

Activity - 1

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1) Define the term entrepreneurship and its function. evolution?

A) Here the word entrepreneurship means, it is the ability and readiness to develop, organise 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 business. In economics, entrepreneurship connected with land, labour, natural resources and capital can generate a profit.

The entrepreneur vision is defined by discovery and risk taking and is a part of a nation's capacity to succeed in a ever-changing and more competitive global market place.

→ Definition of entrepreneur

The entrepreneur is defined as someone who has the ability and desire to establish, administer and succeed in a startup venture along with the risk entitled to it to make profit.

→ Entrepreneurs are known for

i) source of new idea.

ii) innovations

iii) Inventing new things from old ideas

→ characteristics of entrepreneur should have:-

- i) Ability to take risk
- ii) Innovation
- iii) visionary and leadership quality
- iv) open minded
- v) flexible

Evolution of Entrepreneurship:-

→ middle age:-

The owner of the capital is also the holder of the risk

→ 17th century:-

The owner of capital bears the risk above the agreed price with the client

→ In 1725:-

Richard Cantillon:- The person who takes the risk is different from the owner of the capital.

→ In 1803:-

Jean Baptiste Say:-

Separates profits from an entrepreneurial project from profits of capital

→ In 1934:-

Joseph Schumpeter:-

Entrepreneurs - in an innovator and develop new technologies.

→ In 1876:-

Francis Walker:-

Separates two types of entrepreneurs those who invest for interest income and those who earn management

→ In 1961:-

David Mc (Pollard) :-

Entrepreneur is a startup contemporary risk taker

→ In 1964:-

Peter Drucker:-

Entrepreneur maximizes the opportunities.

→ Explain the Importance of entrepreneurship:-

→ Entrepreneurship Accelerates economic growth by creating new products and services, they stimulate new employment of which ultimately results in the acceleration of economic development

→ So public policy that encourages and supports entrepreneurship should be considered important for economic growth

→ Entrepreneurship promotes innovation by solving problems that existing products and technologies have not yet solved.

→ Entrepreneurship can promote social change and reduce the dependency on obsolete methods for products and technologies.

→ Entrepreneurship promotes research and industrial development by cultivating their ideas & shape them into a new form and turn them into a successful business endeavour.

→ Entrepreneurship develops and improves existing enterprise with innovative ways.

→ to promote innovation

→ balance economic development

→ rapid economic development

→ social satisfaction

→ promote capital formation.

→ increases employment opportunities

→ establishment of viable units.