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- 70 per cent of entrepreneurs changed their business plans and developed alternative plans amidst the pandemic
- Nearly 45 per cent of entrepreneurs in India explored new business opportunities
- 22.5 per cent of entrepreneurs expanded into online trading during the pandemic

Ahmedabad, December 22, 2021: The Global Entrepreneurship Monitor (GEM) Survey is the largest annual study of entrepreneurial dynamics in the world.

Entrepreneurship Development Institute of India (EDII), Ahmedabad leads the GEM India Survey with Dr. Sunil Shukla, Director General, EDII as the National Team Leader and the Lead Author of the Report.

The GEM India 2020-21 report which was released recently, explains the key aspects of entrepreneurship among Indians by measuring their attitudes, activities and aspirations. The findings of the report provide the policy makers a foundation for reviewing the current and prospective policies. The major findings and recommendations for policy making are appropriately highlighted. The report has used a sample survey of 3,317 adults and national Level Experts.

The nationwide survey on entrepreneurial dynamics carried out by the Entrepreneurship Development Institute of India (EDII) provides that 82 per cent of the population believes that there is a good opportunity to start a business in their area despite the hardships caused by the COVID-19 pandemic. The Global Entrepreneurship Monitor (GEM) Report 2020-21 also provides that 82 per cent of

youngsters believe that they have the required skills and knowledge to start a business. Out of 47 economies, India ranks 3rd for perceived opportunities.

The report also provides insights into the impact of the pandemic on the entrepreneurial ecosystem in the country. It provides that the fear of failure among youth has increased by 1 per cent, i.e. from 56 % in 2019-20 to 57 per cent in 2020-21. It also suggests that entrepreneurial intentions have declined from 33.3 per cent in 2019-20 to 20.31 per cent in 2020-21.

Similarly, total early-stage entrepreneurial activity (TEA) was also severely affected due to the pandemic and declined to 5.34 per cent in 2020-21 compared to 15 per cent in the previous year. Notably, TEA is the total percentage of individuals in the 18-64 age group who are either nascent entrepreneur or owners/managers of new businesses.

Also, the findings reveal that pandemic has negatively impacted total entrepreneurial activities in the country. However, it is more severe in case of the young women. Female entrepreneurial activities declined by 79 per cent, whereas male entrepreneurial activities declined by 53 per cent. , The report also indicates that the pandemic had a negative impact on household income. In India, about 44 per cent of youth were of the view that the pandemic affected their household income.

The report also provides some key policy suggestions that would sustain and promote the entrepreneurial ecosystem in the country. The suggestions include entrepreneurship education at school and college levels, greater support from the government, research and policy advocacy in the field of entrepreneurship, and the creation of a pool of business mentors.

Team leader of GEM India and Director General of EDII, Dr Sunil Shukla, said, “Entrepreneurship has become a key factor for sustainable economic growth and has huge potential to create employment opportunities. Developing an entrepreneurial mindset within the country has become a primary objective for governments and societies worldwide. In the Indian context and given its socio-economic challenges as well as its size and scope, a holistic approach to entrepreneurship development can bring transformational changes to the socio-economic landscape of the country.”

GEM India member and EDII faculty, Dr Amit Dwivedi, opines, “The GEM India Report 2020-21 provides data analysis that can help academicians, researchers, policymakers, and professionals, to take appropriate action for enhancing economic growth, with a focus on broad-based entrepreneurship development.”

GEM India member and EDII faculty, Dr Pankaj Bharti, believes that the pandemic has negatively affected business and entrepreneurship in most countries, including India, with the enabling factors in the country dropping as compared to last year. However, he emphasizes, not all the factors have been affected adversely.

About Global Entrepreneurship Monitor

The Global Entrepreneurship Monitor (GEM) Survey is the largest annual study of entrepreneurial dynamics in the world. GEM was conceived in 1999 and has since been venerated for the credibility and coverage of its research. With the Indian Entrepreneurial Eco-system becoming robust by the day, the GEM-India Consortium is assuming a major role in probing the rapidly evolving nature and the level of entrepreneurship in India. The GEM-India Consortium is also spreading its wings to involve regional and state-level entrepreneurship institutions to ensure maximum reach in researching the multiple dimensions of Indian entrepreneurship.