#### **CHAPTER V**

# ENTREPRENEURSHIP

- 5.1 Entrepreneurship & its importance
  - **5.2** Entrepreneurs
  - 5.3 Entrepreneurship qualities & characteristics
- 5.4 Entrepreneurial skills development
  - 5.5 Entrepreneurship process

#### Concepts & Issues that emerge from the content

- Entrepreneurship & its importance
  - +. Introduction & importance
  - +. Relationship of entrepreneurship with businesses
  - +. Benefits of entrepreneurship
  - +. Entrepreneurship & economic development
  - +. Trends
- Entrepreneurs
  - +. Introduction & characteristics
  - +. Entrepreneurial skills
  - +. Entrepreneur & businessman
- Entrepreneurship qualities & characteristics
- Entrepreneurial skills development
  - +. Importance
  - +. Ways of development
- Entrepreneurship process
  - +. Steps of the entrepreneurial process

"Entrepreneurship is about turning what excites you in life into capital, so that you can do more of it & move forward with it".

- Sir Richard Branson

#### 5.1 ENTREPRENEURSHIP & ITS IMPORTANCE

| What is Entrepreneurship? |    |
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#### What are the other definitions found about Entrepreneurship?



"Entrepreneurship is the bridge between capital and labour"

Oxford dictionary

"Entrepreneurship is facing up to uncertainties"

Richard Nantinut

"Entrepreneurship is the ability to launch a new company and carry it on successfully"

International labour Organization

"Entrepreneurship is the process of extracting the environmental opportunities creatively and generating innovation while bearing risks".

Unknown author

"Entrepreneurship is the process of producing innovations by managing risks and identifying business opportunities to satisfy human needs and wants"

Unknown author

| What is the importance of Entrepreneurship? |                            |
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|   | IT'S NOT ABOUT             |
|   | IDEAS.                     |
|   | IT'S ABOUT                 |
|   | MAKING IDEAS  HAPPEN.      |
| <mark></mark>                               | Scott Belsky               |
| ·····                                       | co-creator of Behance Ltd. |

#### What is the relationship between entrepreneurship and businesses?

If you don't build your dream someone will hire you to help build theirs.
-Tony Gaskins

The process of producing innovations and managing risks to satisfy identified human needs and wants is known as entrepreneurship.

To satisfy human needs and wants, the production of goods and services, distribution and all the other related activities in it, can be explained widely as businesses.

Accordingly, the production of goods and services and all other related services in it are engaged by businesses as well as through entrepreneurship. But, identifying business opportunities, risk management and innovations are done by entrepreneurship when compared with businesses.

Accordingly it is clear that all enterprises are businesses whereas all businesses are not enterprises. Similarly, the end result of entrepreneurship is known as business.

What are the benefits of Entrepreneurship?

| Personal Benefits                   |             |
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|                                     | IN LIFE ARE |
|                                     | THINGS YOU  |
|                                     | DIDN'T DO.  |
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| What are the features of an Entrepreneurial Busine  | ess?      |
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| What are the new trends in Entrepreneurship?        |           |
| 1. Intra-entrepreneurship (Intrapreneurship)        |           |
| 2. Thu went epreneurs in p (2.1.1.1.p)              |           |
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| 2. Female Entrepreneurship (Women Entrepreneurship) |           |
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| 3. Green Entrepreneurship                           |           |
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| 4. Social Entrepreneurship                    |                    |
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| 5. Multi-prenuership                          |                    |
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| 6. Global Entrepreneurship                    | THINK GREEN        |
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| What are the Economic & Social                | benefits of Female |
| Entrepreneurship?                             |                    |
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| What are the barriers existing against Female | Entrepreneurship?  |
|   | Entrepreneurship?  |
| What are the barriers existing against Female | Entreprencurship?  |
| What are the barriers existing against Female | Entreprendurship?  |
| What are the barriers existing against Female | Entreprendurship?  |

#### 5.2 Entrepreneurs

| Who is an Entrepreneur? |   |
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#### What are the other definitions of an Entrepreneur?



"An entrepreneur is the person who destroys the existing economic order by introducing new products and services, by creating new forms of organization, or by exploiting new raw materials"

Joseph Schumpeter

"An entrepreneur is someone who perceives an opportunity and creates an organization to pursue it. The entrepreneurial process involves all the functions, activities and actions associated with perceiving opportunities and

creating organizations to pursue them"

William .D. Bygrave

"The person who sees changes in the market place as opportunities for businesses is an entrepreneur. His armory is product innovation."

Peter F. Drucker

An entrepreneur can simply be identified as, one who generates innovations by extracting environmental opportunities creatively while taking risks.

Author unknown

| What are the types of Entrepre | manre <sup>9</sup> |
|--------------------------------|--------------------|
| 1. Innovative Entrepreneur     | arcui 9.           |
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| 2. Initiative Entrepreneur     |                    |
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| 3. Fabian Entrepreneur   |   |
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| 4. Drone Entrepreneur    |   |
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| What are the differences | between an Entrepreneur & a Businessman |
| Entrepreneur             | Businessman                             |
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| +.                       | +.                                      |
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| What are the differences | between an Entrepreneur & a Manager?    |
| Entrepreneur             | Manager                                 |
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|  | the creation of entrepreneurs or in other terms |
| encouraging persons to involve in entrepreneursh |   |
| What are the challenges faced by                 |   |
|  |   |
| All Entrepreneurs don't succeed. Many of them to | end to fail & following are reasons for such:   |
|  |   |

| what are the main functions of Entrepreneurs?   |  |  |
|---|--|--|
| A conventional entrepreneur shall perform the all or some of the following 3 functions; |  |  |
|   |  |  |
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# 5.3 ENTREPRENEURSHIP QUALITIES & CHARACTERISTICS

#### What are the Entrepreneurial Skills / Qualities?

An entrepreneur is an unusual person with the desire for innovation. Following are some of the special skills, qualities or attributes that are found only in entrepreneurs;

- 1. Ambitious
- 2. Independent
- 3. Passionate
- 4. Self-confidence
- 5. Visionary
- 6. Optimistic
- 7. People oriented
- 8. Flexible
- 9. Able to manage risk
- 10. Persistence
- 11. Resourcefulness
- 12. Creativity
- 13. Perceptive
- 14. Self-awareness
- 15. Hard working
- 16. Dedication
- 17. Devotion
- 18. Opportunity seekers
- 19. Motivation
- 20. Desire to share
- 21. Multi-skilled
- 22. Achievement oriented
- 23. Convince ability

In addition to the above attributes, the following qualities & skills can be found in Entrepreneurs;

- 1. Efficiency
- 2. Effectiveness
- 3. Artistic
- 4. Intelligence

- 5. Able to initiate
- 6. Leadership
- 7. Being active
- 8. Strong / strength
- 9. Honesty
- 10. Politeness
- 11. Able to make decisions
- 12. Relationship network
- 13. Able to identify changes
- 14. Bearability
- 15. Resilience
- 16. Consistency
- 17. Social friendly
- 18. Eco-friendly
- 19. Resource Co-ordination
- 20. Courageous

#### What are the 10 D's?

According to David McClelland, the following qualities are found in Entrepreneurs after research & they have been called the 10 D's;



| What are the Personal              | factors affecting entre             | preneurship?   |
|------------------------------------|-------------------------------------|--|
| These are factors found within a p | person that goes on to result in er | ntrepreneurship. They can be;  |
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| What are the environm              | 9                                   | _  |
| These are factors found in the env | rironment both internal & externa   | I in which the entrepreneur exists   |
| & functions. They can be;          |                                     |  |
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|                                    |                                     |  |
| What are the sociologic            | cal factors affecting ent           | repreneurship?   |
| These are factors found in the soc | ciety where the entrepreneur exis   | ts & comes from. They can be;  |
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| What are the roles play            |                                     |  |
| Owner                              | Manager                             | Leader   |
|                                    |                                     |  |
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#### 5.4 ENTREPRENEURIAL SKILLS DEVELOPMENT

What are identified as Entrepreneurial skills?

|  | s a skill. Skills differ from person to person where entrepreneurs om normal persons & some of those skills can be; |
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|  | s available for a person to develop his   |
| entrepreneurial skills?  |   |
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| 5.5 ENTRE  | PRENEURSHIP PROCESS   |
| _  | trepreneurship is not an activity but a process. This process shall   |
| nclude all functions & activities opportunities identified or created. | found in the organization creation in order to pursue the   |
|  | S <sup>1</sup>  |
| Innovation   |   |
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| · · · ·  |   |
| Triggering   |   |
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| Implementation   |   |
|  |   |
|  |   |
| Growth   |   |
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According to International university of Pakistan, the Entrepreneurship process for your syllabus can be laid down as;

| Discovery              |                     |
|------------------------|---------------------|
|                        |                     |
| Concept<br>Development |                     |
|                        |                     |
| Resourcing             |                     |
|                        |                     |
| Actualization          |                     |
|                        |                     |
| Harvesting             |                     |
| What are Problems, Ide | as & opportunities? |
| 1. Problem             |                     |
|                        |                     |
|                        |                     |
|                        |                     |
| 2. Idea                |                     |
|                        |                     |
|                        |                     |
|                        |                     |
| 3. Opportunity         |                     |
|                        |                     |
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### What is the inter-relationship between ideas & opportunities?

Both the concepts are inter-related, where either an opportunity may arise from an idea or an idea may arise from an opportunity. Therefor it can be further elaborated as;

- 1. An existing problem may create an opportunity & then an idea would emerge to pursue that opportunity
- 2. An idea may emerge as a solution for a problem & if this idea is able to be implemented, it becomes an opportunity.

Based on the above theories, the following types of entrepreneurships can be identified;

| 1. Market-pulled entrepreneurship          |             |
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| 2. Product-driven entrepreneurship         |             |
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| Ex-  |             |
| What are the features of a good business o | pportunity? |
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| What                                    | are   | the             | factors                                 | considered                              | by a | a busines                               | ss when                                 | analyzing |
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|   | -     |                 | tunities?                               |   |      |   |   |           |
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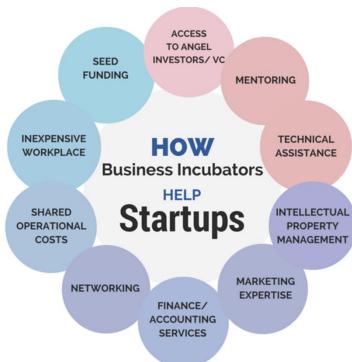


#### Other important knowledge aspects Business Incubator

This is a Facility established to nurture young (startup) firms during their early months or years. It usually provides affordable space, shared offices and services, hand-on management training, marketing support and, often, access to some form of financing.

A business incubator is a workspace created to offer startups and new ventures access to the resources they need, all under one roof. In addition to a desk or office, incubators often provide resident companies with access to expert advisors, mentors, administrative support, office equipment, training, and/or potential investors.

Most incubators are created as temporary launching pads for new businesses, with the expectation that participants will eventually



graduate and move out. However, not all graduates are successful, unfortunately, and some decide their business concept wasn't viable and shut down instead.



Incubators are typically partnerships or collaborative's sponsored by one or more pro-business organizations, such as:

- Local colleges and universities
- Government entities, such as municipalities
- Economic development organizations
- For-profit ventures, including investment-related

#### **Types of Incubators**

While the term "business incubator" generally refers to commercial space provided to new businesses, many incubators specialize in a particular industry or type of business and work to bring similar companies together. Some specialized incubators cater to:

- Education
- FinTech, or financial technology
- Ceramics
- Green technology
- Homeland security
- Fashion
- Food

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|   | cubators are ge  | -     |   |   | de variety of                         | businesses,                             | rather than                             |
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| What                                    | are                 | the                 | organizations | in          | Sri                 | Lanka | that | assist                                  | in          |
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