

UNIT:1

ENTREPRENEUR AND

ENTREPRENEURSHIP



EVOLUTION OF THE CONCEPT OF ENTREPRENEUR:

Entrepreneurs are pioneers to business success today. They detect opportunities, leading to a new opinion or innovation and good performance become a standard in the era of free enterprise. Scarborough and Zimmerer (1988) define the entrepreneur as a person who creates a new business and facing an uncertain situation in order to gain profit and growth to identify opportunities and provide the resources to achieve it. Entrepreneurs usually start with the idea that there is only and always a simple idea and provide the necessary resources to move those ideas that are appropriate to the business. Other than that, Kuratko & Hodgetts (2004), define the entrepreneur as a person who is trying to organize, manage and take risks in business. Entrepreneurs are also a catalyst for economic change using search for a particular purpose, careful planning and appropriate consideration when making any business process. With optimistic and committed to work with creative entrepreneurs to acquire new resources and renewing old source to the new capacity, all this is only intended to create a profit.

CHARACTERISTICS OF ENTREPRENEUR:

1

Motivation

You are by nature motivated. You put in long hours to get your ventures off of the ground and invest everything you have to pursue your dreams.



2

Passion

You tend to be more driven by a passion for your offering as well as by a desire to make a difference.



3

Vision

You have a clear vision as to what you want to achieve, how you can accomplish your objectives, and whom you need on your side to reach your goals.



4

Confidence

You are confident both in yourself and in the products or services you sell.



5

Decision Making

You not only have good decision-making skills but also have the capacity to make those decisions quickly in order to avoid missing opportunities.



DIFFERENCE BETWEEN ENTREPRENEUR AND A MANAGER:

The main difference between Entrepreneur and Manager is their role in the organization. An entrepreneur is the owner of the company whereas a Manager is the employee of the company. Entrepreneur is a risk taker, they take financial risk for their enterprise. The entrepreneur has a vision and focuses on achievements and profit.

Entrepreneur vs Manager	
Entrepreneur	Manager
Entrepreneur is visionary and bears all financial risks.	Manager works for salary, and does not have to bear any risks.
Focuses on starting and expanding the business ideas	Focus on daily smooth functioning of business
Key motivation for Entrepreneur is achievements	Manager's motivation comes from the power that comes with their position
Reward for all the efforts is profit he earns from the enterprise	Remuneration is the salary he draws from the company
Entrepreneur can be informal and casual	Manager's approach to every problem is very formal

TRAITS / QUALITIES OF ENTREPRENEUR:

QUALITIES OF A SUCCESSFUL ENTREPRENEUR

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- Discipline
- Focus
- Confidence
- Open Minded
- Self Starter
- Competitive
- Creative
- Persistence
- Integrity
- Embrace Failure
- Determined
- Strong people skills
- Innovation
- Risk Taking
- Strong work ethic
- Passionate
- Team leader
- Manage time
- Visionary
- Polite
- Learn
- Listen
- Decision-maker
- Strong mindset
- Give Back
- Hunger for success
- Committed
- Motivated
- Flexible
- Tech savvy



TYPES OF ENTREPRENEURS:

Types of Entrepreneurs

Innovating Entrepreneur	<ul style="list-style-type: none">• Who introduces new goods, inaugurates new method of production, discovers new market & reorganizes the enterprise
Imitative Entrepreneur	<ul style="list-style-type: none">• Characterized by readiness to adopt successful innovations inaugurated by successful innovating entrepreneur.
Fabian Entrepreneur	<ul style="list-style-type: none">• Are characterized by very great caution and skepticism in experimenting any change in their enterprise.
Drone Entrepreneur	<ul style="list-style-type: none">• Are characterized by refusal to adopt opportunities to make changes in production formulae even at the cost of severely reduced returns.

ROLE OF ENTREPRENEURSHIP IN ECONOMICS:

By creating new products and services, they stimulate new employment, which ultimately results in the acceleration of economic development. So public policy that encourages and supports entrepreneurship should be considered important for economic growth.

A large number of new jobs and opportunities are created by entrepreneurship. Entrepreneurship creates a huge amount of entry-level jobs that are very much important to turn unskilled jobholders into skilled ones. It also prepares and provides experienced workers to large industries. The increase in the total employment of a country largely depends on the rise of entrepreneurship. So the role of entrepreneurship in creating new job opportunities is huge .

By bringing innovation to every aspect of businesses, entrepreneurial ventures enhance production utilizing the existing resources in the most effective ways. Entrepreneurs develop new markets by introducing new and improved products, services, and technology.

GROWTH OF ENTREPRENEURSHIP IN INDIA :

That a proper understanding of the growth of entrepreneurship of any country would evolve within the context of the economic history of the particular country becomes the subject matter of this section.

The growth of entrepreneurship in India is, therefore, presented into two sections, viz. Entrepreneurship during Pre-Independence and Post- Independence.

The evolution of the Indian entrepreneurship can be traced back to even as early as Rigveda when metal handicrafts existed in society.

This would bring the point home that handicrafts entrepreneurship in India was as old as the human civilization itself, and was nurtured by the craftsmen as a part of their duty towards the society.

Before India came into contact with the West, people were organized in a particular type of economic and social system of the village, community.

DEVELOPMENT OF RURAL ENTREPRENEURSHIP:

Rural Entrepreneurship Development Programme (REDP) is a program supported by NABARD for the creation of sustainable employment and income opportunities for the benefit of educated unemployed rural youth. In this article, we look at the objectives, features, purpose, details, eligibility, grants provided by Rural Entrepreneurship Development Programme (REDP).

The Rural Entrepreneurship Development Programme aims to develop entrepreneurial and activity-oriented skills among the unemployed rural youths willing to create small or micro-enterprises by assisting agencies and NGOs involved in the conducting of Entrepreneurship Development Programs. Hence, the Rural Entrepreneurship Development Programme indirectly supports entrepreneurs through various agencies and NGOs.

UNIT:2
ROLE OF SUPPORT
INSTITUTIONS AND
MANAGEMENT OF SMALL
ENTERPRISES

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ENTREPRENEURSHIP DEVELOPMENT PROGRAMMES:

Entrepreneurship Development Programme (EDP) is a programme which helps in developing entrepreneurial abilities. The skills that are required to run a business successfully is developed among the students through this programme. Sometimes, students may have skills but it requires polishing and incubation. This programme is perfect for them. This programme consists of a structured training process to develop an individual as an entrepreneur. It helps the person to acquire skills and necessary capabilities to play the role of an entrepreneur effectively.

EDP is an effort of converting a person to an entrepreneur by passing him through thoroughly structured training. An entrepreneur is required to respond appropriately to the market and he/she is also required to understand the business needs. The skills needed are varied and they need to be taken care in the best possible way. EDP is not just a training programme but it is a complete process to make the possible transformation of an individual into an entrepreneur. This programme also guides the individuals on how to start the business and effective ways to sustain it successfully.

PHASES OF EDP'S:

Phase of EDP

Initial or Pre-training Phase



Training or Developmental
Phase



Post Training or Follow up
Phase

Training Phase: The main objective of this phase is to bring desirable change in the behaviour of the trainees. In other words, the purpose of training is to develop 'need for achievement', i.e. motivation among the trainees

Post-Training Phase (Follow-up): The ultimate objective of Entrepreneurship Development Programme is to prepare the participants to start their enterprises. This phase, therefore, involves assessment to judge how far the objectives of the programme have been achieved.

ROLE OF SMALL ENTREPRENEURS IN ECONOMY:

Entrepreneurs locate and exploit opportunities. They convert the latent and idle resources like land, labour and capital into national income and wealth in the form of goods and services. They help increase Net National Product and Per Capita Income in the country.

Entrepreneurs boost economic growth by introducing innovative technologies, products, and services. Increased competition from entrepreneurs challenges existing firms to become more competitive. Entrepreneurs provide new job opportunities in the short and long term.

Small businesses create two-thirds of new jobs and deliver 43.5 percent of the United States' gross domestic product (GDP). In addition to keeping the economy running, small businesses also lead the way in innovation. Small businesses produce 16 times more new patents per employee than large patenting firms do. 11-Aug-2020

INSTITUTIONAL FINANCE TO ENTREPRENEURS:

It is an important financial institution which gives financial assistance to the entrepreneurs through rupee and foreign currency loans, underwriting, direct subscriptions to shares, debentures and guarantees.

Financial institutions play an important role in financing and developing Small and Medium enterprises. ... Financial institutions not only provide loans but also provide other facilities like management advices, training to employees, managing administration etc. in order to help SMEs.

Institutional finance means finance raised from financial institutions other than commercial banks. These financial institutions act as an intermediary or link between savers and investors. They provide finance and financial services in areas which are outside the purview of traditional commercial banking.

CONCLUSION:

Conclusion

- Entrepreneurs:
 - ▶ Are an important part of the free enterprise system
 - ▶ Are a diverse and talented group of people
 - ▶ Represent a cross-section of society as a whole
 - ▶ Are able to enhance the profitability of their businesses through acquiring additional knowledge and experience

*Thank
you*