

## Introduction to Entrepreneurship

Entrepreneurship is not a new word, we find its roots since the human started trade and exchanging things with each other's for livelihood.

"Believe it or not, the first entrepreneurs can be traced back to nearly 20,000 years ago. The first known trading between humans took place in New Guinea around 17,000 BCE, where locals would exchange obsidian (a volcanic glass prized for its use in hunting tools) for other needed goods – like tools, skins, and food."

(Source: <https://bebusinessed.com/history/history-of-entrepreneurship/>)

Gradually humans have developed the skills and specialized in various professions and as a result, we are seeing very new and transformed form of Entrepreneurship today where we are not only trading for goods or services but it's about creating larger impact and making enormous changes through businesses on society as whole. Impact can be measured in terms of money, social service, any kind of positive transformation created by the value you are providing through an enterprise.

An enterprise doesn't even have to be small or new to be entrepreneurial (e.g. GE) or it's not even confined to economic institutions (e.g. modern universities, hospitals) or even a capitalist.

(Source: Drucker, P. F. 1985. Innovation and Entrepreneurship. HarperCollins Publishers)

### **ENTREPRENEURSHIP IS ALL ABOUT SEIZING THE OPPORTUNITY AND CONVERTING THEM INTO IMPACT.**

You seize the opportunity by observing one's life, market demands, natural shifts, changes in technologies, policies, human/market needs etc. Then implementing your creative ideas that solves real problems through technological solutions. Technology is enabler in solution which becomes vital part of businesses as it makes the solution more efficient, scalable, affordable and have more value for less inputs.

Innovation and Entrepreneurship are closely intertwined. Innovation & Creativity is very essential elements in entrepreneurship and these two really differentiate entrepreneur from other business people. An entrepreneur needs to be an innovator who thinks differently than others and implements his/her ideas to create an impact. If the ideas carry 10 % of the weightage in entrepreneurial journey than it is 90 % of the weightage that carries the implementation part. Innovation happens when idea is implemented to create an impact through entrepreneurial activities.

An entrepreneur can involve in below five types of entrepreneurial activity:

1. New product or service innovation
2. New process innovation or new methods of production
3. Market innovation or the creating entirely a new market
4. Input or resources innovation
5. Organizational (Strategic) innovation, which is the complete restructuring of an entire industry or the breaking up of a monopoly
6. Improving existing products or processes with value addition

Joseph Alois Schumpeter, an Austrian-American economist, was one of the first to study entrepreneurs and the impact of entrepreneurial capitalism on society. As he wrote in *The Theory of Economic Development*, he believed that innovation and creativeness distinguished entrepreneurs from other business people. He observed that innovation and entrepreneurship are closely interwoven. He argued that the entrepreneur was at the very center of all business activity. He observed that entrepreneurs create “clusters of innovations” that are the causes of business cycles because their actions create disruptive dislocations and arrive in huge waves. In fact, Schumpeter believed that entrepreneurs deserve the credit for the industrial revolution.

Schumpeter introduced the phrase “creative destruction,” stating that the entrepreneur does not just invent things, but also exploits in novel ways what has already been invented.

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