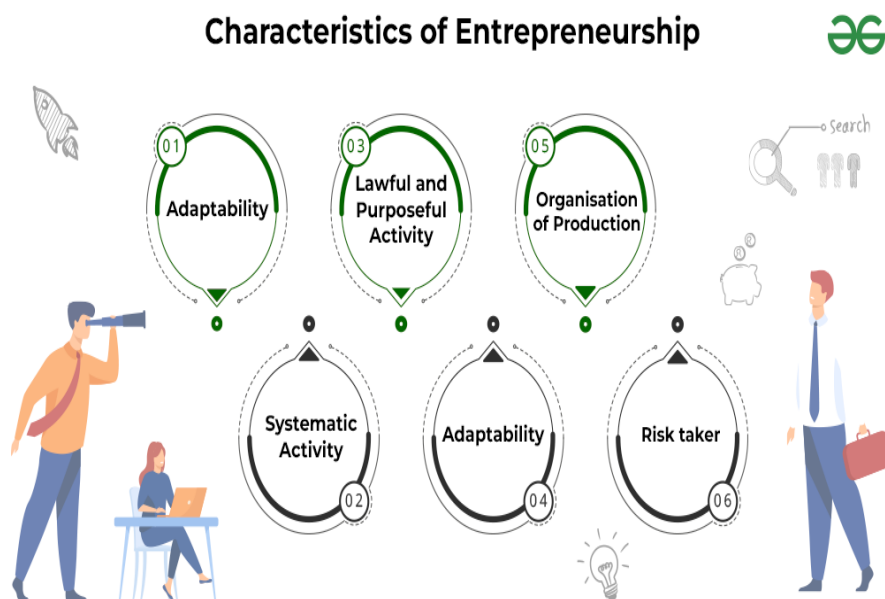


Unit I

INTRODUCTION TO ENTREPRENEURSHIP

Entrepreneurship is when an individual who has an idea acts on that idea, usually to disrupt the current market with a new product or service. Entrepreneurship usually starts as a small business but the long-term vision is much greater, to seek high profits and capture market share with an innovative new idea.

Entrepreneurship is the ability and willingness to create, organise, and manage a business enterprise, including all of its uncertainties, in order to earn profit.



Characteristics of Entrepreneurship

The characteristics of entrepreneurship are as follows:

- 1. Adaptability:** The business environment is constantly changing, making it difficult for entrepreneurs to adapt. Every day brings new challenges, but also new opportunities.
- 2. Systematic Activity:** Entrepreneurship is not a mysterious gift or charm that occurs by chance! It is a systematic, step-by-step, and deliberate activity.
- 3. Lawful and Purposeful Activity:** The goal of entrepreneurship is to conduct legal business. It is important to remember this because one may attempt to justify illegal activities as entrepreneurship on the grounds that, just as entrepreneurship involves risk, so do illegal businesses.
- 4. Innovation:** It entails coming up with new ideas and implementing them in business. The entrepreneur is constantly evaluating current business models and identifying new methods and techniques for running the business more efficiently and effectively.

5. Organisation of Production: Production, which entails the creation of form, place, time, and personal utility, generally requires the combined use of various production factors such as land, labour, capital, and technology. In response to a perceived business opportunity, the entrepreneur mobilises these resources into a productive enterprise or firm.

6. Risk taker: The essence of entrepreneurship is “**willingness to assume risk,**” without which one cannot succeed. It happens as a result of the generation and implementation of new ideas.

The history of entrepreneurship started with bartering, as people traded goods for other goods.

After 1850 manufacturing entrepreneurship came in to existence. In 1854, C. Davar established a cotton textile manufacturing unit in Bombay.

- 1. Pre-training Stage:** This initial stage involves several crucial steps. Firstly, potential candidates with the necessary attributes such as knowledge, attitudes, values, and motivation for entrepreneurship are carefully selected. Infrastructure for the training program is established, and the content, techniques, and materials for the training are prepared.
- 2. Training Stage:** In this stage, the selected participants undergo training to develop essential skills, competencies, and behavioural patterns required for entrepreneurship.
- 3. Post-Training Stage:** This phase is crucial for the success of the EDP. Participants receive ongoing support and follow-up after completing the training. A designated person is responsible for providing support, sustaining motivation, guiding them in implementing their projects, and helping them overcome challenges.

Role of Entrepreneurship in Economic Development:

Entrepreneurship is a key driver of economic growth and development. By creating new businesses and jobs, entrepreneurship leads to an increase in gross national product and per capita income.

Role and Importance of Small Scale Industries

The small-scale industrial sector, which consists of micro and small businesses (formerly known as a tiny and small-scale industrial sector), is characterized by limited capital expenditures, operational flexibility, geographic mobility, and substitutes for imports.

This contribution has become even more significant in our nation as a result of the rising pressure from both unemployment and population growth.

This has contributed to balanced regional development and high utilisation of local resources.

Role of Entrepreneurship in Economic Development:

The industry has consistently increased throughout the years and made significant contributions to the overall economic development of the country.

1. Employment Generation: Small-scale Industries are mostly labour-intensive. They provide employment opportunities to a large number of people, especially in rural areas where job opportunities may be limited. This not only helps in reducing unemployment and poverty rates but also leads to the growth of the nation.

2. Income Generation: Small-scale Industries contribute to income generation both at the individual and national levels. The Small-scale Industries provide opportunities in the form of both self-employment and entrepreneurship; thereby, helping individuals earn and improve their standard of living.

3. Innovation and Diversification: Small businesses generally engage in specialised goods and services, which promotes creativity and variety. They help the market expand and become more competitive by introducing new ideas and technology.

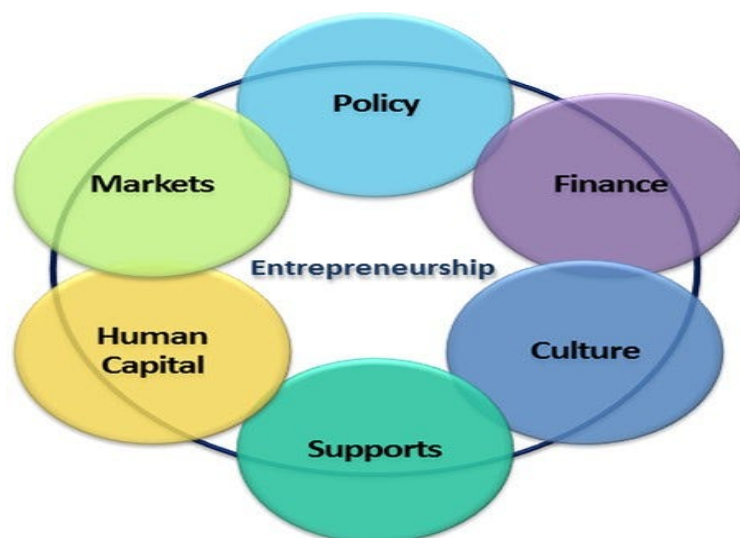
4. Export Promotion: Small businesses play an important role in promoting exports. They produce a wide range of products and services that may be imported into other countries.

5. Support to Large Industries: Small businesses act as supporting units for larger industries by supplying them with intermediate goods and services. They improve the efficiency and productivity of big industries and promote the growth of such industries.

6. Rural Development: Small-scale Industries have a big impact on rural development since they are easy to establish in rural areas.

7. Balanced Regional Development: Small-scale Industries have the potential to spread economic development beyond urban areas. They help in reducing regional differences by creating opportunities in rural and remote areas; thereby, promoting balanced economic development.

8. Maintenance of Traditional Skills and Crafts: Small industries often focus on preserving traditional skills and crafts that are unique to a particular region or community.



The Government has set up various centres or institutes to impart training and development to entrepreneurs, so as to improve their knowledge, attitudes, and skills.

Myths about Entrepreneurs:

Myth 1: You need a great idea

Everyone has a business idea in them but they never think it's good enough. This is because people often judge early ideas against already established businesses.

Myth 2: Entrepreneurs are born not made

The founder of *Nike*, Phil Knight, did not realise he wanted to be an entrepreneur until he got into business school for his master's. It was during a class when a lecturer asked students to invent a new business that Phil realised that's exactly what he wanted to do as a profession.

The truth is there's no evidence that some people are natural-born entrepreneurs while others are not. Research indicates that entrepreneurs come from both entrepreneurial and non-entrepreneurial families.

Myth 3: Age matter

Web entrepreneur and YouTube personality Zoe 'Zoella' Sugg was in her early twenties when she started to earn a reported £20,000 a month from her social media ventures.

Fraser Doherty set up his jam-making business when he was just 14 and, by the time he was 18, he was supplying jam to the supermarket chain *Waitrose*.

Myth 4: Entrepreneurs love risk

Another common misconception is that entrepreneurs love risk and that you have to be a big risk-taker to become an entrepreneur. However, when it comes to risk preferences business owners aren't that much different from the general public.

Myth 5: Nine out of ten businesses fail

One of the most common myths in entrepreneurship is that nine out of ten businesses fail. Fortunately, the statistic is an exaggeration.

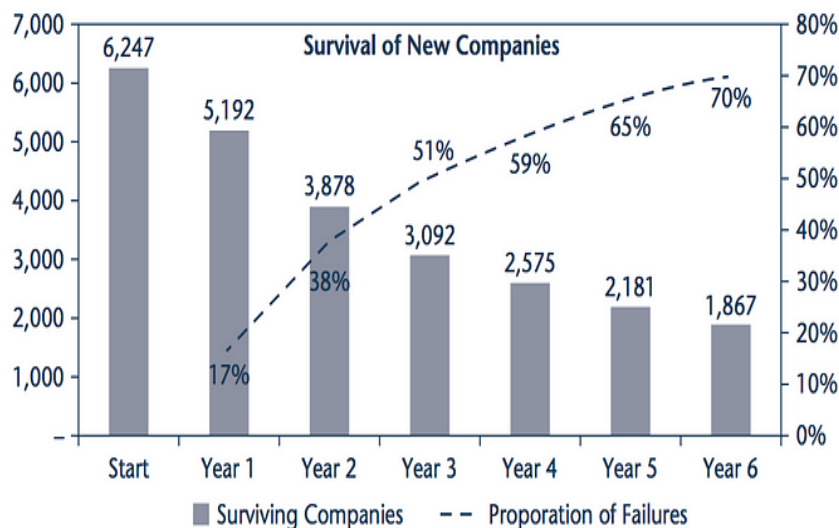


Figure 1.1: Data from research on survival chances of new businesses.¹⁰

Agencies in Entrepreneurship Management and Future of Entrepreneurship:

For the development of entrepreneur a number of specialized agencies have been set up by the state and central governments which are as follows:

- Small Industries Service Institutes (SISI)
- Small Industries Development Organisations (SIDO)
- National Small Industries Corporation
- Small Industries Extension Training Institute.
- Entrepreneurship Development Institute of India
- Institute for Rural Management and Administration

- **1. Small industries development organization (SIDO)**

SIDO was established in October 1973 now under Ministry of Trade, Industry and Marketing. SIDO is an apex body at Central level for formulating policy for the development of Small Scale Industries in the country, headed by the Additional Secretary & Development Commissioner (Small Scale Industries) under Ministry of Small Scale Industries Govt. of India.

2. Management development Institute (MDI)

MDI is located at Gurgaon (Haryana). It was established in 1973 and is sponsored by Industrial Finance Corporation Of India, with objectives of improving managerial effectiveness in the industry.

3. Entrepreneurship development institute of India (EDI)

Entrepreneurship Development Institute of India (EDI), an autonomous and not-for-profit institute, set up in 1983, is sponsored by apex financial institutions – the IDBI Bank Ltd., IFCI Ltd., ICICI Bank Ltd. and the State Bank of India (SBI). EDI has helped set up twelve state-level exclusive entrepreneurship development centres and institutes.

4. All India Small Scale Industries Board (AISSIB)

The Small Scale Industries Board (SSI Board) is the apex advisory body constituted to render advice to the Government on all issues pertaining to the small scale sector.

5. National Institute of Small Industries Extension Training

It was established in 1960 with its headquarters at Hyderabad. The main objectives of National Institute of Small Industries Extension Training are:

- i) Directing and Coordinating syllabi for training of small entrepreneurs.
- ii) Advising managerial and technical aspects.
- iii) Organizing seminars for small entrepreneurs and managers.

6. National Small Industries Corporation Ltd. (NSIC)

The NSIC was established in 1995 by the Central Government with the objective of assisting the small industries in the Government purchase programmes. The corporation provides a vast market for the products of small industries through its marketing network. It also assists the small units in exporting their products in foreign countries.

Unit II

PRODUCT DESIGN AND SALES :

5prototyp software:

Invision

Adobe xd

Figma

Marvel

Uxpin