are not willing to accept jobs due to some other reason.<sup>2</sup> Thus, there are some gaps, which some people call skill gaps. The skill gaps include the following possibilities:

- A person knows something but that is not required by the employer, while the skills that the employer demands are not possessed by the candidate.

- A person knows some skills but is not passionate enough to continue to develop those skills, even if a lower salary is available.
- A person knows the skills but is unable to express or demonstrate them.
- A company requires some skills that the students have not obtained in their education.
- A company is not confident about the skills of the graduates, who are supposed to have those skills.

Success in life depends on a number of factors. There are multiple expectations from a person, and meeting these expectations is a difficult task. Success depends on the ability to meet the expectations of the important stakeholders. If you are working for a company, you have to meet the expectations of your employers, your customers, your immediate supervisors, your peers, and your society. As you grow, the expectations also increase, and meeting the increasing expectations becomes a challenge in itself. Entrepreneurship is one such domain where a person has to meet the expectations of a vast number of people and keep calm in stressful situations. Entrepreneurship requires skills that are different from those required for a job or other routine work. High skills will lead to higher productivity and higher success, including success as an entrepreneur. Lower skills would result in failures in both jobs and in entrepreneurship. Lower skills would result in lower productivity and lower performance. The companies that would hire lower-skilled people would find it difficult to maintain such employees due to their lower productivity.<sup>3</sup> Thus, it is imperative that we focus on building high-level skills. Lower skills would spoil any possibilities for growth and productivity. High skills will help both as employees and as entrepreneurs.

Education is an industry, and therefore it should also adapt to changes in the market. If the education industry works as a private industry, it would try to survive through innovation, adaptation, and learning. However, when the education industry is dominated by government institutions, there is a problem. The government doesn't face market threats and doesn't respond to market threats. The government doesn't change as quickly as technology evolves. It takes time for the government to plan and implement changes. Thus, the education industry keeps itself isolated from the rest of the industries that are moving with the changing times. While technology is changing, education is not adapting due to government controls, and this results in a huge skill gap over a period of time. Soon, companies will find it difficult to recruit employees from educational institutions because educational institutions carry very old technologies in their syllabus and the industry no longer uses those technologies in their day-to-day operations.<sup>4</sup> This creates a challenge. Either the educational industry must be free of government and bureaucracy, or it should be as

fast as the technology itself so that it is able to offer the latest and best skills to the students to make them ready for the industry. We can teach and train people to be what they want to be. We can design education to prepare the type of people we want in our society. We can introduce the required changes in our education system to ensure that our education prepares the type of people we want for our society. We can introduce skills and competencies in our education in such a manner that our education and training generate the type of people that we want. If we want entrepreneurs, we must have education that imparts training in creativity, innovation, risk-taking, innovative capability, and all those skills that would help a person as an entrepreneur. A well-designed education and training programme can help us develop entrepreneurs. If we want to have more and more entrepreneurs in our society, we should completely change our existing education and training programmes and introduce such education that prepares entrepreneurs. There is a need to transform the educational system in order to transform the economy, because by transforming the education system, we can change the structure of the manpower in our country. Instead of producing clerks and government inspectors, we should be producing more entrepreneurs to develop our economy, and for that, we have to change our education. We must introduce education in creativity, innovation, and teamwork in all our schools and colleges so that we are able to have more and more entrepreneurs.<sup>5,6</sup>

### Skills and Competencies for Entrepreneurship

Skills refer to expertise gained with regard to doing some work. It is different from knowledge, attitude, and awareness. While knowledge refers to the collection of information and insights, attitude refers to a predisposition towards some idea, object, or individual, and awareness refers to information about current developments with regard to a field. Skills are specific expertise with regard to doing some work. This is acquired through the combined application of knowledge, attitude, wisdom, practice. Skills and competency assessment is the main approach towards understanding the manpower requirements of the future. This is the approach to developing people for future challenges. We prepare people for future requirements based on skills and competency assessments.

Skills that are required for entrepreneurship are different than those that are required for being an employee. Skills that make a person innovative are different from those that make a person a good employee. Skills are different for different professions and different vocations. As per the needs, the society develops the skills that would help the future of that society. Every society estimates its future needs and accordingly prepares the youth for future challenges. The human resources of today are the outcome

of the efforts of yesterday, and the human resources of tomorrow will depend on the efforts of today.

India opened its economy to globalisation, privatisation, and liberalisation in the 1990s. However, it takes a long time for policies to percolate down to day-to-day actions and the required transformation. The government machinery and various public bodies still work with the old assumptions and ideas. They still continue to promote public enterprises, and they continue to prepare plans, assuming that the government will do everything. They still carry the assumption about skills and competencies that were required before 1990, i.e., keeping the government requirements in perspective. Preparing manpower for government departments is different from preparing manpower for the private sector or for entrepreneurship.

### From Job Seekers to Job Creators

Most of the institutions in India have kept the following as their target while designing their course structures and curriculums:

- Public sector undertakings or government departments
- Requirements of large organizations
- MNCs

Accordingly, these institutions have prepared their strategies for developing students into corporate-ready executives. They have also inducted representatives of these organisations into their board of studies to understand the requirements of these organizations. They have also included people from MNCs in their advisory bodies to gain an understanding of the requirements of these bodies. These initiatives have helped a few institutions develop manpower for the organised sector.

There are many institutions that have not taken into account the manpower requirements of large companies. These organisations have become defunct, and they are not able to change their syllabus and course curriculum as per the changing requirements of the times. Therefore, these institutions are facing the challenges of survival. They are finding it difficult to get employment for their students. They are not able to attract companies for placement purposes. Placement drives are a waste of time because the students are unfit for the requirements of the companies. The students are not at fault; the companies have different requirements, and the students have been trained in different skills. There is a need for transformation in the education sector. Educational institutions must invite entrepreneurs and take their help in preparing strategies for the transformation of students, including initiatives to impart the right internships. They must identify skills and competencies with the help of the entrepreneurs. Institutions must transform their goal from developing job seekers to creating innovators and entrepreneurs.

They must accordingly revise their courses, pedagogies, and industry associations.

### Building Innovative Competencies For Entrepreneurship

Competency is “an underlying characteristic (i.e., motive, trait, skill, or aspect of one’s self) that enables a person to achieve success in a given role. Competency is a combination of many skills and characteristics that are collectively instrumental in achieving success in a given role. Entrepreneurship is an outcome based on some competencies, and therefore, entrepreneurship can be developed through the development of some skills and abilities. Entrepreneurship and some Competencies are closely related. Entrepreneurship requires skills in communication, negotiation, risk assessment, decision-making, leadership, innovation, motivation, team building, marketing, networking, and business planning.<sup>7</sup> Research has proven that entrepreneurship education contributes to entrepreneurship. Those who have entrepreneurship education tend to go for self-business, while those who don’t have entrepreneurship education do not go for self-business. Entrepreneurship education contributes to entrepreneurial competencies.<sup>8</sup> Research has proved that there is a positive relationship between entrepreneurship skills, entrepreneurship education, and the success of a venture.<sup>9</sup>

Entrepreneurship has become a priority for the government, and therefore, the government is now pushing for entrepreneurship. Entrepreneurship is closely linked to innovation. Innovative capabilities need to be developed by the schools and colleges in India to prepare students for a routine job, and expecting such students to outperform as innovators is not appropriate. Innovative skills are very different from the skills that are required in employment.

Jain (2018) mentions innovative entrepreneur Mr. Amit Pathak, who became a successful entrepreneur in the field of roof-top organic farming through his company, Anju Organic Life Solutions. The person here develops some skills during education that would help in becoming an entrepreneur. The person here participates in internships in order to become a successful entrepreneur. The education programme here is designed to prepare an entrepreneur. However, such initiatives are limited. Most of the programmes are designed to prepare skills that are required for a job in an MNC or in a public sector enterprise. Thus, the students grow up preparing themselves for the role of executive, and when they graduate, the government expects them to become entrepreneurs, which is paradoxical. The student is not prepared for that role. Due to some motivation and government support, a few students take up entrepreneurship, but this cannot survive. Half-prepared entrepreneurs fail, and they leave a horrible scene behind. New students start fearing entrepreneurship as a career choice.<sup>10, 11</sup>

## Reviewing Mismatch in Current Skills

Skills being taught in schools in India including the following skills: -

- Ability to read, write
- Ability to remain disciplined
- Ability to follow instructions
- Ability to follow peers
- Ability to be similar to the class and follow the norms of the class (which may not be required for an entrepreneur)
- Ability to individually prepare well and score well in examinations (as against team based performance requirements in entrepreneurship)
- Ability to compete and excel through rote learning and following the prescribed books (this is against the abilities that are required in the case of entrepreneurship)

## Entrepreneurship Requires Following Skills: -

- Ability to many types of work simultaneously
- Ability to keep low ego and be prepared to do even the menial work
- Ability to be creative and to innovate
- Ability to be original and passionate
- Ability to initiate and lead the team and mingle with team and team work
- Ability to bear with uncertainty
- Perseverance and determination
- Ability to see the positive side of everything
- Ability to take risk
- Ability to introduce disruptive technologies
- Networking skills

Thus, there is a need to develop appropriate educational programmes highlighting suitable skills and competencies so that we are able to develop entrepreneurs and not just clerks. Clerks and government employees are supposed to limit themselves to their narrow domains. They are supposed to acquire skills in a narrow range of work, focus on that, and avoid any initiative in other subjects. A person in a job may be an expert in one domain but may not be able to do a variety of work, and many may not even be willing to do many types of work. However, an entrepreneur may not be an expert at anything, yet that person is very good at doing so many things simultaneously, including raising funds, meeting with buyers, meeting with financiers, etc. All these would require different skills, but the entrepreneur has to be a person who is able to muster different skills to meet different requirements.<sup>12</sup>

Entrepreneurial skills are different from the skills that are required in other vocations and professions. An entrepreneur should be a person of very high humility and a very positive attitude towards life. An entrepreneur may fail if that person has a very high ego or arrogance. Researchers

have proved that overconfidence and ego are the main reasons for entrepreneurs' failures. Those entrepreneurs who carry overconfidence find it difficult to survive. An entrepreneur must have no ego and should be prepared to do anything that is required as per the situation. An entrepreneur must also carry very high humility and be prepared to face hardships, hurdles, and failures while remaining positive and optimistic. Entrepreneurs must be such people who remain positive in spite of all hurdles and who are prepared for the worst even when others are confident about success. They should not have overconfidence. Hubris theory asserts that those entrepreneurs who carry overconfidence fail as entrepreneurs.<sup>13,15</sup>

## Conclusion

While commendable strides have been made by the government of India in promoting entrepreneurship and startups, there exists a critical need for education to refocus on cultivating the skills and competencies integral to entrepreneurial success. A transformative shift in education is indispensable for fostering a generation of entrepreneurs capable of navigating the challenges and uncertainties inherent in entrepreneurship. Education must evolve to meet the dynamic demands of the economy, ultimately reshaping students into adept and innovative entrepreneurs. The conclusion emphasises the urgency of aligning educational practices with the evolving demands of the entrepreneurial landscape, highlighting the pivotal role of education in shaping a dynamic and innovative workforce for the future.

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