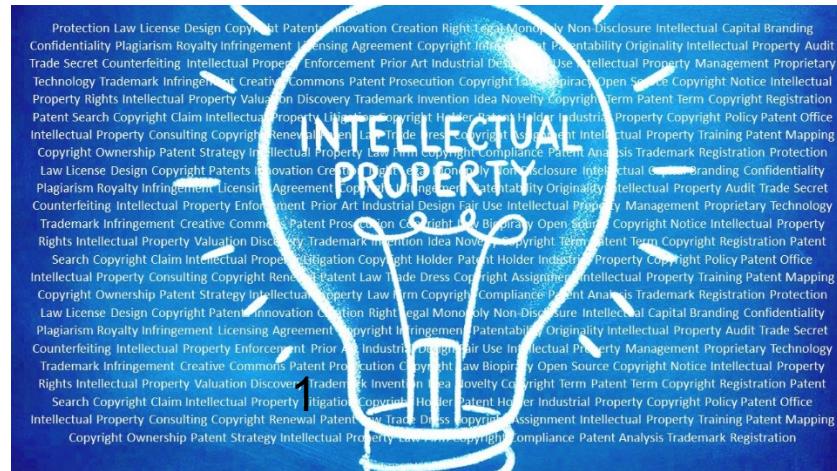


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Entrepreneurship Development and IPR

UNIT 1



Dr. Chintan Trivedi

ENTREPRENEURS



ENTREPRENEURS



Narayana Murthy – Co-founder of Infosys, **Azim Premji** – Founder of Wipro, **Jeff Bezos** – Founder of Amazon, **Late Ratan Tata** – Chairman Emeritus, Tata Group, **Elon Musk** – CEO of Tesla and SpaceX, **Larry Page** – Co-founder of Google, **Bill Gates** – Co-founder of Microsoft

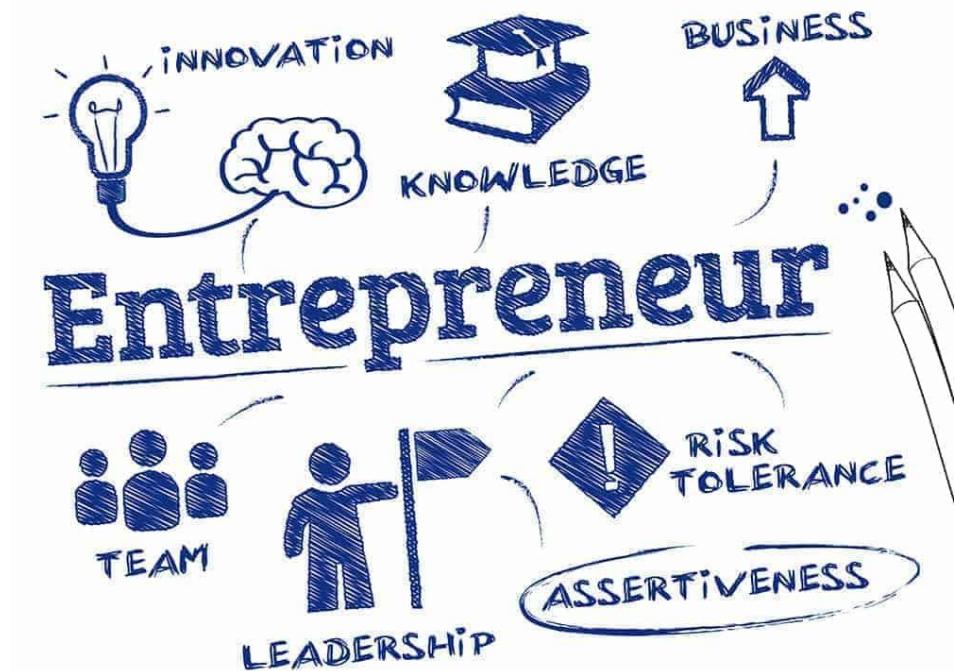
ENTREPRENEUR

A person who sets up a business or businesses, taking on financial risks in the hope of profit.

An entrepreneur is an individual who creates a new business, bearing most of the risks and enjoying most of the rewards.

The entrepreneur is commonly seen as an innovator, a source of new ideas, goods, services, and business/or procedures.

Entrepreneur is a person “one who organizes, manages and assumes the risks of a business or enterprise.



Types of Entrepreneurship

Entrepreneurship can be classified into different types based on ownership, gender, scale, business nature, technology usage, and innovation level.

1. Based on Ownership

- **Private Entrepreneurship:** Owned and managed by individuals or private organizations.
- **Public Entrepreneurship:** Owned and operated by the government.
- **Joint Entrepreneurship:** Collaborative ventures between private and public sectors.

2. Based on Gender

- **Male Entrepreneurship:** Businesses owned and managed by men.
- **Female Entrepreneurship:** Businesses owned and operated by women.

3. Based on Scale of Enterprise

- **Small Scale:** Small operations with limited investment and workforce.
- **Medium Scale:** Moderate size enterprises with wider reach and resources.
- **Large Scale:** Large businesses with significant investments and global operations.

4. Based on Nature of Business

- **Manufacturing:** Production of goods and commodities.
- **Trading:** Buying and selling goods/services.

5. Based on Use of Technology

1. **Technical Entrepreneurship:** Involves innovation and technical expertise.
2. **Non-Technical Entrepreneurship:** Focuses on trade and services without much technological intervention.

6. Based on Innovation

3. **Innovative Entrepreneurship:** Introduction of new ideas, products, or processes.
4. **Imitative Entrepreneurship:** Adopting existing models with minor changes.
5. **Fabian Entrepreneurship:** Very cautious and skeptical, adopting change only when necessary.
6. **Drone Entrepreneurship:** Resistant to change, continues traditional practices.

Technical
Entrepreneurship



Non-Technical
Entrepreneurship



Comparison of Private, Public, and Joint Enterprises

Aspect	Private Sector	Public Sector	Joint Sector
Ownership	Owned and managed by individuals or private companies	Owned and managed by the government	Owned jointly by government and private individuals
Objective	Profit maximization	Public welfare and development	Balance between profit and public welfare
Investment	Funded by private individuals or organizations	Funded by government	Funded by both government and private investors
Examples	Reliance Industries, Tata Group	Indian Railways, LIC, ONGC	Maruti Suzuki (initially), Delhi Metro (DMRC)

Based on Innovation

Innovative Entrepreneurship: Introduction of new ideas, products, or processes.

Example: Apple introducing the first iPhone.



Imitative Entrepreneurship: Adopting existing models with minor changes.

Example: Xiaomi adopting smartphone designs from major brands with slight modifications



Fabian Entrepreneurship: Very cautious and skeptical, adopting change only when necessary

Example: Kodak slowly transitioning from film-based to digital photography after competitors



Drone Entrepreneurship: Resistant to change, continues traditional practices



CHARACTERISTICS OF ENTREPRENEUR

Creativity	Empathy
Risk-taking	Social Skills
Passion	Knowledge
Planning	Customer is Everything



10 Habits of Successful Entrepreneurs



Continuous Learning



Goal Setting



Being Resourceful



Networking



Time Management



Planning Ahead



Resting Regularly



Practicing Self-Care



Sticking to a Routine



Tracking Progress

Top 10 Challenges of Being an Entrepreneur.

- 01 Startup Costs
- 02 Limited Time
- 03 Lack Of Technical Expertise
- 04 Lack Of Funding
- 05 Growing Pains
- 06 Resources Other Than Funding
- 07 Lack Of Experience
- 08 Lack Of Motivation
- 09 Lack Of Direction
- 10 Goal and Vision



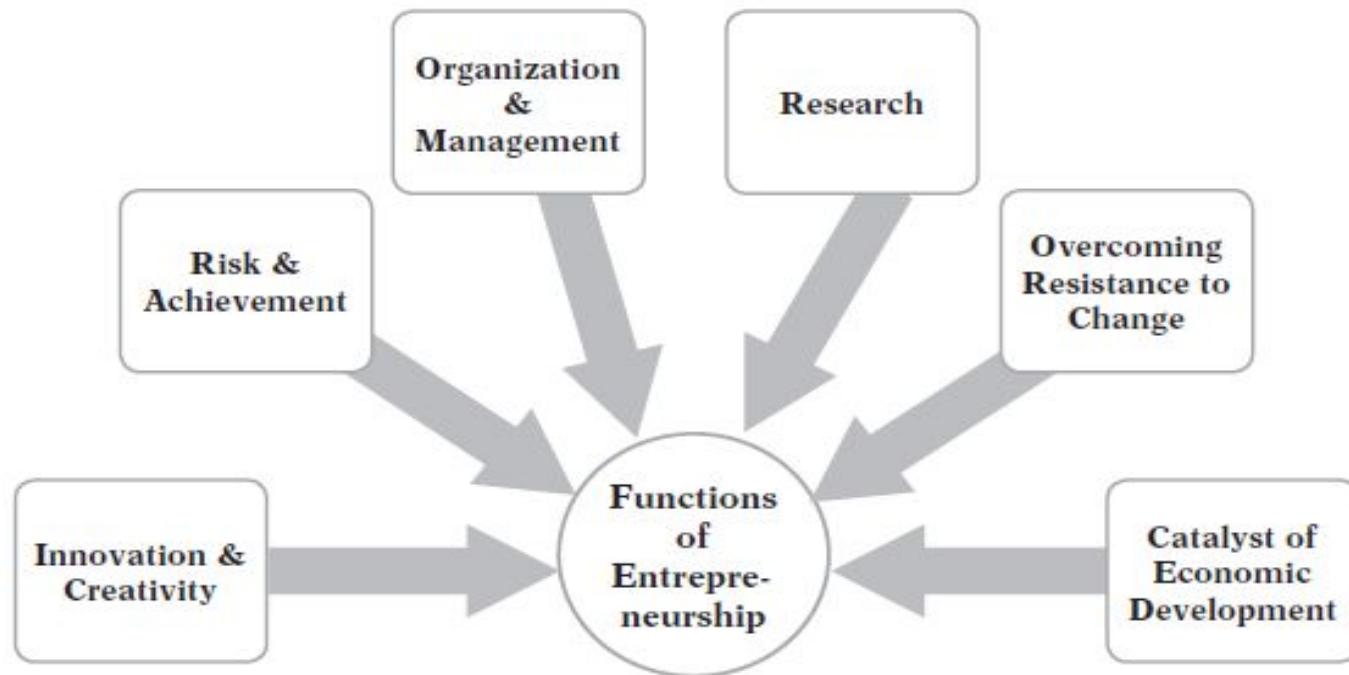
Entrepreneurship

- Entrepreneur precedes entrepreneurship
- Entrepreneurship is the purposeful activity of an individual or a group of associated individuals, undertaken to initiate, maintain or organize a profit-oriented business unit for the production or distribution of economic goods & services".



Functions of Entrepreneurship

- The various functions of entrepreneurship are **Innovation and creativity, Risk-taking and achievement and organization and management, Catalyst of Economic Development, Overcoming Resistance to Change and Market Research.**

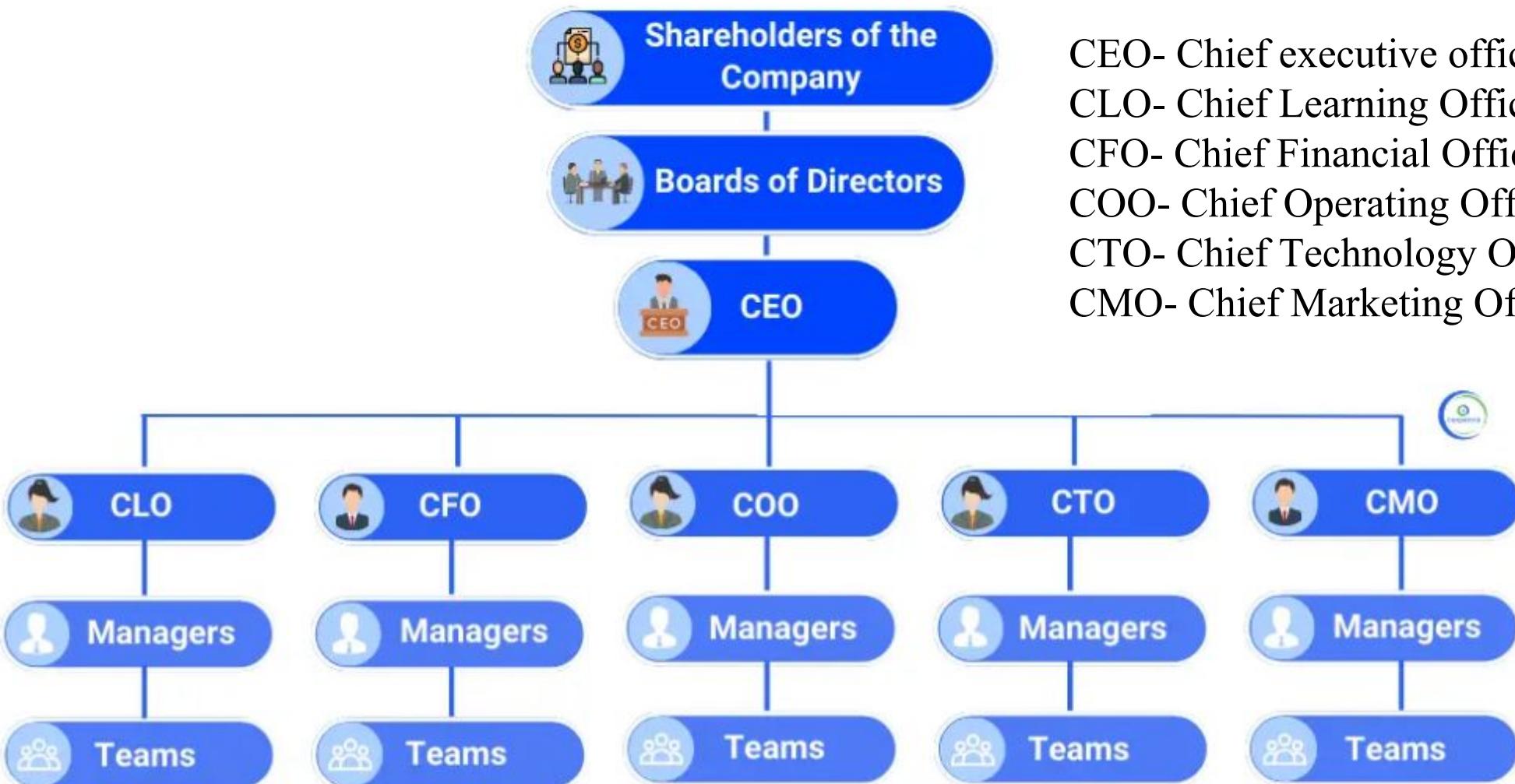


Innovation and Creativity

- **Innovation** generally refers to changing processes or creating more effective processes, products, and ideas. For businesses, this could mean implementing new ideas, creating dynamic products, or improving your existing services.
- **Creativity** is defined as “the tendency to generate or recognize ideas, alternatives, or possibilities that may be useful in solving problems and communicating with others. Creativity and innovation have always been recognized as a sure path to success. Entrepreneurs think **outside of the box** and explore new areas for cost-effective business solutions.



Organization and Management



CEO- Chief executive officer
CLO- Chief Learning Officer
CFO- Chief Financial Officer
COO- Chief Operating Officer
CTO- Chief Technology Officer
CMO- Chief Marketing Officer

Market Research

- The process of gathering and analyzing information about a specific market to make informed business decisions and reduce risk.

Reduces Risk

Informs Product Development

Guides Marketing Strategies

Identifies Opportunities

Enhances Competitiveness

Overcoming Resistance to Change

- New innovations are generally opposed by people because it makes them change their existing behavior patterns. An entrepreneur always first tries new ideas at his/her level. It is only after the successful implementation of these ideas that an entrepreneur makes these ideas available to others for their benefit. His/her willpower, enthusiasm, and energy help him/her overcome society's resistance to change.

Catalyst of Economic Development

- An entrepreneur plays an important role in accelerating the pace of economic development of a country, by discovering new uses of available resources and maximizing their utilization. Today, when India is a fast developing economy, the contribution of entrepreneurs has increased multiple-fold.

The Importance Of Entrepreneurship



Entrepreneurship is the process of turning a concept into a developed product. You might dream of becoming an entrepreneur or getting a job in the corporate sector. Understanding the significance, it has can help you decide your career path.



Entrepreneurship plays a key role in job creation and economic growth by generating business opportunities and employing others in the process.



Entrepreneurs are important for community development and social welfare as their products and services lead to the social and economic well being of communities, including supporting charities.

- ❖ The different types of entrepreneurship include small business, large company, scalable and social entrepreneurship, each with a unique path towards making an impact in their respective markets.

- ❖ Entrepreneurs Add to National Income. Entrepreneurial ventures help generate new wealth. Additionally, increased employment and higher earnings contribute to better national income in the form of higher tax revenue and higher government spending. This revenue can be used by the government to invest in other struggling sectors and human capital.

Parameter	Entrepreneur	Entrepreneurship
Focus	Individual	Process/Concept
Definition	Person who starts a business	Act of creating and managing a business
Scope	Specific business venture	Broader ecosystem of business creation
Role	Leader, decision-maker	Framework for business development
Action	Takes initiative, builds, scales	Encompasses activities like planning, managing, growing
Skills	Innovation, risk-taking, opportunity recognition	N/A (Entrepreneurs embody these)
Goal	Build a successful business	Nurture and develop a business environment
Timeframe	Ongoing for a specific venture	Long-term; fosters continuous business creation
Example	Elon Musk (Tesla, SpaceX)	The growth of Silicon Valley startups
Intangible	No	Yes (Entrepreneurship is a mindset and approach)

Enterprise

- An enterprise is a business organization that is formed and which provides goods and services, Creates jobs, contributes to national income, imports, exports and above all, sustainable economic development.
- In a more concise or synthetic way, an enterprise is a business venture.



MSME Act, 2006

- The Act creates the framework required to monitor and control the growth of India's micro, small, and medium-sized enterprises.
- MSME stands for **Micro, Small, and Medium Enterprises**, which are businesses categorized based on their investment in plant, machinery, or equipment and their annual turnover.



Manufacturing Enterprises

1. Micro Enterprises: (Carpenters)

- Investment in plant and machinery does not exceed ₹1 crore.
- Turnover does not exceed ₹5 crore.

2. Small Enterprises: (Engineering Equipment)

- Investment in plant and machinery is more than ₹1 crore but does not exceed ₹10 crore.
- Turnover does not exceed ₹50 crore.

3. Medium Enterprises: (Textiles)

- Investment in plant and machinery is more than ₹10 crore but does not exceed ₹50 crore.
- Turnover does not exceed ₹250 crore.

Service enterprises

1. Micro Enterprises (Service Sector): (*Street Vendors*)

- Investment: Does not exceed ₹10 lakh (1 million Indian Rupees) in equipment.

2. Small Enterprises (Service Sector):(*IT Solutions Providers*)

- Investment: More than ₹10 lakh but does not exceed ₹2 crore (20 million Indian Rupees) in equipment.

3. Medium Enterprises (Service Sector):(*Educational Institutions*)

- Investment: More than ₹2 crore but does not exceed ₹5 crore (50 million Indian Rupees) in equipment.

Micro Enterprises:

- **Local Grocery Stores:** Small shops selling daily essentials like groceries, vegetables, and fruits.
- **Street Vendors:** Individuals selling food or other items on the streets.
- **Home-based Businesses:** Businesses run from a person's residence, like tailoring, baking, or craft-making.
- **Bike Mechanics:** Individuals offering bike repair services.

Small Enterprises:

- **Small Manufacturing Units:** Companies producing goods like leather products, bicycle parts, or engineering components.
- **Educational Institutions:** Schools, training centers, or coaching classes.
- **Restaurants:** Small to medium-sized eateries.
- **Dry Cleaners:** Businesses offering laundry and dry cleaning services.
- **Beauty Parlors:** Businesses offering beauty and grooming services.

Medium Enterprises:

- **Manufacturing Plants:** Companies involved in large-scale production of goods.
- **Hospitals:** Smaller hospitals or clinics.
- **Construction Companies:** Companies involved in building and infrastructure projects.
- **Wholesalers:** Companies that distribute goods to retailers.
- **Regional Supermarkets:** Chains of supermarkets that operate regionally.

Suggested Readings

- Entrepreneurship 10th Ed (Indian Edition) 2016 by Robert Hisrich Michael Peters Dean Shepherd, McGraw Hill
- Khanka, S.S.; Entrepreneurial Development; S. Chand and Co.
- Kumar, Arya; Entrepreneurship; Pearson Education.
- Desai, Vasant; Dynamics of Entrepreneurial Development and Management; Himalaya Publishing
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