



ENTREPRENEURSHIP

INTRODUCTION

Entrepreneurship is a general, blanket term related to starting a business.

The meaning of entrepreneurship is rooted in developing and managing a new business venture by taking risks in the corporate world. In other words, it refers to the ability to develop, organize and run a business enterprise to make a profit. In terms of economics, entrepreneurship utilizes land, labor, resources and capital to succeed in a competitive marketplace.

What is meant by entrepreneurship?

The concept of entrepreneurship was first established in the 1700s, and the meaning has evolved ever since. Many simply equate it with starting one's own business. Most economists believe it is more than that.

Howard Stevenson, known as "the godfather of entrepreneurship studies" at Harvard Business School (HBS), has defined it as the "pursuit of opportunity beyond resources controlled." (implies resource constraints).

entrepreneurship is about creating or establishing a business.

In the 20th century, economist Joseph Schumpeter (1883-1950) focused on how the entrepreneur's drive for innovation and improvement creates upheaval and change. Schumpeter viewed entrepreneurship as a force of "creative destruction." The entrepreneur carries out "new combinations," thereby helping render old industries obsolete. Established ways of doing business are destroyed by the creation of new and better ways to do them.

Most economists today agree that entrepreneurship is a necessary ingredient for stimulating economic growth and employment opportunities in all societies. In the developing world, successful small businesses are the primary engines of job creation, income growth, and poverty reduction. Therefore, government support for entrepreneurship is a crucial strategy for economic development.

What is meant by entrepreneurship?

Entrepreneurship is defined as an activity that involves the discovery, evaluation and utilization of opportunities to introduce new goods and services, ways of organizing, markets, processes and raw materials through organizing efforts that previously had not existed.

Entrepreneurship may be defined as a systematic innovation which consists of the purposeful and organized search for changes, and a systematic analysis of the opportunities that such change might offer for economic and social transformation.

All definitions of entrepreneurship subscribe to the notion of innovation as a key attribute of entrepreneurship.

What is meant by entrepreneurship?

Entrepreneurship is the process of starting a new business. Building a company from the ground up requires more than just capital investment. Successful entrepreneurs have a clear vision, know the steps to reach their goals, and understand how to compete within the market landscape. They can zero in on customer needs in order to develop solutions that can be tested and then delivered at scale. And they have the financial literacy to understand whether different business ventures will result in profit for both themselves and their investors. Being an entrepreneur can be risky, but it can bring in big rewards.

Entrepreneurship is developing an idea or concept and building up a business or enterprise around it. Moreover, it also involves investing the required funds and bearing the associated risks.

It is true that entrepreneurship is both a science and an art. The science lies in the proven process of planning and managing business. The art lies in the innovative thought, implementation and growth of a business.

Entrepreneurship is a dynamic, social process where individuals, alone or in collaboration identify opportunities for innovation and act upon them by transforming ideas into new enterprises

Author	Definitions
Cole (1968)	The entrepreneurship is an activity dedicated to initiation, maintenance and development of a profit oriented business.
Drucker (1985)	The entrepreneurship is an innovation act who presupposes the endowment of the existing resources with the capacity of producing wealth.
Gartner (1985)	The entrepreneurship is the creation of new organizations.
Hisrich and Peters (1989)	The entrepreneurship is the process of creating something different, with value, by allotting the necessary time and effort, presupposing the taking of financial, social and physical risks, and obtaining monetary rewards and personal satisfaction.
Stevenson et al. (1989)	The entrepreneurship is following an opportunity irrespective of the existing resources.
Kaish and Gilad (1991)	The entrepreneurship is first of all a discovery process and secondly is the process of acting on an opportunity of lack of balance.
Herron and Robinson (1993)	The entrepreneurship is a set of behaviours which initiate and manage the re-allotment of economic resources and whose purpose is the creation of value by these means.

Source: Misra and Kumar (2000).

We can define entrepreneurship as:

The process of identifying business opportunities, allocating resources, and taking risks to produce goods and services of value, through creative and innovative processes, to satisfy consumer demands.

The **entrepreneurship** is thus the product of a combination of three elements, the context in which the opportunity arises or is created, a set of personal abilities necessary to identify and use that opportunity, and the capacity to materialize the opportunity, by transforming it into results.

Key characteristics of entrepreneurship

Key characteristics of entrepreneurship include

1. Risk-Taking

The willingness to take risks is the essence of entrepreneurship. Not every business idea gets support, funding or recognition. There is a considerable amount of failure risk when it comes to building something from the ground up. Entrepreneurship involves taking calculated risks, such as investing time, effort, and financial resources into a new venture or pursuing opportunities with uncertain outcomes. Entrepreneurs are willing to face and manage risks to achieve their goals.

2. Innovation

Starting a new venture means coming up with a new business idea. For an enterprise to be financially sound, you need the support of investors. Without something unique, it's highly difficult to get funding. Entrepreneurs are often driven by a desire to introduce new ideas, technologies, or business models. They identify gaps or unmet needs in the market and develop innovative solutions to address them

3. Vision

Converting a business idea into a product or service requires resources and effort. There is a lot that goes into establishing an enterprise—funding, hiring and understanding the requirements of clients and customers. To drive your vision and mission, leadership qualities become paramount. You need to be able to communicate and guide your employees in the right direction.

Key characteristics of entrepreneurship

4.Open-Mindedness

Open-mindedness and flexibility are the most important features of entrepreneurship. An entrepreneur should be open to change and have the power to adapt quickly. For example, if you launch a new product in the market and there are several user complaints, you should keep an open mind and pay attention to the feedback. Consider it when you update your product.

5. Profit-Oriented

A key goal of a majority of enterprises is to generate profit. However, in order to drive profits and enhance business growth, you need to pay attention to changing industry and market trends. Being accountable and meeting the needs and expectations of your customers and clients is a vital part of entrepreneurship.

6. Systematic Activity:

Entrepreneurship is a systematic, step-by step and purposeful activity. It has skill and other knowledge and competency requirements that can be acquired, learnt and developed, both by formal educational and vocational training as well as by observation and work experience.

7. Resource Mobilization : It brings together various facilities (resources) of production for an efficient and economical use.

Importance of Entrepreneurship

Entrepreneurship drives the growth and diversification of the economy and contributes to the creation of wealth. Entrepreneurship's importance lies in the following:

- ❑ Drives economic growth and creates new job (decreased unemployment).
- ❑ Encourages innovation by bringing new ideas, products, and services to the market which contribute in wealth Generation.
- ❑ Contributes to social change (lifestyle changes and improved economic choices) by developing products or services that reduce people's dependence on outdated technologies
- ❑ Addresses social and economic problems by creating solutions that meet the needs of society
- ❑ Enables competition which improves business efficiency and lowers prices for consumers

Thanks