

Entrepreneurship after COVID-19

An assessment of the short - and long-term
consequences for Indian small business

Sreevas Sahasranamam,
Ute Stephan,
& Przemyslaw Zbierowski



This project has received funding from the European Union's Horizon 2020 research and innovation programme under the Marie Skłodowska-Curie grant agreement No 793117 – Positive Entrepreneurship (PosENT).

SUMMARY

The COVID-19 pandemic has affected all walks of human life be it economic, health, social or mental well-being. The nationwide lock-down for over two months and subsequent easing of restrictions over multiple months in 2020 has put significant stress on the Indian Micro-Small and Medium Enterprises (MSMEs), which contribute nearly one-third of India's GDP. This report discusses insights from a survey of Indian small business entrepreneurs that captured their situation during the COVID-19 pandemic. We assess both the short- and long-term consequences and opportunities for Indian entrepreneurs, posed by the pandemic. We also notice that entrepreneurs have contributed beyond the economic considerations of the business, through volunteering their time and services for societal causes during the pandemic. We also compare the response of Indian entrepreneurs with their Asian peers from Bangladesh, China and Pakistan. The study reflects on four long term trends for post-COVID economy related to digitization, multi-sectoral collaboration, localization and the prominence of inclusive business. In sum, there is a significant role for the MSME sector in enabling a sustainable and inclusive post-COVID recovery, and to support India's ambition towards a USD 5 trillion economy by 2025, especially if the sector is enabled by targeted support measures. Finally, we discuss three cases of Indian entrepreneurs that exemplify the challenges and opportunities posed by the COVID-19 pandemic.

ABOUT THE AUTHORS



Dr Sreevas Sahasranamam is Chancellor's Fellow at the Hunter Centre for Entrepreneurship, Strathclyde Business School, University of Strathclyde, Glasgow.
Sreevas.sahasranamam@strath.ac.uk
<https://www.strath.ac.uk/staff/sahasranamamsreevasmr/>



Professor Ute Stephan is Professor of Entrepreneurship at King's Business School, King's College London and visiting Transcampus Professor at Technische Universität Dresden, Germany
ute.stephan@kcl.ac.uk
www.kcl.ac.uk/people/ute-stephan



Dr Przemyslaw Zbierowski is the Marie Skłodowska-Curie Research Fellow in Entrepreneurship at King's Business School, King's College London and Associate Professor at the University of Economics Katowice, Poland.
przemyslaw.zbierowski@kcl.ac.uk
www.kcl.ac.uk/people/przemysaw-zbierowski

Acknowledgements

The first author would like to thank Sahil Sameer and Sai Aditya for their help in data collection. The first author would also like to thank the funding support from Scottish Funding Council (SFC) Global Challenges Research Fund (GCRF) pump priming grant that helped with the data collection.

CONTENTS

Highlights	4
Introduction	6
1. How entrepreneurs were affected	7
2. How entrepreneurs reacted	10
2.1. Impact on the business	10
2.2. Use of government support	12
2.3. Impact on entrepreneurs	14
2.4. Entrepreneurs' social response	16
3. How entrepreneurs see the longer term: Opportunities & Realities?	17
4. Comparing Indian entrepreneurs to Asian peers	23
5. Conclusions: Four Trends for the Post-Covid Economy and Entrepreneurship	24

HIGHLIGHTS

Background

- **Entrepreneurs are the backbone of the economy:** India's MSME sector contributes nearly one-third to India's GDP¹.
- They are particularly threatened by the COVID-19 pandemic as they typically have fewer resources than larger firms.
- We surveyed **107 entrepreneurs at the height of the pandemic** (June 1 - August 31, 2020) to map the impact of the pandemic on their businesses and the entrepreneurs personally. This was part of a larger global study² carried out across 23 countries, which represent 3/4th of world's economic output.

How entrepreneurs were affected by the pandemic

- **Almost half the entrepreneurs'** report that the very existence of their business was under threat due to a significant decrease in trading activities. This means that **in our sample alone, the jobs of 53 entrepreneurs and their 1181 employees are at risk.**
- Entrepreneurs struggled with delays in customer payments and found it challenging to meet the running costs of the business.
- Nearly **one-third of the SME employers were forced to lay off staff** and around 40% of them have had to furlough employees.

How entrepreneurs reacted to the pandemic

- Entrepreneurs are known for their agility and this was confirmed during the Covid-19 pandemic: **72% of entrepreneurs surveyed adapted their plans** for the business (half of them did so by end-March 2020). Nearly 70% of entrepreneurs had not applied for government support.
- **More than half of the entrepreneurs were able to capture new business opportunities during the lockdown** by developing new products and services (in the digital space or specific to COVID), others adapted their business to COVID norms or saw demand rising from changes in consumer behaviour.
- From a mental well-being standpoint, **entrepreneur' life satisfaction and perceived stress were comparable to pre-COVID population estimates.** This could be a function of the healthy lifestyle choices that Indian entrepreneurs followed during the pandemic, such as daily exercise for at least 30 minutes (69%), sufficient sleep (58%), and/or finding comfort in religious or spiritual beliefs (58%).
- Many entrepreneurs started working from home with **over 3/4th working solely from home or working more from home.**
- **Even though for most entrepreneurs, survival of their business was at stake, 61% gave personal money, 52% volunteered their personal time, and nearly 2/3rd of entrepreneurs volunteered their business' services/products for good causes** (helping other businesses, charities, or public workers). Nearly half of them did so because of the pandemic.

¹LiveMint (2020), MSMEs: The growth engines of the Indian economy, retrieved March 2021, from <https://www.livemint.com/news/india/msmes-the-growth-engines-of-the-indian-economy-11597923225239.html>

²Stephan, U., Zbierowski, P., Pérez-Luño, A., Klausen, A., Cabañas, M. A., Barki, E., Benzari, A., Bernhard-Oettel, C., Boekhorst, J.A., Dash, A., Efendic, A., Eib, C., Hanard, P., Holienka, M., Iakovleva, T., Kawakatsu, S., Khalid, S., Kovács, Z., Leatherbee, M., Li, J., Parker, S., Qu, J., Rosati, F., Sahasranamam, S., Salusse, M.A.Y., Sekiguchi, T., Thomas, N., Torres, O., Tran, M. H., Wach, D., Ward, M. K., Wiklund, J., Williamson, A., Zahid, M. (2021). Entrepreneurship during the Covid-19 Pandemic: A global study of entrepreneurs' challenges, resilience, and well-being. KBS Covid-19 Research Impact Papers, No. 4, King's College London. Available at: https://kclpure.kcl.ac.uk/portal/files/151244403/KCL_KBS_Covid_4_Global_study_Entrepreneurs_Resilience_april_2021f.pdf

Long-term opportunities and realities

- **Entrepreneurs looked to the future with confidence** with nearly 60% seeing their business surviving the crisis eventually and more than half expecting their business to be even larger than pre-pandemic. **85% of entrepreneurs expected to add employees to their business over the next 5 years.**
- **More than 60% of entrepreneurs saw long-term positive impacts of COVID on their business** coming from digitization, consumer behaviour change, new business opportunities, and business efficiency and resilience gains.
- **Despite this optimism, many entrepreneurs are in a precarious position:** Nearly 50% were planning for the next 12 months only and nearly 3/4th predicted that they would run out of money within the next 12 months if the current situation continued.

Comparing Indian entrepreneurs to Asian peers

- Compared to entrepreneurs in China (95.3%), Bangladesh (91.6%) and Pakistan (71.7%), **Indian entrepreneurs (49.5%) perceived a lower existential threat** posed by the pandemic.
- **Less than one-third of Indian and Pakistani entrepreneurs applied for government support**, while this was much higher in Bangladesh (60%).
- Nearly half of the Indian entrepreneurs saw new business opportunities despite the pandemic, while less than 20% of entrepreneurs in Bangladesh, Pakistan and China noted new business opportunities.
- **Business resilience** (measured on a 5-point scale of 1-strongly disagree to 5-strongly agree) **was highest among the Asian entrepreneurs globally** - China (3.7), Bangladesh (3.7), India (3.6), and Pakistan (3.5) - indicating their optimism.
- Social commitment of entrepreneurs is another common attribute among the Asian peers, with **Bangladesh and India taking the top two spots in our global comparison for volunteering their business services** during the pandemic.

Conclusion

- Our survey paints a picture of short- and long-term opportunities but also vulnerability of MSMEs and entrepreneurs in the Covid-19 pandemic. Many face challenges to sustain their business going forward. Building on the insights from the survey we reflect on **four trends for the post-Covid economy and on targeted support measures to help Indian MSMEs thrive.**
- The trends concern **(1) Digitalization; (2) Multi-sectoral collaboration; (3) Localization; and (4) Prominence of inclusive businesses and support structures.**
- **Indian entrepreneurs and MSMEs hold significant promise for a sustainable and inclusive post-COVID recovery, and India's ambition towards a USD 5 trillion economy by 2025.**

INTRODUCTION

Entrepreneurship and the MSME sector are important to the Indian economy as they contribute nearly one-third to India's GDP³. The MSMEs, often entrepreneur led, are particularly vulnerable to crises, because they typically have fewer resources than large businesses. However, the voices of MSME sector are not prominently heard in the news, even though in aggregate it offers more employment than large business. Given a massive impact of COVID-19 on all walks-of-life, it is important to understand how the small business entrepreneurs are navigating through the tough times and how they perceive the short- and long-term future for their business.

This report draws on data that we collected from 107 Indian entrepreneurs between June 1st and August 31st, 2020 with the help of entrepreneur groups, and by directly reaching out to MSME owner-managers and the self-employed. The data collection period overlaps with the unlock phase in India when nation-wide lockdown restrictions were beginning to be reduced. This study is part of a global research project led by King's College London⁴ and covering 23 countries, which represent 3/4th of the world's economic output. In this report, we provide insights on how the pandemic impacted MSMEs in India based on our sample of 107 Indian entrepreneurs. We compared our sample characteristics with the profile of individual entrepreneurs from a representative sample of entrepreneurs provided by the Global Entrepreneurship Monitor (GEM)⁵. Businesses in our sample more often trade in the business service sector compared to the GEM sample. Entrepreneurs in our study are somewhat younger, more educated, and more likely to be men compared to the GEM sample of entrepreneurs.

The report is structured as follows:

- Section 1 presents how the COVID-19 pandemic affected entrepreneurs and MSMEs.
- Section 2 considers how they reacted to the pandemic in their business and personally. This includes the use of government support by entrepreneurs and their social response (volunteering and charitable giving) during this pandemic.
- Section 3 offers a view of the long-term opportunities and challenges that lie ahead for entrepreneurship in the India.
- Section 4 considers the difference between Indian entrepreneurs and Asian peers from Bangladesh, China and Pakistan, in how they reacted to the pandemic and in their post-COVID outlook.
- Section 5 reflects on trends for the post-COVID economy that emerged from our analyses and how entrepreneurs may be supported based on our findings.

³ LiveMint (2020), MSMEs: The growth engines of the Indian economy, retrieved March 2021, from <https://www.livemint.com/news/india/msmes-the-growth-engines-of-the-indian-economy-11597923225239.html>

⁴ Stephan, U., Zbierowski, P., Pérez-Luño, A., Klausen, A., Cabañas, M. A., Barki, E., Benzari, A., Bernhard-Oettel, C., Boekhorst, J.A., Dash, A., Efendic, A., Eib, C., Hanard, P., Holienka, M., Iakovleva, T., Kawakatsu, S., Khalid, S., Kovács, Z., Leatherbee, M., Li, J., Parker, S., Qu, J., Rosati, F., Sahasranamam, S., Salusse, M.A.Y., Sekiguchi, T., Thomas, N., Torres, O., Tran, M. H., Wach, D., Ward, M. K., Wiklund, J., Williamson, A., Zahid, M. (2021). Entrepreneurship during the Covid-19 Pandemic: A global study of entrepreneurs' challenges, resilience, and well-being. KBS Covid-19 Research Impact Papers, No. 4, King's College London. Available at: https://kclpure.kcl.ac.uk/portal/files/151244403/KCL_KBS_Covid_4_Global_study_Entrepreneurs_Resilience_april_2021f.pdf

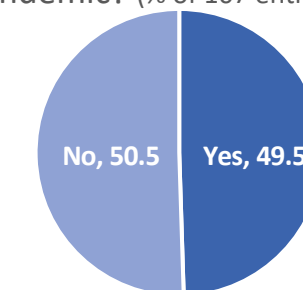
⁵ The full comparisons and sample description are available upon request.

1. HOW ENTREPRENEURS WERE AFFECTED

In this section, we discuss how the Covid-19 pandemic affected entrepreneurs in our study. Almost half of the 107 entrepreneurs we surveyed said that the very existence of their business was threatened by the pandemic (Figure 1); with delayed payments from customers being one of the most frequently mentioned challenges, along with reduced trading activities. This means that in our sample alone the jobs of 53 entrepreneurs and their 1181 employees are at risk. While some businesses had to lay off staff, most of them had so far managed to retain their staff.

Figure 1

Is the existence of your business threatened by the COVID-19 pandemic? (% of 107 entrepreneurs)



Most entrepreneurs have not yet had to take the hard decision of laying-off their staff so far. In our sample, nearly 2/3rd of the employers did not lay off staff yet, while 1/3rd of them had already done so (Figure 2). A share of the employers (43%) in our sample had furloughed or offered temporary leave to their staff (Figure 3).

Figure 2

Did you have to lay off staff due to the Covid-19 pandemic? (% of 98 entrepreneurs)

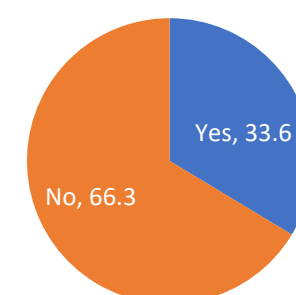
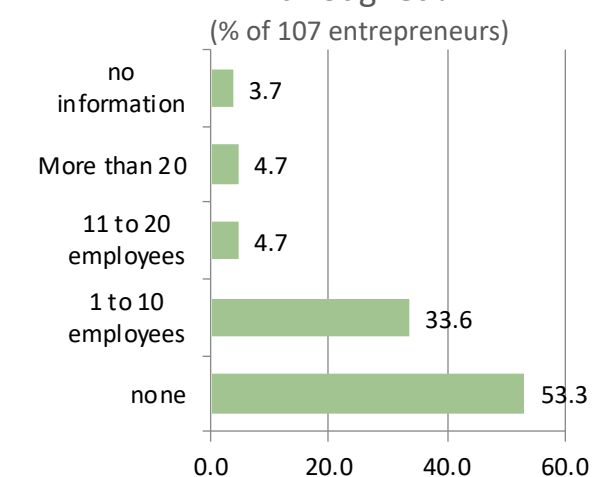


Figure 3

How many employees are furloughed? (% of 107 entrepreneurs)





Shyam Pradeep Alil
– co-founder, Infusory Future Tech Labs Pvt Ltd,
Kerala, India

Information about the business: TutAR is the main product offering which is a digital collection of teaching aids visualized in Augmented Reality (AR). TutAR is a platform-independent application and can run on any mobile device or laptop or desktop computer. It is effective in both online and offline classes.

How the pandemic impacted your business?

“We had developed a prototype of a Virtual Reality based interactive education platform during 2018 itself. However, at that time, the cost for a VR headset was about two lakhs rupees and for a 30-seat lab, it would cost about 60 lakhs, which made us drop this project. In 2020, with COVID-19, schools shut down and all classes became online. The classes became less interactive and boring compared to traditional ones and the teachers struggled to capture the attention of students. We realized that it is the right time to relaunch the project. We thus started developing the app using Augmented Reality in July 2020 and launched it in Google Play Store within two weeks. This teaching aid helps teachers to explain complex concepts quickly and effectively. In six months (August 2020 – January 2021), TutAR app has delivered 2000+ teaching aids with 25+ educational customers as paying clients.”

How did you reach out to schools during the pandemic?

“In July 2020, we first created a prototype of the Augmented Reality based product. Then we created a video of the product in action and uploaded it to YouTube. Immediately, it had a good reach. Within the first day itself, we had some 20-30 schools contacting us based on that. Seeing this, we decided we are now going further with this as our main product. After the initial development, in 20 days we closed the first client, which was a CBSE school. A number of state government schools are also using our product now.”

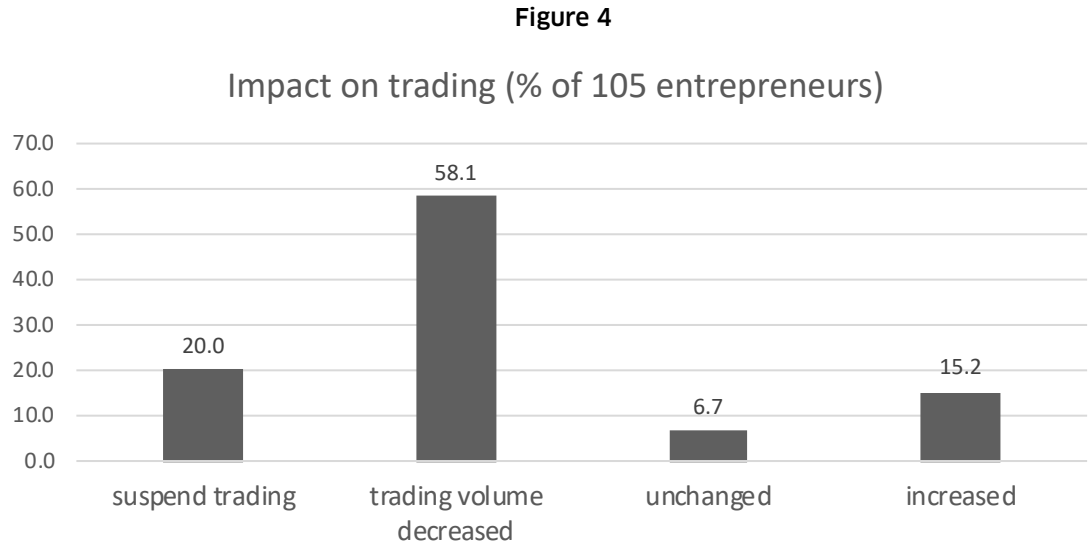
How did you adapt to this sudden interest from the schools?

“Initially, we created the application with basic features. Then depending on the schools’ requirement, we added more features. We managed the technical side that way. The challenging thing was team building. Hiring was challenging amidst COVID. We did that online, some people we identified online. Then, we identified an office space, and moved from incubator space to the office.”

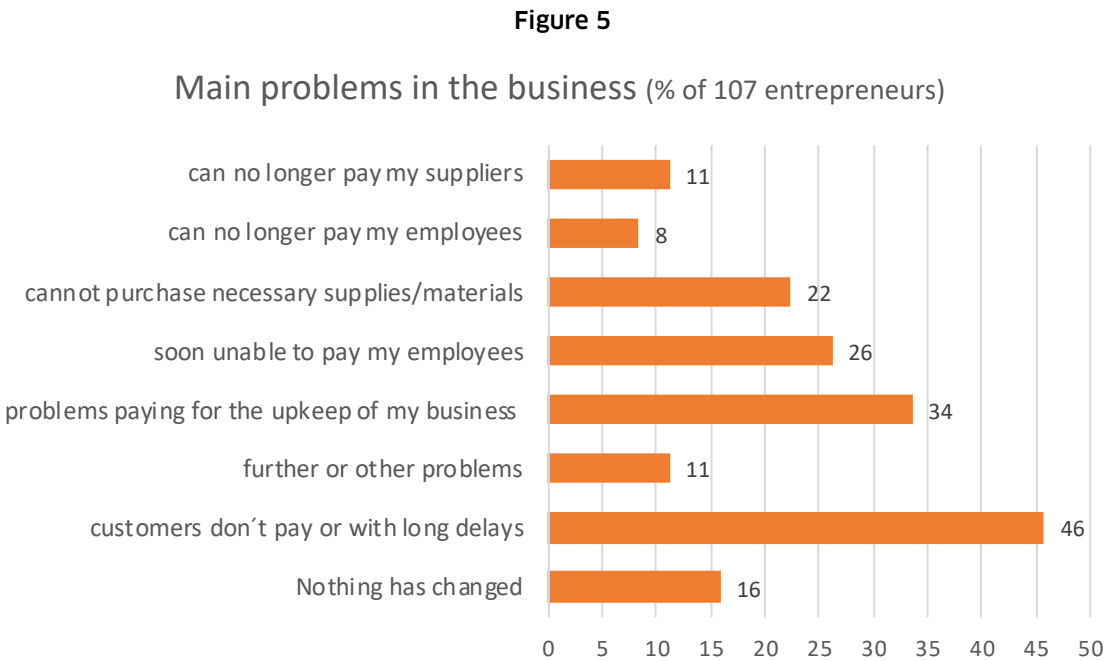
How did you adapt to remote work?

“It was quite difficult, like managing the team. Initially, it was a big challenge. In August 2020, soon after the initial prototype in July, we actually shifted to offline, moved to the new office space. Now (in March 2021), we are trying to become a more complete remote office. We are now using a number of software for workflow and HR, for coordinating the remote work better. Now, we are adapting more to remote office, since we are unsure when we might have to close down office again.”

Majority of the entrepreneurs reported that their trading decreased (58%) or they had to suspend trading entirely (20%) (Figure 4). It was however, encouraging noting that a minor proportion of entrepreneurs (15%) increased trading. We discuss some of the reasons underlying this increase in Section 2 of the report where we discuss the opportunities that entrepreneurs saw amidst the pandemic.



To understand the impact of COVID that has led to trading decrease or suspension of trading for most of the entrepreneurs, we outline some of the common challenges they are facing. As Figure 5 shows, the most common issue was obtaining payments on time from their customers (46%) followed by problems of paying for the upkeep costs (e.g. loan repayments, rent, utilities, insurance) of the business (34%). Worryingly, 26% of them mentioned that they would soon be unable to pay their employees. Other areas of entrepreneurs’ concern include - supply chain disruption (“supply chain is completely disturbed and hence there are many delays in fulfilment”); managing remote teams (“to develop and invest more time in a connected, motivated and confident remote workforce team”); and lack of external investment opportunities (“fresh investments are scarce”, “we do not have enough money to invest towards build the product while there is a tremendous opportunity and traction in the market from our customers”).



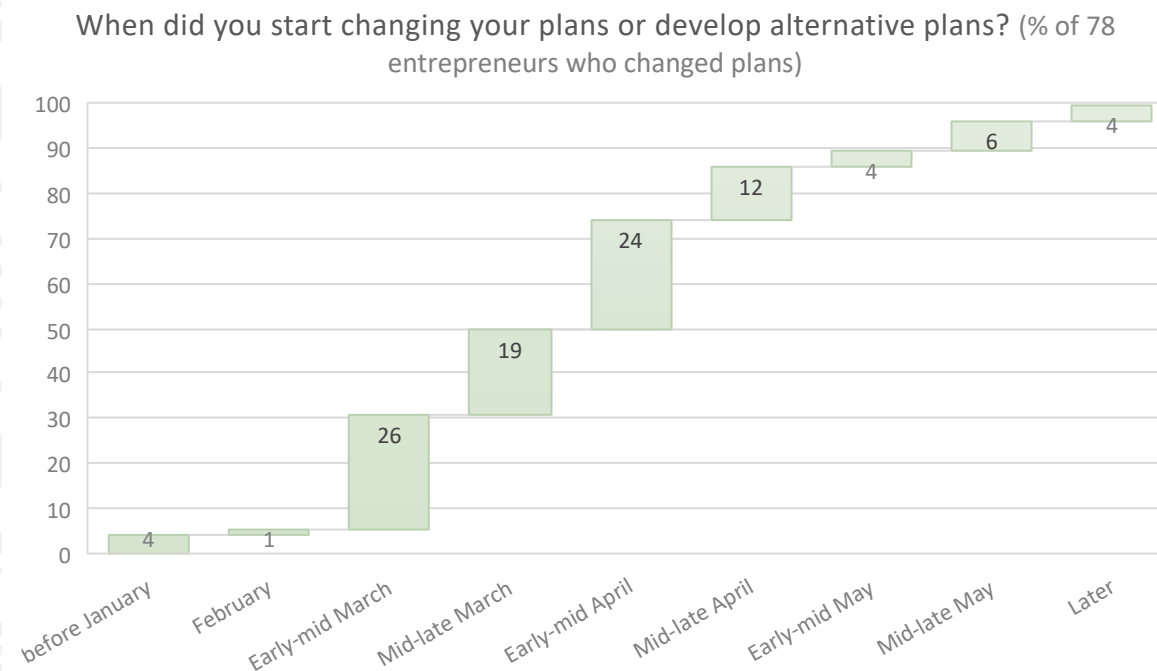
2. HOW ENTREPRENEURS REACTED

In this section, we discuss how entrepreneurs reacted to the pandemic. We examine how the pandemic impacted their business, the use of government support, the impact on the entrepreneurs themselves, and entrepreneurs' contribution to society.

2.1. Impact on the business

We notice that majority of the entrepreneurs (78 of the 107 entrepreneurs, 72%) adapted their business to the pandemic by changing their plans. This augurs well for the Indian entrepreneurs, considering the importance of such a proactive and agile stance in navigating through the uncertainties of the pandemic. Past research from global financial crisis suggests that businesses, which are adaptive, have worked well⁶. In India, the first case of COVID was reported in late-January 2020 and the nation-wide lockdown started in late-March 2020. Almost half of the entrepreneurs who changed their plans (50%) had started to develop these revised plans prior to the nation-wide lockdown and 86% had done so by the end of April 2020 (see Figure 6).

Figure 6

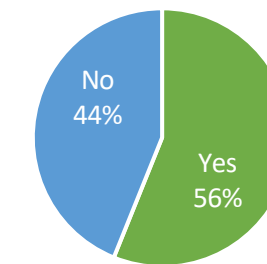


In line with the changes of plans to their business, more than half of entrepreneurs in our sample (56%), agreed that, in the short term, there were **new business opportunities** for them during the pandemic (Figure 7). First, this includes identification of **new customers and new markets specific to COVID**, as entrepreneurs mentioned selling of “items related to Covid-19”, “designing small-scale aquaculture systems as an alternative livelihood avenue, for labourers who recently reverse migrated due to COVID-19” and “COVID related software”. The marked role of Indian entrepreneurs in COVID-19 response in the form of development of apps, robots, healthcare products and AI tools has helped the government in its response⁷. Entrepreneurs have also closely collaborated with universities and government in developing

products/services⁸. Other entrepreneurs adapted their business to the new norms of COVID around social distancing, remote work, and restrictions on travel. For instance, many entrepreneurs began delivery of products/services at home (“I kept the business model same and changed the product I used to sell, now I sell a product which people need at homes”, “home use market for our product”, “remote patient monitoring and telemedicine”). Another set of entrepreneurs have developed new digital product/service or digitized their existing product/service, wherein they mentioned “online event management”, “digital solutions for crop data collection”, “online workshops”, “digitization of manufacturing processes & supply chain” and “e-sports”. Finally, entrepreneurs also saw demand increase from customers shifting owing to their attractive positioning within the market or owing to their business being online already (“customers from larger competition have come to me”, “consumers are buying more online”, “the clients who did not believe in online now they are also exploring business online”).

Figure 7

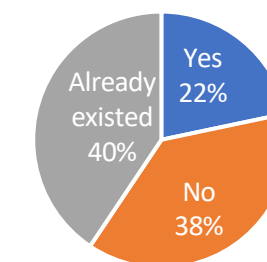
Short-term: New business opportunities?
(%, base 107 entrepreneurs)



We also enquired explicitly about the expansion of online trade as this had received much attention in the media. Few of the entrepreneurs in our sample newly engaged (22%) with online trading or delivery (Figure 8). In fact, many seemed well prepared, with 40% of entrepreneurs already having online trading/delivery prior to the pandemic.

Figure 8

Expand into Online Trading/Delivery?
(%, base 106 entrepreneurs)



⁶Reymen, I. M. J., Andries, P., Berends, H., Mauer, R., Stephan, U., & van Burg, E. (2015). Understanding dynamics of strategic decision making in venture creation: A process study of effectuation and causation. *Strategic Entrepreneurship Journal*, 9(4), 351–379.

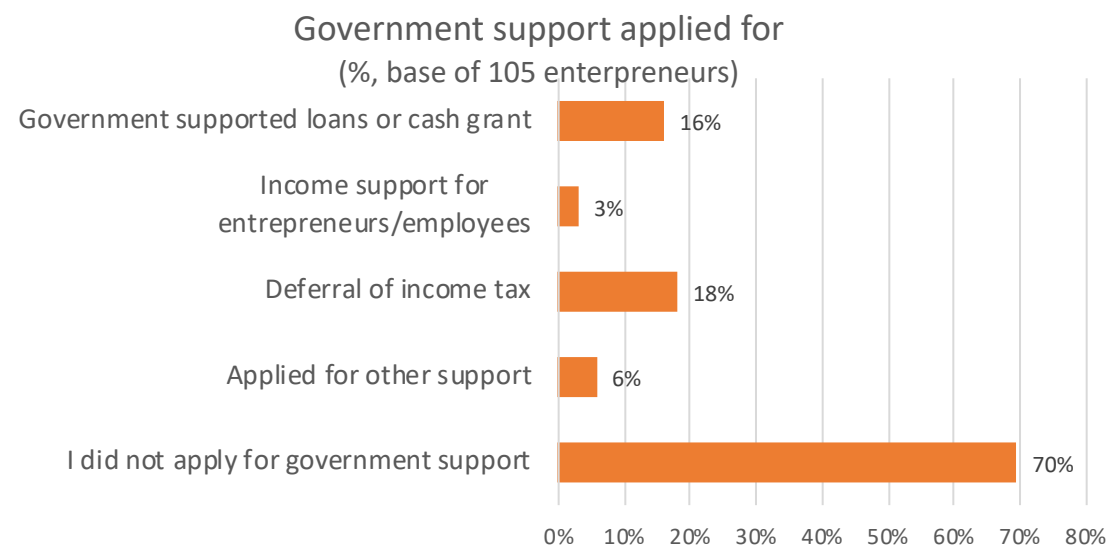
⁷Sahasranamam, S. (2020). How coronavirus sparked a wave of innovation in India, World Economic Forum, retrieved November 2020, from <https://www.weforum.org/agenda/2020/05/coronavirus-covid19-innovation-technology-india/>

⁸Sahasranamam, S. (2020) In Kerala, COVID brings varsities, industries & government to co-create innovations, OnManorama, retrieved November 2020, from <https://www.onmanorama.com/kerala/top-news/2020/05/29/kerala-fight-against-covid19-universities-govt-innovation.html>

2.2. Use of government support

The Indian government put in place both policy and financial measures to support entrepreneurs through the pandemic. In the initial lockdown phase of COVID, government introduced schemes such as (a) SIDBI - COVID-19 Startups Assistance Scheme (CSAS) - to provide quick working capital in the next 45 to 90 days to startups⁹; (b) tax filing deadline extension; (c) waiving off payment of rentals for small IT units within technology parks¹⁰; and (d) moratorium on term loans¹¹. In May 2020, Indian Government announced the Aatma Nirbhar Bharat Abhiyaan economic package which included support for entrepreneurs such as (a) INR 3 lakh crore emergency working capital facility for businesses & MSMEs, (b) INR 50,000 crores equity infusion through MSME Fund of Funds, (c) tax relief to business, and (d) INR 20,000 crore subordinate debt for stressed MSMEs¹². However, a majority of entrepreneurs we sampled (70%) did not apply for government support, though a minor proportion of them had applied for tax deferrals (18%) and/or government supported loans or cash grants (16%) (Figure 9).

Figure 9



⁹Economic Times (2020), VCs want Sidbi to ease sops criteria for Covid-19 Startup Assistance Scheme retrieved March 2021, from <https://economictimes.indiatimes.com/small-biz/startups/newsbuzz/vcs-want-sidbi-to-ease-sops-criteria/articleshow/75019732.cms?from=mdr>

¹⁰Financial Express (2020). Covid-19: Big relief for MSMEs in IT/ITeS as govt waives off rent for units based in tech parks, retrieved March 2021, from <https://www.financialexpress.com/industry/sme/msme-tech-covid-19-big-relief-for-msmes-in-it-ites-as-govt-waives-off-rent-for-units-based-in-tech-parks/1930824/>

¹¹Pandey & Pillai (2020). Covid-19: Rescuing The MSME Sector, BloombergQuint, retrieved March 2021, from <https://www.bloombergquint.com/coronavirus-outbreak/covid-19-rescuing-the-msme-sector>

¹²PIB Delhi (2020). Finance Minister announce measures for relief and credit support related to businesses, especially MSMEs to support Indian Economy's fight against COVID-19, PIB, Available at: <https://pib.gov.in/PressReleasePage.aspx?PRID=1623601>



Prabhav Garudadhwajan
– Director, EasyKrishi Pvt. Ltd. Karnataka, India

Information about the business: EasyKrishi enables sustainable agriculture and ecofriendly living through agricultural technology products and services. It offers a technology platform for managing agricultural supply chains. It has also developed organic manure and pest repellent products through its R&D.

How the pandemic impacted your business?

“We were already tuned to using Whatsapp groups. We were built for scale, to not add costs to scale. A key thing for this was use of networks through mobiles through calls and Whatsapp. What happened during COVID was, a lot of traditional sellers were at home. We were among the very few people who had this network with people like farmers, fertilizer vendors and vegetable buyers on phone. They were already tuned for working on online banking, the trust was already in place. So we grew almost 10x during 2020 even when everything else was shut.”

For the R&D aspects, how did you manage remote work?

“R&D involved field work and we were not able to move things given the lockdown restrictions. There were times when I had to get bureaucratic letter of approval to even open the shutters. Therefore, product research was delayed for some 3-4 months. But the delay made us hungrier. This meant we shed a lot of the inhibitions, started reaching out to more people. Even they were hungry, they were willing to take more risks, and thus the usual way of doing things was shaken. This was happening by around middle of 2020 itself, around third lockdown phase, when some movement of goods began. For example, now one farmer is working very closely with us, allowing almost his entire agricultural area for experimentation and field trials of our new products. Farmers now trust us because we were able to deliver during pandemic when others were literally shut.”

What changes have you done or seen post pandemic?

“Internally, there was no shake-up in the organization. But our external dealings became very smooth, say our collaborations with others. Prior to pandemic, other organizations sometimes had their siloes and the pandemic sort of shook the ground. Now we say by sharing the knowledge with others, we can develop more impactful solutions. Before we had collaborations, but that was a lot of back and forth. I have also build a virtual network with scientists during lockdown, when all of them were free, because their labs were closed. They were all open to talk. Thanks to some of the work we had already done, we knew whom to talk to. I used to have long phone calls during the lockdown. So we had a lot of things happening during the lockdown. Now, when I have a meeting with an organization or when investors see me, they are surprised at the amount of innovation that we are sitting on.”

2.3. Impact on entrepreneurs

The pandemic did not have a marked impact on Indian entrepreneurs' mental well-being. Indian entrepreneurs have followed a number of healthy lifestyle choices to recover from work pressures despite COVID. At a personal level, health concerns are worrying the entrepreneurs' more than financial or social issues.

First, in terms of the mental well-being, we asked entrepreneurs questions about their happiness (experienced satisfaction with life overall) and their level of stress (Figure 11 and 12). **Life satisfaction** is scaled from 1 (lowest) to 10 (highest). We see that mean value of entrepreneurs' life satisfaction during COVID was at 6.33, which is over the mid-point suggesting that they are overall generally satisfied. This mean value is also comparable to life satisfaction of a representative Indian sample prior to the pandemic (6.52)¹³. This suggests that COVID pandemic has not had a substantial adverse impact on the life satisfaction of Indian entrepreneurs.

The picture is similar for how stressful entrepreneurs perceive their life during the pandemic (**perceived stress**). We asked questions on how frequently one feels overwhelmed, out of control and generally nervous, irritable, and upset over the past month. Perceived stress is scaled from 0 (lowest) to 40 (highest). At an aggregate level, higher scores predict poorer mental and physical health, an early warning indicator of disease. Scores between 14 and 26 indicate moderate levels of stress and the perceived stress level experienced by entrepreneurs in our sample (18.67) fall in that range. There are only a few India population comparison scores available to benchmark this. A comparison with a large urban sample of non-entrepreneurs prior to the pandemic¹⁴ and with an online sample of non-entrepreneurs¹⁵ suggests a comparable or lower mean score for our sample. This suggests that COVID pandemic has not unduly increased the perceived stress levels for Indian entrepreneurs.

Figure 11

Entrepreneurs' lifestyle choices for recovering from work pressures during COVID (% , base 101 entrepreneurs)



¹³The comparison data comes from a India population representative sample collected as part of the World Values survey programme in 2012, Available at: <https://www.worldvaluessurvey.org/WVSDocumentationWV6.jsp>

¹⁴Pangtey, R., Basu, S., Meena, G. S., & Banerjee, B. (2020). Perceived stress and its epidemiological and behavioral correlates in an Urban Area of Delhi, India: A community-based cross-sectional study. *Indian Journal of Psychological Medicine*, 42(1), 80-86.

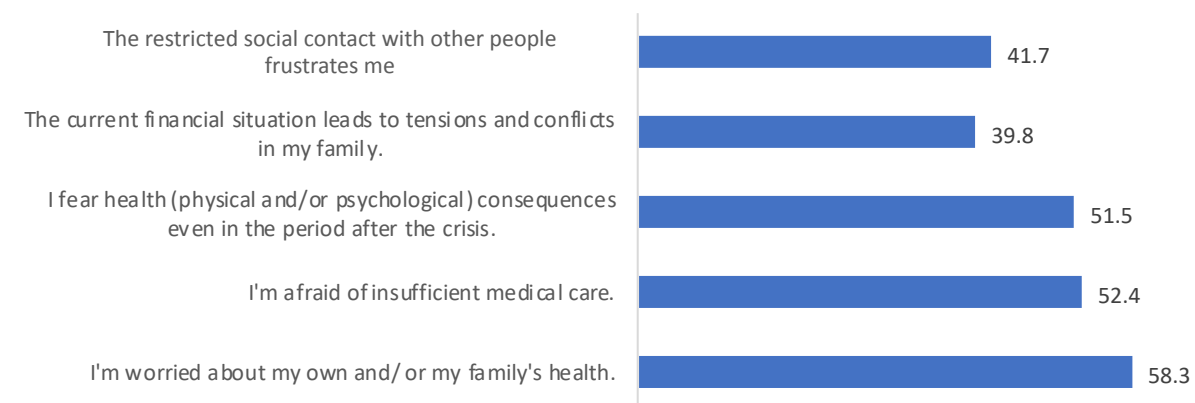
¹⁵Wakode, N., Wakode, S., & Santoshi, J. (2020). Perceived stress and generalized anxiety in the Indian population due to lockdown during the COVID-19 pandemic: a cross-sectional study. *F1000Research*, 9:1233.

This positive news could be a function of the entrepreneurs' lifestyle choices during the pandemic (Figure 11). Most of the entrepreneurs said that, despite the pandemic, they were able to exercise daily for at least 30 minutes (69%), got sufficient sleep (58%), and/or found comfort in religious or spiritual beliefs (58%). A significant proportion of entrepreneurs also practised yoga or meditation (45%) to relax and recover from the work pressures during COVID.

At a personal level, quite naturally, we notice that health concerns (physical and mental) of their own or that of the family were most worrying for the entrepreneurs during the pandemic (Figure 12). For instance, majority of the entrepreneurs mentioned that they worry about their own or family's health (58%), afraid of insufficient medical care (52%) or fear long-term health consequences (52%) (Figure 12). The health concerns overshadow concerns regarding the financial situation (40%) and restrictions on socializing (42%).

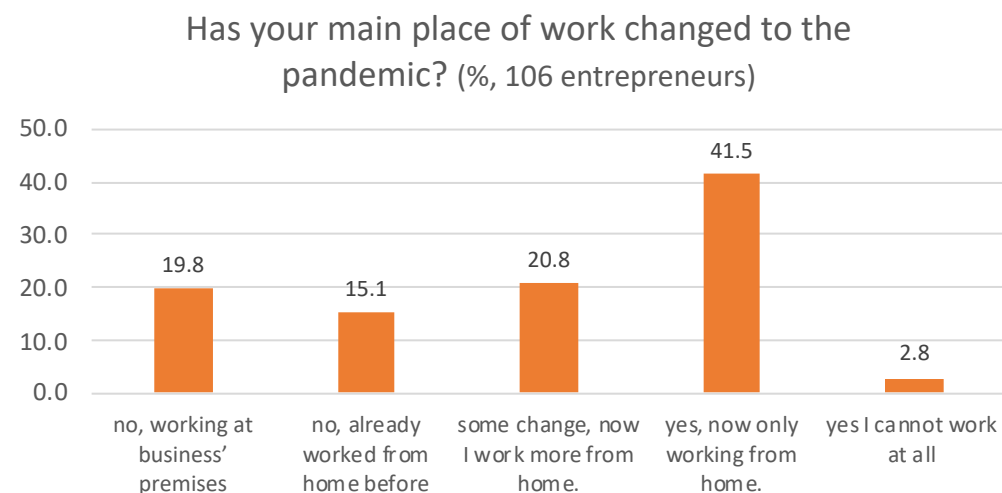
Figure 12

Issues worrying entrepreneurs during COVID (% , base of 103 entrepreneurs)



Over a third (41.5%) of entrepreneurs started to work solely from home, while others intensified working from home (20.8%; Figure 13) during the pandemic. However, over a third of entrepreneurs (34.9%) saw no change in their place of work, either because they kept working on their business premises or because they were already working from home.

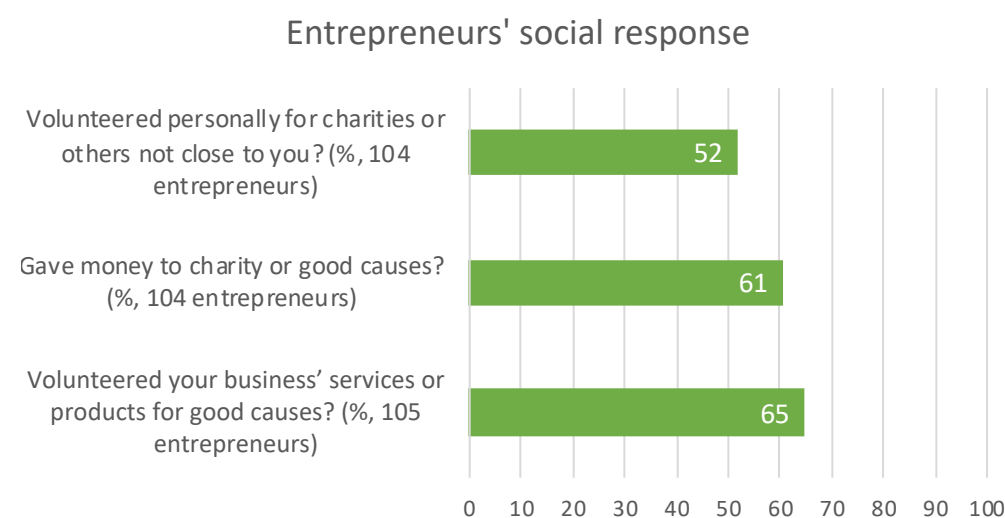
Figure 13



2.4. Entrepreneurs' social response

Indian entrepreneurs have exhibited a strong social commitment during the pandemic both at a personal level and through their business. Majority of the entrepreneurs (65%) volunteered their business' services/products for good causes, to help other businesses, charities, or public workers in the past month (Figure 14). About half of those who did (52.9%), did so due to the pandemic, indicating their social responsibility.

Figure 14



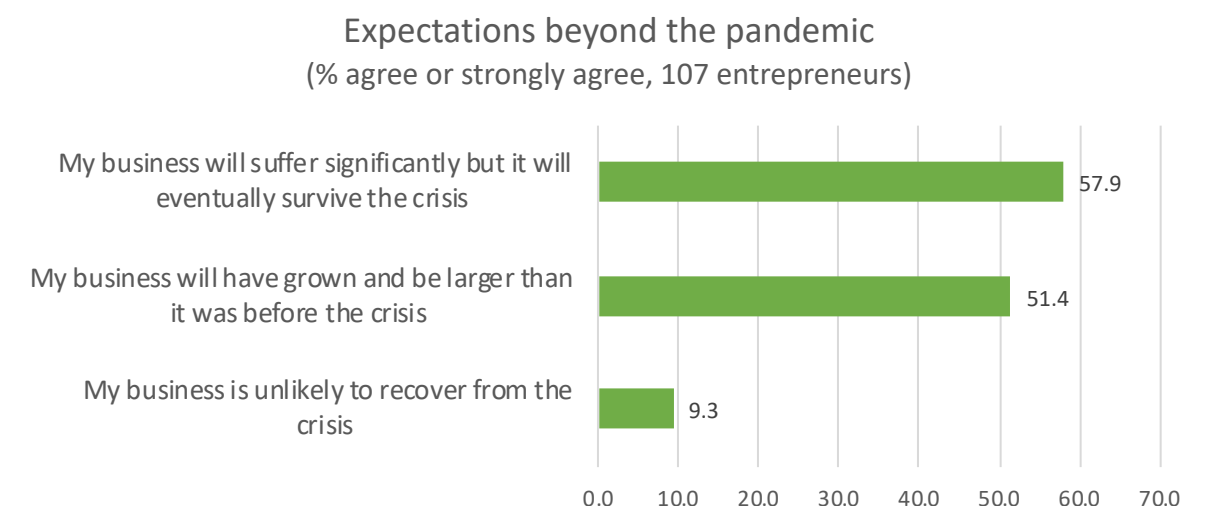
Entrepreneurs were also giving back by giving money to charity or by volunteering time to work for good causes. More than half of them volunteered their time for charities (52%), but many more gave money to charities or causes (61%) (Figure 14). This is perhaps not surprising considering the long weekly working hours of entrepreneurs. Half of the entrepreneurs in our sample worked 50 hours or more per week. Yet more than half (52%) of the entrepreneurs managed to volunteer their time (i.e. worked for free for charities, or otherwise supported others who were not their family and friends), with 41% of them doing so because of the Covid-19 pandemic.

3. HOW ENTREPRENEURS SEE THE LONGER TERM: OPPORTUNITIES & REALITIES?

Entrepreneurs had generally positive expectations for their business in the long term beyond the pandemic. We discuss first general expectations for their business, job creation expectations and then explore what types of positive impacts and opportunities they saw. Subsequently, we reflect on the business's preparedness in terms of planning and resources that are likely needed to act upon future opportunities.

In terms of the general expectations for the business beyond the pandemic, more than half (57.9%) of the entrepreneurs were confident that their business would eventually survive the crisis although they also believed their business would suffer significantly (Figure 15). More than half of the entrepreneurs (51.4%) even thought that their business would be larger than it was before the crisis, while only very few were sceptical (9.3%) about their business' outlook and believed that their business would not recover.

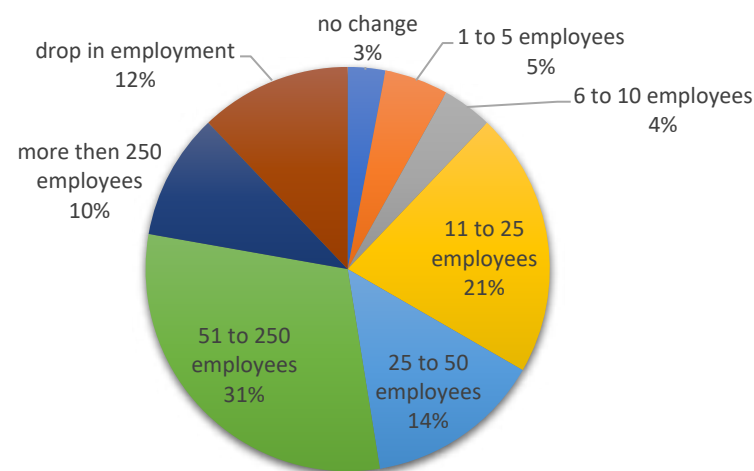
Figure 15



This positive view of the future is also reflected in the net job growth expectation of entrepreneurs (Figure 16). Around 12% of entrepreneurs expected a drop in employment, while 3% expected no change. The remaining overwhelming majority (85%) expected employment growth in the long term (5 years). Over one-third (41%) of the entrepreneurs expected to grow by more than 51 employees which is a substantive increase. While these are growth expectations, past research suggests that growth expectations are a good predictor of actual employment growth in firms¹⁶.

Figure 16

Net Job Growth Expectations: Increase in Size of Business 5 years from now (% , base 99 entrepreneurs)



Nearly two-thirds of entrepreneurs (61.3%) saw positive long-term impacts of the Covid-19 pandemic on their business (Figure 17). We saw four key trends in how the entrepreneurs envision the long-term positive impacts of the pandemic:

1. **Digitization-led growth:** Many of the entrepreneurs saw the positive long-term impact emanating from the push to doing more things online and through digital approaches. This has opened new global markets and consumers have become more confident transacting online. For instance, some entrepreneurs opined: “the pandemic has accelerated the digital adoption, and as we are into the business of dampening digital fraud, we strongly believe this will help us in long term”; “pan-India growth as now everything is happening online”; “digital services in business have never been so much in demand”; “more businesses going online and once they go, there will always be some sort of requirement for them to make digital changes in the businesses”; “it accelerated online only model in a significant way which was not the case previously”.

¹⁶Stephan, U., Hart, M., Mickiewicz, T., & Drews, C.-C. (2015). Understanding motivations for entrepreneurship. Retrieved from Department for Business, Innovation & Skills www.gov.uk/government/uploads/system/uploads/attachment_data/file/408432/bis-15-132-understanding-motivations-for-entrepreneurship.pdf



Sarika Gulati Gupta
– Founder, Reel on Social, New Delhi, India

About the business - Reel on Social is a film making, video production company, that makes films for corporates to use for television & social media channels like Facebook, Instagram, YouTube and LinkedIn.

How has the pandemic impacted you on a personal level?

“On a personal level, good actually. I have energized myself, more from a spiritual standpoint. I have also helped a lot of people in their well-being. To help them, giving the message that everything will pass, this phase will pass too, all is well. I have been a meditation and panic practitioner for over 6 years. During COVID, this helped me and to help others to make them feel peaceful inside. Once you are peaceful inside, you can take better decisions. Then the problem does not look like a problem anymore. Even when business are hit during the pandemic, you are then able to say, I am not the only one, others around are also finding it difficult. Then you are able to find alternate ways, rather than being in the problem, you start looking at it from the outside by being a part of the solution space.”

How the pandemic impacted your business?

“Usually when there is crunch in a corporate, the initial hit comes to marketing. They will say lets focus on paying the employee salaries. So everyone reduced the marketing budget, but it was not zero budget, because the main way by which they could reach the consumer was through video. One thing that helped us was television was always on, it was never off. During lockdown, for consumers, even when other things were not working, television was working in all homes. Thus, we got business from clients focussed on television space, and it was fine to sail through. We also got the hit, but this saved us.”

How did you adapt to remote work?

“It was a major change. We could not imagine before how a person in remote location would work especially in our kind of business. When you are close then the creativity works best. Also, our business relies on heavy data files, also cloud does not support certain files. So that transition was difficult, but now we are thinking, we could continue this and save on a lot of rentals and overhead expenses from earlier. The team were meeting for shoots, but editing, pre-production, post-production was all managed remotely. We had to change mind-set of people that they could sit at home and work. We also expanded our network, by hiring part-time workers from a number of different locations. Now there is no location boundary, earlier we were restricted to people who were based in Delhi or Mumbai. Now sitting in their home places say in a Patna, as long as they are good, they can work with us. They were able to do content creation, copywriting etc. Only where specific hardware requirement was there, location restriction was there.”

How did your client and sales process change?

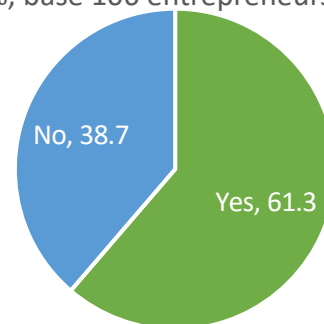
“All zoom. Now even for Gurgaon or Delhi clients, I prefer online discussion. Now clients are flexible with both physical and online, earlier they were not. Earlier they would say come to office, lets’ have tea and chit-chat about the idea. Also, now, during the meeting even senior management of the client from other places like Bangalore are involved in the initial discussion itself, so that makes the process faster. Earlier it was going through multiple layers of approval process.”

2. **Consumer behaviour change induced growth:** Another set of entrepreneurs saw their long-term growth emanating for changes in consumer behaviour, particularly around more consciousness towards health and fitness. For example, some entrepreneurs commented, “due to this pandemic the priority of people will shift towards healthcare and fitness which is add on advantage to my business”, “health conscious customers”, “change in mindset of people, started taking healthcare seriously”, “more investments in healthcare which results in more business for me”, and “we were already working on infectious diseases and the importance of sanitisation, now all are aware of it.” Entrepreneurs also highlighted the consumer behaviour change associated with newer approaches of engaging with consumers during COVID, could help them grow. For instance, an entrepreneur outlined long-term growth prospects from “Change in consumer behaviour. Adaptability of tech in supply side. New ways to interact and communication between buyers and sellers.”
3. **Growth through new markets or market expansion:** A set of entrepreneurs saw long-term growth potential through the new markets that have opened up during the pandemic or the expansion of the existing markets (“moving to online education”, “market area has expanded”, “more Interests from the current set of active prospects”).
4. **Business efficiency and resilience gains:** A segment of the entrepreneurs saw them growing through the improvement in efficiency. For instance, they commented on cost savings (“Reduced direct costs, more access to worldwide markets”, “reduced costs”). Entrepreneurs also saw efficiency gains from a logistics standpoint through localization of supply chain (“localization of production and consumption might increase, which is suitable for my systems’ design”) and through increased productivity (“rural workforce productivity”). Some entrepreneurs were of the opinion that the resilience they have built during the pandemic will enhance their competitiveness and enhance their growth (“resiliency, we are better prepared so competitively we will do better”).

Figure 17

Will the pandemic have any positive impact on your business in the long term?

(%, base 106 entrepreneurs)



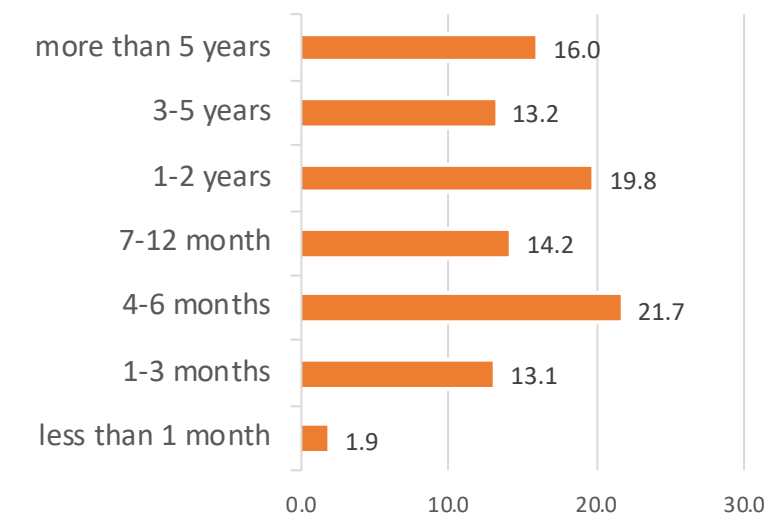
Preparedness to act on long-term opportunities?

The positive outlook and optimism of growth, however, is not translated into long term business planning. We note that nearly half of the entrepreneurs (50.9%) currently focus on the short-term, planning for less than 1-year ahead (see Figure 18). Our survey took place just as India was easing its national lockdown restriction through the Unlock plan (June – August 2020), so it was still a period of great uncertainty which could have influenced the short term planning horizon of the entrepreneurs.

Figure 18

Planning-Horizon: How far in the future are you currently planning for your business?

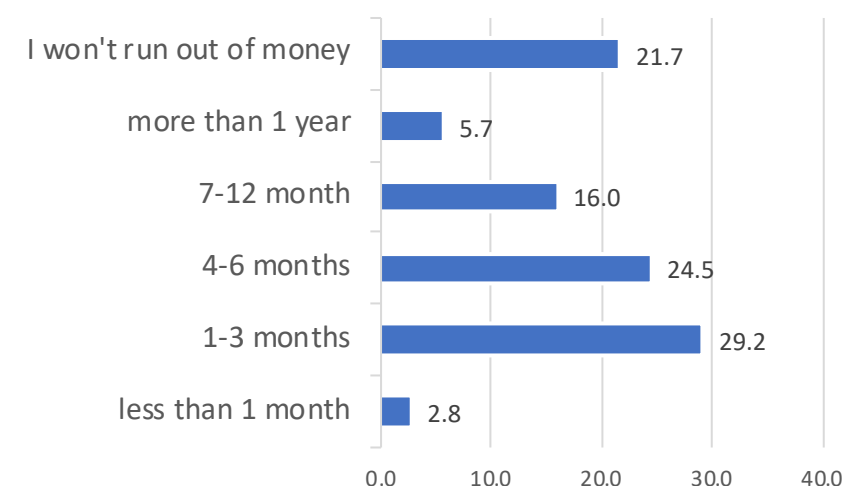
(%, base 106 entrepreneurs)



A similar picture was noticed with regard to financial resources too. Nearly three-fourths of the entrepreneurs (72.5) conveyed that they are vulnerable to running out of money in a year, with nearly half of them (56.5%) having just a six month financial horizon (Figure 19). On the upside, nearly one-fourth of entrepreneurs seemed to have a solid financial base (21.7%), indicating that they can sustain their business and won't run out of money.

Figure 19

Financial resources: How many months until your business runs out of money, if the pandemic continues? (% base 106 entrepreneurs)



4. COMPARING INDIAN ENTREPRENEURS TO ASIAN PEERS

In this section, we compare the responses of Indian entrepreneurs to their Asian peers. This comparison was done using the Global Report developed as part of the project^{17/18}. As part of the global study, data was collected from three other Asian countries namely Bangladesh, China, and Pakistan. Overall, Indian entrepreneurs' businesses seem to have fared better in this first phase of the pandemic compared to their Asian peers.

With regard to the existential threat to the business posed by the Covid-19 pandemic, entrepreneurs in China (95.3%), Bangladesh (91.6%) and Pakistan (71.7%) perceived a greater threat compared to Indian (49.5%) entrepreneurs (Figure 1.1. of global report). In line with these findings, over 90% of Chinese (99.4%) and Bangladeshi (92.4%) entrepreneurs reported a loss in trading (Figure 1.2. of global report). Around 40% of entrepreneurs from these countries had to lay-off their staff (Figure 1.3. of global report), whereas this was the case for roughly 30% of Indian entrepreneurs.

In terms of relying on the government for support, less than one-third of India and Pakistani entrepreneurs applied for it (Figure 2.4. of global report). However, in Bangladesh over 60% of the entrepreneurs had applied for government support. Only a handful of entrepreneurs in India (0.7%) and Bangladesh (7.4%) applied to the government for support to furlough their employees (Figure 1.4. of global report). This is very low in comparison to developed market countries like Australia and USA where over 60% of the entrepreneurs applied for such support. These differences could be due to the variations in attractiveness and administrative processes associated with applying for such schemes.

Another distinct trend among Indian entrepreneurs' behaviour was in terms of their choice of main place of work during the pandemic (Figure 1.8. of global report). Around 42% of the Indian entrepreneurs switched to working from home. In comparison, only 14%, 17% and 5% of Bangladeshi, Pakistani and Chinese entrepreneurs' respectively exhibited a similar choice.

While nearly half of the Indian entrepreneurs saw new business opportunities despite the pandemic, less than 20% of entrepreneurs in Bangladesh, Pakistan and China noted new business opportunities (Figure 2.2. of global report). However, in terms of business resilience (measured on a 5-point scale of 1-strongly disagree to 5-strongly agree), entrepreneurs from China (3.7), Bangladesh (3.7), India (3.6), and Pakistan (3.5) were the most optimistic globally (Figure 3.1. of global report). This optimism was also reflected in their growth expectations, with over 85% of the entrepreneurs from India and China, and over 75% of the entrepreneurs from Bangladesh and Pakistan, saying that their business will add new jobs over the next five years (Figure 3.3. of global report).

The strong societal commitment of entrepreneurs is a common trend amongst Asian entrepreneurs, with Bangladesh and India taking the top two spots globally where entrepreneurs said they volunteered the business services or products for good causes during the pandemic (Figure 5.1. of global report). In Pakistan nearly 60% of the entrepreneurs and nearly half of the entrepreneurs in China also exhibited similar behaviour. A similar trend was mirrored with regard to personal volunteering during the pandemic (Figure 5.2. of global report).

¹⁷ Stephan, U., Zbierowski, P., Pérez-Luño, A., Klausen, A., Cabañas, M. A., Barki, E., Benzari, A., Bernhard-Oettel, C., Boekhorst, J.A., Dash, A., Efendic, A., Eib, C., Hanard, P., Holienka, M., Iakovleva, T., Kawakatsu, S., Khalid, S., Kovács, Z., Leatherbee, M., Li, J., Parker, S., Qu, J., Rosati, F., Sahasranamam, S., Salusse, M.A.Y., Sekiguchi, T., Thomas, N., Torres, O., Tran, M. H., Wach, D., Ward, M. K., Wiklund, J., Williamson, A., Zahid, M. (2021). Entrepreneurship during the Covid-19 Pandemic: A global study of entrepreneurs' challenges, resilience, and well-being. KBS Covid-19 Research Impact Papers, No. 4, King's College London. Available at: https://kclpure.kcl.ac.uk/portal/files/151244403/KCL_KBS_Covid_4_Global_study_Entrepreneurs_Resilience_april_2021f.pdf

¹⁸ The results presented in this India report might differ slightly from the results presented in the global report titled "Entrepreneurship during the Covid-19 Pandemic: A global study of entrepreneurs' challenges, resilience, and well-being" in which the results were adjusted for education, age and gender of the entrepreneur, industry sectors, age, size and profitability of the business.

5. CONCLUSIONS: FOUR TRENDS FOR THE POST-COVID ECONOMY AND ENTREPRENEURSHIP

Based on insights from the survey and through our discussions with entrepreneurs, we reflect on four trends for post-COVID economy that are relevant for Indian entrepreneurs and MSME owners namely (1) digitization, (2) multi-sectoral collaboration, (3) localization, and (4) prominence of inclusive businesses and support structures.

1. Digitization

The most dominant trend has been the accelerated digitization of a number of services and consumer behaviour changes in favour of it. As we discussed earlier, a number of entrepreneurs who responded to the survey mentioned that they say new business opportunities online or in providing services for digital transformation of traditional business. A major technology reset has been propelled by COVID towards the use of contactless digital technology, specifically in financial transactions. Compared to 2016, data from Reserve Bank of India indicates a five-fold jump in digital transactions in 2020, and the volume of transactions is expected to rise by over ten-fold in the next five years¹⁹. The digitization move has also led to better delivery of government subsidies and services, saving nearly USD 23 billion²⁰. However, this trend brings with it concerns around privacy and cyber security, which needs strong regulatory mechanisms and training.

Owing to digitization, we also noticed an increased trend of home working amongst the Indian entrepreneurs and a greater acceptance of working remotely. This trend could open up possibilities for decreasing the clustering of work force and real estate in metropolitan cities, leading to reducing the congestion in these cities. Remote work could also help to address the regional imbalance between big cities and Tier-2 or Tier-3 cities, by allowing their workforce to work and live in less expensive areas and not having to migrate to cities. This welcome change has positive spill over effects on environment and helps in India moving towards a greener economy.

Changes in consumer behaviour, particularly the greater acceptance of online products and services in Tier-2 and Tier 3 Indian cities has led to emergence and growth of hyper-local business models such as Meesho and PayNearby. Entrepreneurs who focus on vernacular language voice technology based services such as Vernacular.ai complement this. This has opened up new employment and training opportunities in rural India, and is acting as a bridge to overcome the rural-urban divide. However, a digital divide exists in the form of lack of quality internet connection in rural India, which requires a policy and infrastructure push.

There has also been an acceleration in the adoption of emerging technologies such as blockchain, artificial intelligence, augmented reality, and machine learning by Indian start-ups. For instance, in online education, start-ups like TutAR began providing augmented reality and virtual reality supported interactive education tools to make digital classrooms more engaging. In healthcare space, Qure.ai's artificial intelligence and deep learning algorithm based interpretation of radiology images was helpful in COVID assessment²¹, making healthcare more accessible and affordable. To support entrepreneurs working on such disruptive technologies, training programmes such as Kerala Blockchain Academy have also emerged. There is need for more such support programmes to up-skill and re-skill the entrepreneurs for digital transformation of existing business and emerging technologies based new business models.

¹⁹Roy (2020). Digital transactions could reach Rs 15 trillion a day by 2025: RBI, Business Standard, retrieved March 2021, from https://www.business-standard.com/article/finance/digital-transactions-could-reach-rs-15-trillion-a-day-by-2025-rbi-120072201431_1.html

²⁰Sharma & Sengupta (2020). COVID-19 has accelerated India's digital reset, World Economic Forum, retrieved March 2021, from <https://www.weforum.org/agenda/2020/08/covid-19-has-accelerated-india-s-digital-reset/>

²¹Source: <https://qure.ai/news/2020/12/03/Qure-ais-tech-is-as-reliable-as-radiologists-for-COVID-assessment.html>

2. Multi-sectoral collaboration

The nature of challenges posed by COVID had led to close collaboration between government, start-ups, universities and civil society, and across disciplinary boundaries. For instance, to ensure transparency and to curb fake news, Kerala government collaborated with a start-up for technology-supported information dissemination. Using a platform developed by the start-up QKopy, Kerala state government launched an app called GoK-Kerala Direct to send official government notifications, COVID-19 case updates and other relevant information. Similarly, volunteers from universities teamed up with entrepreneurs to support the government's efforts through technology solutions. One such effort was Coronasafe-Network, a real-time open-source public platform containing details on COVID-19 precautions, tools and responses that serves as a useful starter-kit for innovators. In another effort called "Breath of Hope", an entrepreneur part of our study, teamed up with IT professionals, biomedical professionals and medical doctors to develop innovative medical devices that are contextualized for Indian conditions²².

This trend of multi-sector collaboration holds a lot of promise on multiple fronts for Indian entrepreneurs. First, entrepreneurs could potentially use the laboratory facilities in research universities on a temporary basis in the initial stages for developing prototype of their products. Second, the close collaboration of universities, research labs, start-ups and government, could lead to better streamlining of regulatory process and faster commercialization of technology. For example, an RNA extraction kit for COVID testing developed by a research institution (SCTIMST) was commercialized by an MSME (Agappe Diagnostics) after regulatory approval within a span of months²³. Third, multi-sector collaboration offers scope for multi-disciplinary thought and input into development of entrepreneur's product or service during the initial stages itself. Given these benefits, there is a need to sustain multi-sectoral collaboration through initiatives such as entrepreneurial ecosystem events and joint funding applications.

3. Localization

The predominant stress of the government's support package for the MSME sector during the pandemic was Atma-Nirbhar Bharat (self-reliant India), which encourages localization of supply chain. This involved incentives and policies for pushing the localization of specific industries like manufacturing of electronic products²⁴ and toy manufacturing²⁵. While the impetus for this move to localization came from the pandemic, it opens a number of opportunities. This could help create more MSMEs within India leading to more reliable supply chains, local employment, and reducing the carbon footprint related to transporting goods. This move also encourages the development of circular economy business models whereby the use of resource is maximized, and waste minimized and recycled. This also aligns with the governments' vision of increasing the GDP contribution of MSME sector from 30% to 50%²⁶. However, to actualize this, there is need for mass entrepreneurship training, particularly support for informal sector entrepreneurs and necessity entrepreneurs. There is also need for devising incentive mechanisms that will encourage buying of locally made products and local sourcing of raw materials.

²²Sahasranamam, S. (2020). How coronavirus sparked a wave of innovation in India, World Economic Forum, retrieved November 2020, from <https://www.weforum.org/agenda/2020/05/coronavirus-covid19-innovation-technology-india/>

²³Sahasranamam, S. (2021). Innovation and entrepreneurship amidst coronavirus: a hybrid innovation network response. South Asian Journal of Business Studies, 10(2), 265-271.

²⁴Times of India (2021). Atmanirbhar Bharat push for laptop, PC manufacturing, retrieved March 2021, from <https://timesofindia.indiatimes.com/business/india-business/atmanirbhar-bharat-push-for-laptop-pc-manufacturing-rs-7350-crore-incentive-announced/articleshow/81193464.cms>

²⁵Hindustan Times (2021). In push to make India a toy manufacturing hub, PM Modi's advice against plastic use, retrieved March 2021, from <https://www.hindustantimes.com/india-news/must-try-to-use-less-plastic-in-toys-pm-modi-101614406403972.html>

²⁶PTI (2020). Centre aims to increase MSME sector contribution to GDP up to 50%: Gadkari, Financial Express, Retrieved March 2021, from <https://www.financialexpress.com/industry/sme/centre-aims-to-increase-msme-sector-contribution-to-gdp-up-to-50-gadkari/2145902/>.



4. Prominence of inclusive businesses and support structures

Entrepreneurs in our sample exhibited a very high social commitment by volunteering their personal and business services during the pandemic. We also saw a number of entrepreneurs stress the increased health consciousness of consumers and expected increased demand for solutions such as clean energy, water and sanitation. This offers scope for post-COVID economy to combine both the entrepreneur's social commitment and pent-up consumer demand for developing inclusive businesses. To support this, there is need for more training on how to build inclusive business both for entrepreneurs and corporate intrapreneurs. Currently, there exists only a few institutes in India providing such training like Tata Institute of Social Sciences and Deshpande Foundation, highlighting a need for more attention in this regard²⁷. When inclusive aspects of social and environment impact are more aligned with revenue generation goal, there are more likely to be sustained in the long-term.

During the pandemic period, a number of support structures towards this end have emerged or got greater prominence. For example, the makerspace movement in India, played a prominent role in COVID response and spurring new inclusive business initiatives through it. For instance, Makers' Asylum developed oxygen concentrators, face shield and air-purification respirators²⁸. During COVID, alternative financing models have also emerged, such as REVIVE created by Samhita-Collective Good Foundation (CGF), which support informal sector entrepreneurs to survive and grow²⁹. There is need for more such blending financing and grant based financing contextualized to the Indian conditions to support inclusive micro-businesses and informal sector entrepreneurs in India. Research highlights that greater presence of philanthropic capital encourages individuals to engage in social enterprises³⁰.

²⁷Sahasranamam, S., & Ball, C. (2018). National context matters: Influence of national business system on social enterprises in Scotland and India. In *Research Handbook on Small Business Social Responsibility* (Eds. Laura J. Spence, Jędrzej George Frynas, Judy Muthuri and Jyoti Navare). Edward Elgar Publishing, 23-46.

²⁸Makers' Asylum, retrieved March 2021, from <https://www.makersasylum.com/m19-initiative/>

²⁹Economic Times (2020), Samhita-CGF, USAID, others launch a programme to provide help for COVID impacted livelihoods, retrieved March 2021, from <https://m.economictimes.com/small-biz/sme-sector/samhita-cgf-usaid-others-launch-programme-to-provide-help-for-covid-impacted-livelihoods/articleshow/78891535.cms>

³⁰Sahasranamam, S., & Nandakumar, M. K. (2020). Individual capital and social entrepreneurship: Role of formal institutions. *Journal of Business Research*, 107, 104-117.