

MODULE I

Course Content

Meaning and Importance

Evolution of term Entrepreneurship

Factor Influencing Entrepreneurship

Types of Entrepreneurship

Characteristics of Entrepreneurship

Barriers to Entrepreneurship

ENTREPRENEURSHIP: MEANING

- Entrepreneurship is the ability and readiness to develop, organize and run a business enterprise, along with any of its uncertainties in order to make a profit.
- The most prominent example of entrepreneurship is the starting of new businesses.
- In economics, entrepreneurship connected with land, labour, natural resources and capital can generate a profit.
- The entrepreneurial vision is defined by discovery and risk-taking and is an indispensable part of a nation's capacity to succeed in an ever-changing and more competitive global marketplace.

ENTREPRENEURSHIP: IMPORTANCE

- Creation of Job Opportunities
- Brings Innovation
- Impact on Society and Community Development
- Leads to better Standard of Living
- Promotes research and development
- Creation of National Wealth
- Contributes to Social Welfare.
- Accelerates Economic Growth

ENTREPRENEURSHIP: TYPES

Small Business Entrepreneurship

- These businesses are a hairdresser, grocery store, travel agent, consultant, carpenter, plumber, electrician, etc.
- These people run or own their own business and hire family members or local employee.
- For them, the profit would be able to feed their family and not making 100 million business or taking over an industry.
- They fund their business by taking small business loans or loans from friends and family.

ENTREPRENEURSHIP: TYPES

Scalable Startup Entrepreneurship-

- This start-up entrepreneur starts a business knowing that their vision can change the world.
- They attract investors who think and encourage people who think out of the box.
- The research focuses on a scalable business and experimental models, so, they hire the best and the brightest employees.
- They require more venture capital to fuel and back their project or business.

ENTREPRENEURSHIP: TYPES

Large Company Entrepreneurship-

- These huge companies have defined life-cycle.
- Most of these companies grow and sustain by offering new and innovative products that revolve around their main products.
- The change in technology, customer preferences, new competition, etc., build pressure for large companies to create an innovative product and sell it to the new set of customers in the new market.
- To cope with the rapid technological changes, the existing organisations either buy innovation enterprises or attempt to construct the product internally.

ENTREPRENEURSHIP: TYPES

Social Entrepreneurship-

- Social entrepreneurship is an approach by individuals, groups, start-up companies or entrepreneurs, in which they develop, fund and implement solutions to social, cultural, or environmental issues.
- This concept may be applied to a wide range of organizations, which vary in size, aims, and beliefs.
- This type of entrepreneurship focuses on producing product and services that resolve social needs and problems.
- Their only motto and goal is to work for society and not make any profits.

ENTREPRENEURSHIP: CHARACTERISTICS

Ability to take a risk

- Starting any new venture involves a considerable amount of failure risk.
- Therefore, an entrepreneur needs to be courageous and able to evaluate and take risks, which is an essential part of being an entrepreneur.

Innovation

- It should be highly innovative to generate new ideas, start a company and earn profits out of it.
- Change can be the launching of a new product that is new to the market or a process that does the same thing but in a more efficient and economical way.

Visionary and Leadership quality

- To be successful, the entrepreneur should have a clear vision of his new venture.
- However, to turn the idea into reality, a lot of resources and employees are required.
- Here, leadership quality is paramount because leaders impart and guide their employees towards the right path of success.

ENTREPRENEURSHIP: CHARACTERISTICS

Open-Minded

- In a business, every circumstance can be an opportunity and used for the benefit of a company.
- For example, Paytm recognised the gravity of demonetization and acknowledged the need for online transactions would be more, so it utilised the situation and expanded massively during this time.

Flexible

- An entrepreneur should be flexible and open to change according to the situation.
- To be on the top, a businessperson should be equipped to embrace change in a product and service, as and when needed.

Know your Product

- A company owner should know the product offerings and also be aware of the latest trend in the market.
- It is essential to know if the available product or service meets the demands of the current market, or whether it is time to tweak it a little.
- Being able to be accountable and then alter as needed is a vital part of entrepreneurship.

FACTORS INFLUENCING ENTREPRENEURSHIP

Economic Factors

- Capital
- Labour
- Raw Material

Psychological Factors

- Passion
- Need for Achievement

Social Factors

- Family Background
- Education
- Social Networks

3 factors



ENTREPRENEURSHIP: OBSTACLES

Entrepreneurs commonly face many obstacles when building their companies.

- Overcoming bureaucracy
- Hiring talent/Human Resource Problem → HR
- Obtaining financing → finance
- Inadequate Market Experience and Information → market
- Non-strategic Planning
- Policy Barriers
- Fear of Failure
- No Backup Plan