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# When is the Right Time to Start a Business?



By Balagopal Vissa , INSEAD Associate Professor of Entrepreneurship

**Every aspiring entrepreneur seeks an answer to this million dollar question, but the answer lies within**

India's hospitals are notoriously overburdened. Many patients suffering from routine ailments and requiring routine treatments end up in them because local doctors are scarce, especially in rural areas, where two-thirds of the population resides. Much of this burden could be lifted by a better primary healthcare system. Dr. Santanu Chattopadhyay, the founder and CEO of Nationwide Primary Healthcare Services, an Indian company set up with a mission to provide every family in the country with a qualified family doctor, hopes to change that.

I was recently able to speak with Dr. Chattopadhyay on a panel at the twice-yearly INSEAD India Business Dialogue in Bangalore. When I asked him when he thought the right time to start a business was, he replied with a smile, "when you feel ready."

It was a vague answer, but once he elaborated on his reasoning, it made perfect sense. Dr. Chattopadhyay's story is fascinating, because he mixed

what inspired him with what he learned along his professional journey before he was ready. Once he envisioned the broad opportunity he wanted to pursue, it took him a further eight years to put it into action.

## **Getting ready**

Growing up in Calcutta, he was one of the lucky ones in India who had a family doctor. He tells affectionate stories of how he and his cousins would chase after the doctor when he came to the house and squabble over the privilege of carrying his case for him. He was in awe of the family doctor and he aspired to be a physician.

That aspiration took him to medical school and later to the U.K. and the U.S. as a gastroenterologist. Here he observed how qualified general practitioners worked, how most GPs could cure 80 percent of ailments without needing to refer patients to hospitals and how efficient the well-funded front lines of medicine could be. He wanted the same for India, but realised he wouldn't have been able to make such an impact as a doctor alone. In 2001, he got his big entrepreneurial idea.

Chattopadhyay realised he had to mix business with medicine, but even after studying an MBA at INSEAD in 2003, he decided that he still wasn't ready and wanted some corporate experience. He ended up at Johnson & Johnson in sales and marketing. Ten years later, he knew he understood business, but not the country he had lived outside of for so many years. He returned to India to work for a start-up company specialising in providing training materials for medical sales reps. After turning a business unit there into a multi-million dollar success he realised he was finally ready to take the plunge, starting Nationwide Primary Healthcare Services, which has expanded across India.

Dr. Chattopadhyay pins his success on a long timeline that allowed his vision to crystallise. He says he balanced his optimistic personality against his rationalistic personality before he was ready to take risk. In addition, building a business while working as an early employee at a startup enabled him to create something from the ground up without taking too much personal risk.

## **Don't listen to the market**

Another great story I heard at the dialogue came from iXIGO co-founder, Dharmendra Yashovardhan, another INSEAD alum. Having started his career

as a marine engineer, he found his way to INSEAD with an ambition to learn more, to be a generalist and to work with IT, he said. He wanted to start a business in India and in technology. Again, a vague goal, but over time, his ambitions crystalised.

It was 2005/2006, when iXIGO came about. He was looking at the travel market place, where nine airlines operated along with 12 major online travel agencies. The market was saturated, but it had a gap. India did not have a website that could help customers view and compare airlines, fares and routes. iXIGO answered this need.

But it struggled. When iXIGO wanted to raise money in 2008, it was not easy. The world was in the throes of financial panic and the company hit a wall. Faced with layoffs, he emotionally tells me that his staff took voluntary pay cuts to save the company. Thanks to the persistence and passion of the team, iXIGO eventually became a success. Yashovardhan's one piece of parting advice is don't let anyone tell you when is the right time. Sometimes the market is ripe for raising money, sometimes it isn't, but the cycles come and go.

This reflected the thoughts of Arjun Narayan the co-founder and managing director of Catamaran Ventures, a venture capital firm. He says emotional capital matters because nobody will understand your journey. Only you can have the staying power and the persistence in the face of adversity. Echoing Dr. Chattopadhyay, Narayan says that when you feel you have enough non-financial capital (the "intrinsic" as he put it), you'll be ready. When you've lasted the journey, you can convert this non-financial capital into a business that generates shareholder value.

## **My two cents**

What interested me most about these cases was the personal nature of the decision. Each with a different story, both had long journeys that were characterised by uncertainty and with a rough goal in mind. It took time for the goal to be realised and it took gut feeling to be ready.

The macro-economic environment should certainly play a role in your decision. I wouldn't advocate starting a pet grooming business in a downturn because demand for such discretionary items will certainly be shaky, but the macro environment is not the only or the most important guide to the "right time". Experience matters and not because you'll know it all when you do

start your business, but because it's a constant journey of continuous learning – as Dr. Chattopadhyay's story illustrates. When you've got your big business idea that fills a need in the market place, let your gut tell you if you have accumulated enough of the required experience base to be ready to start your entrepreneurial roller-coaster. Is it time to invest your emotional capital? Only **you** will know.

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#### **About the author(s)**

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