The word entrepreneurship has risk in its definition. When the meaning of entrepreneur is looked up on google, the meaning comes as ‘a person who sets up businesses, taking on financial risk with the hopes of making profit.’ [Diandra & Azmi, 2020]. It is not easy to discard the word risk as being an entrepreneur comes with a lot of threats. The risk of being an entrepreneur is not just about money. It is also the risk of losing trust of stakeholders, families, or your whole community. So, why am I still writing this piece about entrepreneurship? I am writing it, so I have in depth knowledge about what entrepreneurship is and how to avoid the risks in entrepreneurship.

[Caird, 1993] explained that the risk in entrepreneurship is quite high. I have come from a middle working-class family where my dad is a businessman, and my mom is a housewife. My siblings and I have always seen the fear in my mother’s eyes when my dad’s business did not do very well. Businesses brings in a lot of money when its profitable but when there is loss, it also takes a lot of money from your own pocket. So, it is usually a do or die fight.

Entrepreneurs need to engage in entrepreneurial activities [Yoganandan & Vignesh, 2017]. Entrepreneurs need to be imaginative; they need more than just a vision to start a business. They are required to think outside the box so they can be successful and win over their competitors. Entrepreneurs faces a lot of crises and issues daily. We may think it is easy to handle business once it’s set up, but the truth is, it a lot harder than we can imagine running the business smoothly every day.

Entrepreneurs must know about all kinds of fields such as IT, innovation, creativity, business and so on. They are the ones who manages everything and specially if they are a small business. They must learn new skills that will help them build their business and develop entrepreneurial mindset [Andrew & Kathryn, 2015]. [Fisher, 2012] explains that to become an entrepreneur you will need to identify, uncover, understand, and exploit many opportunities. A successful entrepreneur fails many times but what counts is how many times he stands up and tries again. To look at an example, we are all familiar with KFC and the founder of KFC. In his 20s and 30s he had to go through many failed jobs to start his own small ventures. He started selling homemade fried chicken in his service station for some extra cash. In his autobiography he wrote he only has two rules ‘do all you can and do the best you can’ [KFC Corporation, 2012]. It is better not to focus on the negative outcome but better to be optimistic and use the negative situation to your advantage.

As mentioned above, it is not easy to become an entrepreneur. A lot of sweat and blood goes into building something. Entrepreneurship may hear like a fancy word that we expect only rich can pursue. However, it is not true. In India, farmers who run their own small businesses can be called entrepreneurs. The owner of Tesla company Elon Musk is also an entrepreneur. The only difference is how big their business is. Both the rich and the poor can face challenges as an entrepreneur. The challenges are different though for both the categories.

The farmers in India live in the rural areas. They have limited resources and need to work hard at utilizing those resources in the most efficient way. It is hard for entrepreneurs living in the rural areas to be successful at businesses because of limited resources, technology and due to their lack of education. The entrepreneurs in rural areas have financial challenges as they do not have easy access to a lot of money. They also face managerial challenges as they have limited resources and limited human capital and poor managerial skills and training. They have other challenges such as Technology challenges, Infrastructure and Governmental challenges [Bhaskar et al., 2022].

The challenge for the well-known entrepreneurs varies from the small and medium business owners. Elon musk faced challenges with both Tesla and Space X. When he wanted to launch the Model S of Tesla, he has used his profits from PayPal to fund it. He accepted in the court that he was broke. Also, he had few failures with SpaceX which later he succeeded as he did not give up [Elon Musk: No, I don’t give up; I’d have to be dead or completely incapacitated," 2018]. However, small businesses are usually more affected than the larger businesses as they have no help from the Government, or the banks are not ready to help them financially [Newman et al., 2022].

Moving on, what does the study of entrepreneurship tells us? The study of entrepreneurship began in the second half century of the XVI. The 3 authors McClelland (1965), Rotter (1966) and Atkinson (1966) with their seminal work were first published in 1960 and psychological studies have been carried out about entrepreneurship. These authors explained that social motivation is one of the most essential psychological factors to understand entrepreneurship. When there is social motivation, the key factors to success such as imagination, power distance and willingness to take risks are easy to deal with. Possibility of achievements get higher when the propensity rate increases [Kalkan & Kaygusuz, 2012]

The mindset of every entrepreneur is different as they have different level of alertness and are driven by that alertness [Kirzner, 1979]. As a result of this alertness, only the ones who are willing to take high risks are most successful in business as the entrepreneurs always looks for changes, responds to it when they find it and exploit it to his advantage [Drucker, 1985] [Saiz-Alvarez & García-Vaquero, 2018].

The theory of [Pfarrer & Smith, 2015] talks about creative destruction which means that when new creative big businesses are built, it is necessary for small businesses to be destroyed, which will lead to economic growth. The function of an entrepreneur is to reform a pattern of production by utilizing an invention that has already been created by someone else. This is the way of entrepreneurs who produces a new product by exploiting the old ones Pfarrer & Smith, 2015 [Saiz-Alvarez & García-Vaquero, 2018].

Entrepreneurs looks for new opportunities who explores environment and takes advantage of them after doing a proper evaluation. These opportunities also include creating of new ventures. It is a debatable topic in entrepreneurship [Gartner, 1985]. It is important to understand entrepreneur’s mental processes especially because as the new venture created does not always follow rational choices or behaviours from the entrepreneur’s side [Shaver & Scott, 1991]. The psychological approach to become an entrepreneur and be successful in it stresses the businessman and such an approach is unhealthy. They are expected to be driven by desires, fantasies and feelings [Gabriel & Carr, 2002]. Thus, the idea of creating new business or venture into new business is considered a dark side of entrepreneurship. The behaviour of a new venture entrepreneur cannot be predicted which causes them to make irrational decisions and trying to justify them as they are doing good [Kets de Vries 1996].

Entrepreneurial action is a behavioural response to a judgemental decision regarding an opportunity [McMullen & Shepherd, 2006]. The intention of an entrepreneur shows in the action in response to the opportunity. The intention or action is usually driven by knowledge, experiences, the knowledge about market and also the goal or target that needs to be reached. Entrepreneurial action is also driven by personal motivation such as to make profits or to help social causes. Entrepreneurs use the social resources to build their empire, so sometimes they would like to give back to the society. It can be a social cause and also it can help to grow businesses [ANDRÉ, 2018]. Entrepreneurial action happens after entrepreneurial intention. What is entrepreneurial intention? The first step of any entrepreneurship is to have the intention of working and making progress. You discover and create opportunities. In this stage we can understand how desirable this opportunity is for the entrepreneur [Tarantino, 2021].

My views and interpretations about entrepreneurship have changed a lot when I started reading the concepts, theories, and actions. Yes, the concepts mention that without taking risk we cannot succeed in businesses. The higher the risk, the higher the profit will be when we succeed. It had scared me at one point but later after reading the actions of an entrepreneur, I have seen that everything depends on your intention. If you intend on being an entrepreneur, it does not mean you will only gain profit and money. It also means you can help the society. There are many kinds of entrepreneurship. One of them is social entrepreneurship where individuals, groups or large organizations come together to build a business that can fund, develop, and solve cultural, environmental, or social issues [Mair & Marti Lanuza, 2005]. If an entrepreneur who takes a reasonable profit from his customers, helps the society by solving issues and is a part of innovation, I believe entrepreneurship is a good career forward.

Moving on to the micro and macro perspectives, micro entrepreneurship focuses on a smaller radius meaning that it focuses on the business or the immediate next thing in a business such as location or sector in which it operates. Macro entrepreneurship on the other hand is a broader field and focuses on bigger factors that can affect a business such as economic growth or inflation which forces a business to change, and it has an impact on its performance.

Macro environments includes many factors beyond the social, economic, and cultural aspects. The first discussion will be about the macro factors which can impact businesses. The demographic factors can impact a business because of the age, ethnicity, education level, household, and the environment [KHAN et al., 2020]. It can determine the success of the of an entrepreneur. There are also technological factors in macro entrepreneurship. Now the whole world knows without technology it is almost impossible to run businesses so to keep a business up and running, they are required to use the basic technology such as mobile phones. Skills and knowledge are needed to use technology and technology is necessary for the smooth running of the business [Cunningham & O’Reilly, 2018]. However, only technology cannot guarantee the smooth running of businesses. There is a factor of Political and Legal aspects which needs to be studied well and considered before planning about the business [Oxford College of Marketing, 2014].

On the contrary, micro entrepreneurship includes factors such as suppliers, resellers, customers, competitors, and the public. For suppliers, it is beneficial to their business when they are or the only supplier for that product or is the largest supplier. Buyers are not essential in suppliers’ business. Resellers can impact businesses for the original organization who produces the product. The resellers are 3rd party buyers who resell the products and can use it as a leverage against the original organization if the reseller is a reputable name [Cunningham & O’Reilly, 2018]. Competitors are people who sells similar products, and these competitors need to be considered when going into business. How are they producing the product and how to get ahead of them. Also, what needs to be considered and is a factor of microenvironment entrepreneurship is public. Public will only buy the product when they are satisfied with so satisfying the public should be the topmost priority. Without them there is no business [Oxford College of Marketing, 2014].

Financial is a factor of both macro and micro entrepreneurship. The importance of money management in business cannot be denied. It necessitates knowledge of both micro and macro levels. For me to run a successful business, it is important I have sound financial practices in place to avoid any bankruptcy and to promote long term expansion of business [Rachapaettayakom et al., 2020].

Now I know that there are many advantages of being an entrepreneur and having your own business. The only disadvantage we have discussed so far is the risk of losing all the money. But is that the only disadvantage of entrepreneurship? Entrepreneurships have many dark sides which not everyone will tell you when you start becoming an entrepreneur. Entrepreneurs need to work for long hours to be successful. Therefore, when you work for long hours, it becomes easy to lose your personal life. You get detached from friends and family. Now when you get detached from friends and family, you tend to become lonely. Once you’re lonely. Depression hits you. Moreover, depression can also happen because of extreme competitiveness and strategic planning. It is necessary for an entrepreneur to be competitive and strategic but when you develop these habits at work, you start to behave the same way in your personal life. This may push away your close people and can cause depression for entrepreneurs. The other side is constant reminder of people that you may not succeed [dark side of entrepreneurship in 2023: Are you ready?" 2023]. When starting a small business, people keep telling you that you may not succeed and can fail at any time. This can be a big demotivation to the entrepreneur and can cause instability in his life. At the same time, when investors invest in your business, the pressure on the entrepreneur to make the business a success and give profits to the investors is very high. Investors can back any moment if they do not receive their profits [Tarantino, 2021].

While the entrepreneurship has dark side, people still want to become an entrepreneur. I have interviewed an entrepreneur who is in Australia and have started his own company. His name is Mark Waller and his company’s name is One Click Life which is a website. Through this website, people in Australia can pay for taxes, mortgages, and retirement incomes. It is a medium sized company with 20 employees. What inspired him to choose the path of an entrepreneur is his parents used to run a small chicken shop in Sydney. They were entrepreneurs themselves and has inspired him to become a business. It has been found that entrepreneur parents have a higher chance of having entrepreneur children by 60% [Lindquist et al., 2012].

Mark having a startup business also led him to make mistakes, but Mark says learning from those mistakes and moving past it is what truly matters. Mistakes will happen but we must keep a backup. When one takes an initiative to become an entrepreneur, they need to keep in mind that they will make mistake, there will be setbacks and losses, but we need to overcome those and keep moving forward. As an entrepreneur, Mark says that we need to learn a lot about the business, find out what our customers wants and what tools are needed. Also, it is a good idea to get feedback from some companies who are in a similar field you’re interested in. He was also asked what are the personal challenges that an entrepreneur might face when growing a business? He said that it is necessary to know what the dangers are in growing this business, both for my money and the business plan. Also, it is better to keep an idea what your business plan will do to your finances. This way you can keep some backup. Mark also said that business is based on trial and error when asked what assumptions he made when starting his business? His company had a rise in the number of users when COVID started as people stopped going out less and looked for alternative methods to file their taxes. Based on his experience, he advised students who are interested in starting a new venture that figure out what people want to buy and how that can be turned into money. Always be strong and do a lot of work to learn about your business and finances.

From my own experience by being an entrepreneur’s child, I believe entrepreneurship has a lot to offer. The field of entrepreneurial study feeds into the economy and with the entrepreneur themselves. Sustainable entrepreneurship is a very important concept nowadays. If as entrepreneurs, we do not do business in a sustainable way, the future generation may not have the same benefits as we are getting. Entrepreneurship has a lot of positive things to provide to our society and economy. It creates new jobs, encourages young students to be innovative and creative. It contributes to social change by developing products with newer technologies and reduces people’s dependency on the traditional harder way. Entrepreneurship develops our community. In the first world countries, we need latest invention and technologies, but we need to make sure that nobody else is harmed while we are building these latest inventions. For example, the lithium in the third world countries to power batteries that are used for different technologies [Campbell, 2022]. We need to do our part to make sure that our country is developing through entrepreneurship but by not disturbing some other country or the people there for just a fraction of the money.

Everything has a positive and negative side in this world. Even we as humans have good and bad traits. I believe that most entrepreneurs have good intentions at heart and wants to develop our society and community. We should care for the environment while at the same time think about the future generation who can enjoy all these benefits for many more years to come. Even though we may sometimes see bad entrepreneurs, but they are a minority and should be ignored. We should focus on the teachings of the scholars in the field of entrepreneurship.

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