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## Entrepreneurial Development

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## Unit - I

Entrepreneur is derived from french word *entreprendre*

*Entreprendre* Means undertake

### Definition of Entrepreneur:

According to Richard Cantillon, *entrepreneur* denotes, "A person who buys factors of production at certain prices with a view to selling his product at uncertain prices in future."

\* \*

### Types of Entrepreneurs:

- i) Innovative Entrepreneurs
- ii) Adoptive (or) Imitative Entrepreneurs
- iii) Fabian Entrepreneurs
- iv) Drone Entrepreneurs
- v) Others

\* Individual and Institutional entrepreneurs



- \* Entrepreneurs by Inheritance
- \* Technologist entrepreneurs
- \* Forced entrepreneurs.

19.6.19 Qualities of an Entrepreneurs:

- i) Capacity to take risk
- ii) Capacity to Work hard
- iii) Energetic
- iv) Drive
- v) Self-Confidence
- vi) Intelligence and knowledge
- vii) Ability to foresee future
- viii) Willingness to Change
- ix) Ability to mobilise resources
- x) Ability to Built up organisation and Administer
- xi) Ability to take decisions
- xii) Willingness to take responsibility
- xiii) Innovativeness
- xiv) Desire for high achievement
- xv) Capacity to solve problems

- xvi) using feedback
- xvii) taking initiative
- xviii) Handling failures
- xix) Locus of Control
- xx) Tolerance of uncertainty 1. floods know
- xxi) Flexibility
- xxii) Guarding Business Secrets 2. provide for company
- xxiii) Quality Conscious
- xxiv) Tactful 3. knowledge of people to give
- xxv) Have vision 4. eye view
- xxvi) Information Seeking
- xxvii) Monitoring 5. need of leadership
- xxviii) Welfare orientation
- xxix) Systematic Planning
- xxx) Persuasion 6. collect all information

## Types of Entrepreneurs

### i) Innovating Entrepreneurs

An Innovating entrepreneur is one who introduces new goods, inaugurates new methods of production, discovers new markets and reorganizes the enterprise. It is important to note that such entrepreneurs can work only when a certain level of development is already achieved, and people look forward to change and improvement.

### ii) Imitative Entrepreneurs

These are characterized by readiness to adopt successful innovations inaugurated by innovating entrepreneurs. Imitative entrepreneurs do not innovate the changes themselves, they only imitate techniques and technology innovated by others. Such types of entrepreneurs are particularly suitable for the underdeveloped regions.

### iii) Fabian Entrepreneurs

Fabian entrepreneurs are characterized by very great caution and skepticism in experimenting any changes in their enterprises. They imitate only when it becomes perfectly clear that failure to do so would result in a loss of the relative position in the enterprise.

### iv) Drone Entrepreneurs

These are characterized by a refusal to adopt opportunities to make changes in production formulas even at the cost of severely reduced volume relative to other like products. Such entrepreneurs may even suffer from losses but they are not ready to make changes in their existing production method.



V) Others

1. Individual or Institutional entrepreneurs.

These are the entrepreneurs who essentially work alone and if needed at all employ a few employees in the beginning most of the start their enterprise like them.

2. Business Entrepreneur.

3. Trading Entrepreneur.

4. Industrial Entrepreneur.

5. Corporate Entrepreneur.

6. Agriculture Entrepreneur.

7. Retail Entrepreneur.

8. Service Entrepreneur.

9. Social Entrepreneur.

10. Technical Entrepreneur.

11. Non-Technical Entrepreneur.

12. Professional Entrepreneur.

13. Pure Entrepreneur.

14. Induced Entrepreneur.

15. Motivated Entrepreneur.

16. Spontaneous Entrepreneur.



17. Growth Entrepreneur

18. Super growth Entrepreneur

19. First generation Entrepreneur

20. Modern Entrepreneur

21. Classical Entrepreneur

22. Women Entrepreneur

23. Rural Entrepreneur

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## Importance of Entrepreneurship development:

### i) Decrease unemployment:

Development of entrepreneurship can reduce unemployment dramatically. Because, If entrepreneurship develops in any country it should need large number of workers for every stage so it can reduce unemployment.

### ii) Reduce Capitalization

This is an era of Capitalization and Capitalization Rights because of some massive entrepreneur. But if we can develop Entrepreneur<sup>ship</sup> in large volume it can create competition in the market and reduce Capitalization.

### iii) Economic Balance of the Country

It can bring the economic balance of a country because when a business entrepreneur starts its operation it involves many people in economic condition.

iv) The Local Resources can be used

Entrepreneurship development ensures use of local resources. And it increases a local cash inflow.

v) Rise Per Capita Income

When per capita income is increased, then only national development

An entrepreneur may arrange employment for many unemployed it reduce unemployment problem as well as rise per capita income

vi) Improve the Living Standard:

Successful entrepreneur can manage some employment so it improves the living standard.

vii) Economic Independent

Entrepreneurship gives a man economic independent which is really very important

viii) Overall Development

Economic development is overall development and entrepreneurship development brings financial development.

## Intrapreneurship

According to Marry Coulter, "Intrapreneurship is the Pursuit of Entrepreneurship Within the Confines of a large organisation".

### Intrapreneurs :

According to Gifford Pinchot III, "Intrapreneurs are the persons who resigned from the well paid executive positions to launch their own ventures."

### \* Difference between Entrepreneur and Intrapreneur

Entrepreneur	Intrapreneur
Dependency: Entrepreneur is Independent	Intrapreneur dependent on the entrepreneur
Raising of funds: Raises funds on its own initiative to meet the requirements of the enterprise	Intrapreneur does not raise funds.



<p><u>Profit</u> Enjoys the Profit of the business</p>	<p>Does not take Profit out of his innovation</p>
<p><u>Risk taking</u> Entrepreneur bears the entire risk</p>	<p>Intrapreneur does not bears the risk</p>
<p><u>Ownership</u> Real owner</p>	<p>Not the Real owner, he works for the business</p>
<p><u>Operation</u> Entrepreneur operates from outside the organisation</p>	<p>Intrapreneur works from Within the organisation</p>
<p><u>Nature of Work</u> Entrepreneur convert the innovative ideas of Intrapreneur into Viable opportunities</p>	<p>Intrapreneur Creates innovation</p>

[www.inc.com](http://www.inc.com)

Owning a business isn't for everyone. The stress and hard work that come with it makes many people unwilling to dive in.

It takes a special kind of person to be an entrepreneur - to come up with an idea and put that idea into action. But not all ideas work out. In fact, the Bureau of Labor Statistics finds that 50% of small businesses fail within the first four years. Not a big vote of confidence for quitting your job and becoming an entrepreneur.

But entrepreneurs don't see the risk: they see the reward. As an entrepreneur myself, I know how to put the time and effort in to make my dream a reality.

If you want to be an entrepreneur, you need to have the right personality and the right attitude. Here are 10 essential characteristics to be successful as an entrepreneur:

### 1. Creative

Entrepreneurship starts with an idea. To be successful, you need to always be thinking of new ideas and better ways of doing things.

In an interview in Martyn Lewis's book "Reflections on Success," Virgin Airlines founder Richard Branson said, "I've gone into business, not to make money, but because I think I can do it better than it's been done elsewhere. And, quite often, just out of personal frustration about the way it's been done by other people."

Entrepreneurs are not satisfied with the status quo. They think outside the box and look for opportunities to come up with new solutions.

### 2. Passionate

Perhaps the most important characteristic for entrepreneurs, passion is essential to any business owner or working professional's success. Without passion, there is no reason for your work and no drive to do it.

Entrepreneurs love what they do and are extremely dedicated to the businesses they create. To be successful, you must be confident in yourself and your business, and you must be proactive with what you do and how you do it.

### 3. Motivated

In an interview with The Computerworld Smithsonian Awards Program, the late Apple founder Steve Jobs said, "I'm convinced that about half of what separates the successful entrepreneurs from the non-successful ones is pure perseverance."

Because of their passion for their ideas, entrepreneurs are willing to put in the long hours and hard work required to launch and run a successful new business. Are you self-motivated? Entrepreneurs are their own boss, which means there's no one telling them to do things. You must be in charge of your own time and how you spend it.

#### 4. Optimistic

Do you see the glass half empty or half full? For entrepreneurs, it's always half full. Entrepreneurs always look on the bright side and are constant dreamers. They look at how they can do things better and make the world a better place. They never dwell on the past or the negative. Instead, they focus on moving forward and moving up.

When they're confronted with challenges, entrepreneurs don't see them as problems; they see them as opportunities. Challenges fuel entrepreneurs and make them reach higher and do more.

#### 5. Future-oriented

Because entrepreneurs are focused on moving forward, they are always looking toward the future. Entrepreneurs are very goal-oriented and know exactly what they want. They set their goals and everything they do is aimed at achieving those goals.

Having a strong vision helps propel you toward accomplishment. Consider setting a goal for yourself - a north star that can guide you on your path to success.

#### 6. Persuasive

To be successful in business, you have to know business. If you're a people person and know how to get people to listen to you, you could be a successful entrepreneur.

Especially when first starting out, entrepreneurs need to gain buy-in from those around them on their big idea. If it's an out-of-the-box idea, which it usually is, many people will be skeptical before giving their support or investing any money. That's why entrepreneurs need to use their persuasiveness to sell themselves and their ideas.

#### 7. Flexible

According to professional development coach Ruchira Agrawal in an article for Monster, "As an entrepreneur, you'll typically start out as a 'solopreneur,' meaning you will be on your own for a while. You may not have the luxury of hiring a support staff initially. Therefore, you will end up wearing several different hats, including secretary, bookkeeper and so on."

Entrepreneurs know how to adapt to unfamiliar situations. If their business requires that they learn how to build a website or send an invoice, they'll do it. Whatever it takes, entrepreneurs are ready and willing. They always approach things with an open mind and are willing to change course if they need to.

#### 8. Resourceful

In business, problems aren't a matter of if, but when. Entrepreneurs do not shy away from challenges or conflicts. Instead, they face them head on and come up with a solution. They know how to solve problems effectively.

Entrepreneurs also know how to make the most of what they have. Time, money and effort are never used haphazardly. Everything has a plan and a purpose.

## 9. Adventurous

In an interview with Y Combinator president Sam Altman, Facebook founder Mark Zuckerberg said, "In a world that's changing so quickly, the biggest risk you can take is not taking any risk."

Entrepreneurs know that to be successful, they must be willing to take risks. While they don't mind walking on the wild side, they don't take risks lightly. They know how to plan for the unknown and make a calculated decision that is best for them and their business.

## 10. Decisive

There is no room for procrastination in business. Entrepreneurs know what needs to be done and don't hesitate to make the decisions that will lead them to success. They don't let opportunities pass them by; instead, they seize the day and get the job done.

How do you best exemplify the entrepreneurial spirit? What characteristics do you most identify with? Let me know in the comments below:

[07/08, 1:36 pm] Sudha: EDP

Role of Entrepreneurs in Economic Development of Country

Role of Entrepreneurs in Economic Development of Country

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Role of Entrepreneurs in Economic Development of Country

Role of Entrepreneurs in economic development of a country are discussed under the following heading.

Role of Entrepreneurs in Economic Development of Country

### 1. Employment opportunities

Entrepreneurs employ labour for managing their business activities and provides employment opportunities to a large number of people. They remove unemployment problem.

### 2. Balanced Regional Development



Government promotes decentralized development of industries as most of the incentives are granted for establishing industries in backward and rural areas. Thus, the entrepreneurs to avail the benefits establish industries in backward and rural areas.

They remove regional disparities and bring balanced regional development. They also help to reduce the problems of congestion, slums, sanitation and pollution in cities by providing employment and income to people living in rural areas. They help in improving the standard of living of the people residing in suburban and rural areas.

### 3. Mobilization Of Local Resources

Entrepreneurs help to mobilize and utilize local resources like small savings and talents of relatives and friends, which might otherwise remain idle and unutilized. Thus they help in effective utilization of resources.

### 4. Optimization Of Capital

Entrepreneurs aim to get quick return on investment. They act as a stabilizing force by providing high output capital ratio as well as high employment capital ratio.

### 5. Promotion of Exports

Entrepreneurs reduce the pressure on the country's balance of payments by exporting their goods they earn valuable foreign exchange through exports.

### 6. Consumer Demands

Entrepreneurs produce a wide range of products required by consumers. They meet the demand of the consumers without creating a shortage for goods.

### 7. Social Advantage

Entrepreneurs help in the development of the society by providing employment to people and paves for independent living They encourage democracy and self-governance. They are adept in distributing national income in more efficient and equitable manner among the various participants of the society.

### 8. Increase per capita income

Entrepreneurs help to increase the per capita income of the country in various ways and facilitate development of backward areas and weaker sections of the society.

### 9. Capital formation

A country can attain economic development only when there is more amount of investment and production. Entrepreneurs help in channelizing their savings and savings of the public

to productive resources by establishing enterprises. They promote capital formation by channelizing the savings of public to productive resources.

#### 10. Growth of capital market

Entrepreneurs raise money for running their business through shares and debentures. Trading of shares and debentures by the public with the help of financial services sector leads to capital market growth.

#### 11. Growth of infrastructure

The infrastructure development of any country determines the economic development of a country. Entrepreneurs, by establishing their enterprises in rural and backward areas, influence the government to develop the infrastructure of those areas.

#### 12. Development of Trade

Entrepreneurs play an important role in the promotion of domestic trade and foreign trade. They avail assistance from various financial institutions in the form of cash credit, trade credit, overdraft, short term loans, secured loans and unsecured loans and lead to the development of the trade in the country.

#### 13. Economic Integration

Entrepreneur reduces the concentration of power in a few hands by creating employment opportunities and through equitable distribution of income. Entrepreneurs promote economic integration in the country by adopting certain economic policies and laws framed by the government. They help in removing the disparity between the rich and the poor by adopting the rules and regulation framed by the government for the effective functioning of business in the country.

#### 14. Inflow of Foreign Capital

Entrepreneurs help to attract funds from individuals and institutions residing in foreign countries for their business.

## Difference between Entrepreneur and Entrepreneurship

Entrepreneur	Entrepreneurship
Person	Process
Organiser	Organisation
Innovator	Innovation
Risk Bearer	Risk Bearing
Motivator	Motivation
Creator	Creation
Visualiser	Vision
Leader	Leadership
Imitator	Imitation
Technician	Technology
Initiator	Initiative
Decision Maker	Decision Making
Planner	Planning
Programmer	Action

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# Difference between Entrepreneur and Manager

Entrepreneur	Manager
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one who sets the value  
shareholder funding

## 1) Motive

He is a person to work  
in Entrepreneur

The Very Motive of  
an entrepreneur  
is to start a  
Venture by selling  
up an entity.

The Very Motive of a  
Manager is to render  
services to an entity  
set up for the  
execution of the Venture.

## 2) Status

owner of the  
entity

Salaried employee.

## 3) Risk Bearing

Doesn't have

Bear Risk

Doesn't bear Risk

## 4) Reward

Rewarded by Profit

Besides salary Managers  
gets Perquisites  
allowances

## 5) Skill

Entrepreneur requires  
Creative talent  
and Innovation  
etc.

Manager requires skills  
for working in the  
Venture.



## Difference between entrepreneur and Enterprise

Entrepreneur	Enterprise
Person	Firm/Company/organisation
Individuals	Group of people
Subject	Object
Input	output
Passion	Profit

Administrator

Administration

Communicator

Communication

Besides, salary Manager  
get remuneration

Remuneration by Profit

Manager requires skill  
for working in the  
venture

Entrepreneur requires  
Creative talent  
and Innovation  
etc.

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## Functions of the Entrepreneur

- i) Generating Business Ideas
- ii) Determining Business objectives
- iii) Product Analysis
- iv) Deciding the form of enterprise
- v) Promoting the enterprise
- vi) Raising Necessary funds
- vii) Procurement of Machine and Materials
- viii) Recruiting Men
- ix) Undertaking the Activities

All the above functions can be broadly categorised into

- 1) Risk bearing
- 2) Organisation
- 3) Innovation

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## Characteristics of Entrepreneurship

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- 1) Risk Bearing
- 2) Innovation
- 3) Decision - Making
- 4) Achievement orientation
- 5) Organisation Building
- 6) Accept Challenges
- 7) Gap Filling
- 8) Creative personality
- 9) Mobilising Resources
- 10) Motivation
- 11) Managerial skills and leadership

21.6.19

Women Entrepreneur in India [Informants at  
present stage]  
modern era

Women Sector occupies nearly 45%  
of the Indian Population. The literary  
and educational status of Women improved  
considerably during the passed few decades.

More and More higher educational and  
Research institution are imparting knowledge  
and Specialisation at these juncture, effective  
Steps are needed to provide entrepreneurial  
awareness, orientation and skill development  
Programme to women.

The Institutions available at present are  
Very limited. Moreover, there functions and  
opportunities available with them are not  
popularized Much.



Womens at old Stage (old Era)

The Indian Sociological set up has been traditionally a male dominate one

Women are consider as weaker section and always to depend on Men folk in there family and outside, throughout there life.

There left with lesser commitment and kept as dormant force for a quite long term. The Indian Culture made them only subordinate and executor of the <sup>decision</sup> Made by other Male Members, In the basic family structure.

The traditional set up is changing in Modern era. The Indian Women have basic Characters in themselves in the present sociological and cultural set up as follows:

1) Indian women are considered as Sakthi, <sup>which</sup> means source of power.

2) Effectively coordinating the available factors and resources.

3) Efficient execution of decision imposed on them.

4) Clear vision and ambition on the improvement of family and children.

5) Patience <sup>and</sup> bearing the suffering on behalf of others.

6) Ability to work physically more at any stage.

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