

Narrative Research In Entrepreneurship: Khirode Parida of Access Odisha

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Abstract

Each entrepreneurial journey is unique. The intention and context of starting any organisation varies widely. This case study documents an entrepreneurial journey, which started at a later stage of career.

A narrative research methodology was used to deconstruct the events and relate it to the existing theory of entrepreneurship. Often, the lived experience of the entrepreneur, resource reconfiguration and challenges to intention is best captured through narrative research because of huge diversity.

In this particular case, a possible combination of existing customer base, relationships, and a professionally difficult situation were the motivations. These motivations were amply supported by prior personal qualities of teamwork, commitment to quality, and empathy.

The attempt in this article is to inspire, educate and call upon students and researchers of entrepreneurship to use similar methodologies.

This study is also a tribute to the entrepreneur who succumbed to Covid19 during October 2020.

Keywords: Entrepreneurship, Uninterrupted Power Supply (UPS), Odisha

Introduction

India's energy need is galloping to match with requirements for development. The electric energy is beset with challenges like insufficient fuel availability for power generation, lack of transmission and distribution infrastructure and losses, as well as market inefficiencies. Though, the

government claimed 100 percent availability of electricity to rural households, electrified areas do have frequent power outages (*International - U.S. Energy Information Administration (EIA)*). The Indian Government has been trying different policy reforms over a period of time to ensure the availability of electricity and growth of the sector

(Kanitkar et al., 2020). The need to reduce CO₂ and chloro-fluoro-carbon (CFC) emissions have necessitated the substitution of fossil fuel based generation with the regenerative and renewable sources (Kumar et al., 2020). Overall, the Indian electricity sector is improving in the energy security and sustainability dimensions (Sarangi et al., 2019). Given the importance of this subsector, a detailed study indicated the energy storage roadmap for India and emphasized the importance of such technologies (*Energy Storage System- Roadmap for India: 2019-2032*, 2019).

Even with the gradual improvements, the electricity availability has remained a concern. The peak power supply and demand indicated a deficit of 0.7 in the year 2019 (*Power Sector at a Glance: All India*, 2020). At one end of the spectrum, un-electrified consumers feel high monthly cost of electricity as a barrier (Tripathi & Jain, 2017). On the other hand, even the small organisations are ready to pay twenty percent more for uninterrupted power supply (Ghosh et al., 2017).

The following section discusses the role of uninterrupted power supply (UPS) and related technologies in India and its market.

UPS industry in India

Inevitably, the electricity deficit remains the *raison d'être* for UPS technologies and companies. In addition to providing uninterrupted power supply, the UPS gives safety

protections to equipment. The growth of information technology (IT) and IT enabled services (ITES) sector, banking financial services and insurance (BFSI) and manufacturing sector has driven the demand for UPS. Similarly, the growth in the usage of electronic gadgets and equipment also has fuelled additional demand (July, 2020). UPS is also required in case of solar energy storage and subsequent transformation. A report from Research on Global Markets, expects the Indian UPS market to be 99.83 billion INR by 2023, with a compounded annual growth rate of 11.97 per cent (July, 2020).

Indian UPS market is price sensitive and fragmented. Though there are about 800 UPS companies in India, they do not possess right technology. As a result, most of the components are imported from China or Taiwan. The market is segmented by product capacity, technology and industry usage. The online double conversion, line-interactive and offline (usually called battery backup) are the three major types of configuration of UPS systems. These configurations define how power transfers through the unit.

The aforementioned discussion indicates that the UPS market is technology intensive and competitive. A new entrant or an entrepreneur needs substantial experience to cater to diverse industry segment. Following section discusses the methodology and the case study in light of the context discussed above.

Methodology

The interview was conducted on 26th May 2018 at Vignapan's office (an organisation which develops industrial directory of Odisha). Additional information from secondary sources were collected on the industry. A purposive literature review is presented for the case study discussion. The objective of the narrative study is to appreciate the role of the context to trigger entrepreneurial intention.

Literature Review

There are several factors responsible for the entrepreneurial intentions (Kar et al., 2014, 2017; Kar & Tripathy, 2016). Often, these factors interact with each other in a complex manner to result in a go or no-go decision for entrepreneurship. In this narrative research, we limit our literature review to the perceived job loss as a motivation to take up entrepreneurship.

Entrepreneurial intention continues to be researched upon for its significance to the field (Bird, 2015; Fayolle & Liñán, 2014). Shapero and Sokol's entrepreneurial events theory (Shapero & Sokol, 1982) indicated that social variables, social and cultural environment shape an entrepreneurial event. The entrepreneurial event includes initiative, resource consolidation, and risk-taking. The event also includes situational, social, and individual variables associated with the event. The entrepreneurial action depends upon the desirability, and feasibility.

Involuntary job loss is one of the important entrepreneurial events. In such cases, individuals evaluate the social status and institutional climate to take up entrepreneurship (Abebe & Alvarado, 2018). The event influence changes in personality traits, particularly openness and is driven by level of education (Anger et al., 2017).

On the other hand, the threat rigidity theory indicates that the threat of job loss impairs the innovativeness of an employee through increased irritation and decreased concentration (Van Hootehem et al., 2019). An impending layoff is also found to adversely affect employees entrepreneurial intention which is mediated by entrepreneurial self-efficacy and gestation action (Mwangi & Rotich, 2019).

However, it is found that the firms formed by such displaced employees from are more viable, although they show modest growth in employment, turnover and operating profit (Nyström, 2020). The necessity entrepreneurship increases in the event of a involuntary job loss or unemployment. Contrary research finding also indicate that firms founded by these entrepreneurs display lower financial and innovative performance compared to firms formed by opportunity entrepreneurs (Conti & Roche, 2019).

The following section is based on the narratives of the entrepreneurs as lived experience, and related to the purposive literature review outlined.

Family Background and Education

Khirod was from Astarang in Puri district, he studied in the village school, completed matriculation in the year 1983. He studied in the Buxi Jagabandhu Bidyadhar (BJB) College, Bhubaneswar for +2 and studied for 6 months in Samanta Chandra Sekhar (SCS) college, Puri. During his study in SCS college, he took initiative to get the hostel renovated. He took initiative to install a submersible water pump for drinking water, provision of fans in each room and purchase of new kitchen utensils. His maternal grandfather Sura Nayak (a veteran political leader), helped in these activities. The hostel inmates took approval from public works department (PWD) and General Administration Department. People remember Khirod's work until today. The hostel administration even offered a permanent room in his name whenever he visits, but Khirod politely refused the offer, and he used to be invited to any get together in the hostel.

Khirod's family is well known in the locality. The family had a grocery shop, a public distribution shop for kerosene/ rice and was quite popular. The shop was started by his grandfather. Kirod's father was a school teacher and expired in the year 1994 due to a snake bite. Khirod is the eldest and has 2 brothers and a sister. The younger one is a high school teacher and the youngest is in central reserve police force (CRPF). His sister is married and stays in Delhi. Khirod's only daughter completed her post graduate diploma in management (PGDM),

a gold medallist from Asian school of Business Management, and working in In2IT in human resource (HR) department. His wife is a home maker.

Early career

Khirod completed electrical engineering in the year 1993 from Associate Member of Institution of Engineers (AMIE) and joined in Public Health Engineering Department. He quit that contractual job after about a year. He switched to private sector companies. The first one was Numeric, the second one was Fiscass (a French company), and the third one was Aplab. All these companies were uninterrupted power supply (UPS) companies. In all these companies, the place of posting was Bhubaneswar. Khirod worked for Aplab for 17 long years from 1997.

Entrepreneurship

Aplab had industrial products, chemical industry products such as measuring instrument, educational equipment, fuel dispensers for petrol pumps. Khirod rose up the ladder in Aplab and by the time he left he was responsible for the overall business for Odisha. The company manufactured good quality products and it was the market leader in Odisha. The problem started after the chairman became little old and the management was taken over by his son.

Khirod thought of starting his own organisation. It was a proprietorship organization in his wife's name. He quit around the year 2012-13. The

organization is a private limited company now. Khirod was in a very senior position in Aplab and could have switched to another good company. But, he decided to build his own organisation. He says “Actually, to get into a senior position, one has to leave his home state, and go out. Also, one has to leave the customer base created with lot of effort. I had a great network here.”

Over the years people knew Khirod for UPS and the company (Access Odisha) stuck to that line of business. In the first year the company put around 400 UPS. There was a relationship base from the earlier experience. This was Khirod’s customer base.

Over the years, the company has put more than 1200 UPS in different parts of Odisha. It sells a varied range of UPS: from high range products for industrial, diagnostic, hospital, education and government offices to small domestic UPS. The capacity varies from 1 to 4900 KVA. The product range also varies for multiple UPS, parallel UPS. The unit can be stand alone, multiple or parallel. Access Odisha also manufactures UPS (up to 10 KVA). The company does not do basic transformer winding. They get the parts and assemble it. The parts are usually procured from Bangalore. There are very few OEMs. Rest all assemble according to the requirement.

Khirod asserts that the company has never cheated, maintains the quality and delivers the actual product specification. The customer spread is

good. Khirod proudly claimed “You go through any road in Odisha, you will get our product. Usually banks, hospitals and diagnostic centres have our UPS”

Managing Competition

On the question how could he manage the competition from the earlier company, which was much bigger, he said “The customers were known personally and it was quite a long association. In a service industry, the service is delivered by individuals. Customers knew me individually for my service quality and ability.” Access also adopted good service quality features. It gives 24/7 support. There is the customer relationship management software where the service requests are created, service persons are assigned and call closures are monitored. Almost every activity can be monitored. The follow up is quick, easy, and the decision making is fast. There are 13 employees in the organization giving sales and support to the customer. The growth of the organization has happened only with referrals. However, now the company has started looking for marketing resource from UPS and related areas experience. Our workforce already consists of engineers with ITI, Diploma and B.Tech. degree. There are service locations at Berhampur, and Sambalpur. The growth is quite fast in this segment.

The Market

There are about 8 or 10 suppliers in Odisha in the UPS segment. There are

also small players who just put their stickers and sell. Khirod says “We don’t want to be in that segment.” Access Odisha has executed projects with value ranging from 1 lakh rupees to one crore rupees. Initially the profit was not a major concern. The major concern was to enter into the market and ensure a good presence for publicity as well as customer acceptance. Customers from Bombay and Bangalore have come and asked for Access Odisha’s service. Till date there has not been a single case of return, because of the quality of product and service.

Innovation

Many times the customers have specific requirements and we have to give unique solutions. It requires huge creativity. Khirod says “We are all technical persons. We need creativity to differentiate our product and service. We are asked to make sure that machines can work even in case of earthquake.”

Exemplary Service

During Phailin cyclone, Mr Parida had given services to the State Bank of India (SBI). He made sure that SBI is able run their machines. It was very satisfying for both the customer and him. Subsequently, SBI awarded the annual maintenance contract (AMC) to Access. “It was great achievement because SBI is a very big organization, for them to give work directly to a small organization is not usually possible,” he said with a big smile on his face.

Difficult Times

Khirod narrated three difficulties he faced. The first one was personal. He narrates “When I quit job at Aplab, I did not have savings even of single penny. One of my friends gave me Rs 5000 as loan. I barely survived on that money. My daily diet was a frugal meal of rice, dal and potato (he becomes emotional). Subsequently I got a bank loan of Rs 5 lakhs and gradually the business grew. I maintain honesty and never cheated. I think people have supported me because of that.”

The second problem was related to bank merger between the State bank of India with the Bank of Hyderabad. The accounts related issue took some time to be sorted out.

The third challenge he faced was that many times the company was not able to take up or execute problems due to lack of fund. He narrates “We got a solar project worth Rs 2 crores, but could not execute it because of lack of capital. We then started solar household rooftop projects because we realized that most of the suppliers cheat by installing less solar panel capacity for the intended battery and the customers don’t get full benefits.”

Future Plans

In the future Access wants to produce or manufacture UPS units here to make it more cost effective. The transportation cost is one of the major cost components. The prices are bit premium, but it matches with the service.

Access is planning to diversify and work on substation automation. One of Khirod's friends who worked with Schneider came and joined him. The company is working for panel-relay protection equipment and services. But, right now they can only consider being a subcontractor to large players.

The name of the company 'Access Odisha' was given by one of his acquaintances. The UPS business and 'Access Odisha' name is a little different. Many times, the company gets mails intended for the government departments. People mistake the name for a government program.

Access Odisha revenue is growing around 20 percent year on year since inception. The revenue was 2.56 crore in 2017 and rose to Rs 2.86 crore in 2018.

Conclusion

This narrative research brings out the role of self-efficacy, customer relationships, involuntary job loss scenario, commitment to quality, and social network on entrepreneurial intention and growth.

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