



# **ORIENTATION C3**

## **PART - A**

**Transforming job seekers into job creators**

**Group 31 (M. Pramod Kumar)**

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## **Group 31**

# **Transforming Job Seekers into Job Creators**

Every year when the government publishes its employment survey, it is clear that the unemployment rates amongst India's graduates and postgraduates is higher than school and college dropouts. This is a ridiculous paradox for the simple reason that the so-called school dropouts and college dropouts go on to become job creators while a large number of graduates and the post graduates to be job seekers instead of job creators and thus the unemployment rates are often found to be higher amongst them.

This might be the problem of the modern Indian education system that perhaps, it is not giving the skills to the students for them to become job creators instead of being job seekers. But we can also look at some of the extraordinary wealth creators in India, who have gone on to create iconic brands and look at their educational backgrounds and you'll find that neither do they come from big cities, nor do they have some lofty qualifications. Various people like LN Mittal, Dhirubai Ambani are excellent examples of Rags to riches.

And after citing the success story of the small town called Tirupur, Dr. Pramod talks about how this is happening across what we call industrial clusters in india. And that people with no formal educational background seem to be becoming job creators and entrepreneurs whereas people with cutting-edge knowledge and skills seem to be becoming employees under them.

Following the example of the merchant from Thirupal, Mr Pramod enters another example, shifting focus from Thirupal to the diamond cutting industry in Gujarat, specifically in Surat.

The example that he elaborates on leads us to recognize a core part of Indian entrepreneurship, i.e, Social Capital. This is what seems to help the people who have no formal backgrounds in their field of entrepreneurship.

Mr Pramod now tells us about the unique way of transporting the diamonds from Surat. The unique thing about this transportation is that, for example, If the Patel family owns the business, then they will always ask another Patel to do the transporting. This implies that the entire business runs on the basis of trust, such skills that these people have mastered are skills that are not taught in formal schools and institutions.

Paradoxically, many of the theories taught in the business schools in India seem to be outdated or obsolete theories. This leads to people having inadequate skills to start up businesses even with formal education. Mr Pramod seems to imply that rather than mull over business theories we should rather keenly observe all the success stories we have heard of and learn from them instead.

Scholar Angus Maddison stated that for 16 centuries India was at the top of the world in terms of its economic performance, a feat no other civilization has ever been able to achieve. If we carefully study the rise and fall of the great economic powerhouse that was India, perhaps then we will be able to truly understand why the middle and educated classes of current day India are so afraid of taking risks.

**Risk taking ability :** To be an entrepreneur one must be a risk lover. When you talk to people about what it takes to be an “entrepreneur,” most people will say you need to be a risk taker. Risk taking is fundamental to sound investing. Without risk, there could be no return. Entrepreneurs make decisions just like stock investors. The only difference is entrepreneurs invest in their own businesses, while stock investors invest in other people’s companies. Since risk and return are two peas in the same pod, you can’t define risk solely in terms of its daredevil persona or its relevance to gambling. Likewise, an entrepreneur is not necessarily a risk taker. Successful entrepreneurs know how to manage risk.

**“Calculated risk-taking is operationally defined as the ability to deal with incomplete information and act on a risky option, that requires skill, to actualize challenging but realistic goals.” Academics aside, experienced entrepreneurs realize success only comes when taking a leap of faith. “If you don’t take chances, you won’t move ahead,”. “Every entrepreneur has to take chances to get the deals they want, to drive their business forward, and reach a place where they can be fulfilled.”**

**The need for innovation and development: Majority of the successful development companies are mainly offering services and maintenance services. The ability to innovate is very important. It is the responsibility of the entrepreneur to think how he/she can help solve society's problems. Two examples are when a high school student made low cost refrigerator for farmers and when two IIT Kanpur professors upgraded farmers tools to increase efficiency.**

**Importance for hands on experience : It’s our duty to develop the social capital and create partnerships even while we are students. Hands-on experience is very important, theory knowledge and high grades will only help us to a certain degree. Technology is growing at such a fast pace and having these hands-on knowledge and practical skills is vital.**

**Following our passion : Another major problem is that we are not following our passion and we are blindly following what other people are doing and not doing what we love. We are producing mediocre graduates and engineers across the nation even while the number of engineering colleges are increasing at an unbelievable rate.**

**In India, we have the culture of Ramayana and Mahabharata where big brother’s verdict is final and how can someone say that business can’t be done within the family, at least, they are the ones whom we can trustfully.**

**For instance, let us take the example of Chennai silk, this company is run by 8 brothers and all of them divided their departments and now all these stores of Chennai silks put together to run up a revenue of Rs. 10 crores on a daily**

**basis. So to say that business cannot be run between family members is totally wrong.**

**One thing we should also learn from our culture is that the objective of doing business should be good. Any business school will only teach about earning big profit and revenue generation but we also need to learn how to run an ethical business.**

**Mr. Pramod also highlights the point of need of counseling centers and programs in India currently, because many people still believe that being a doctor or an engineer is the only profession. We need to realize the dignity and importance of every profession and should pursue that profession which we like, and not what our parents and/or friends like.**