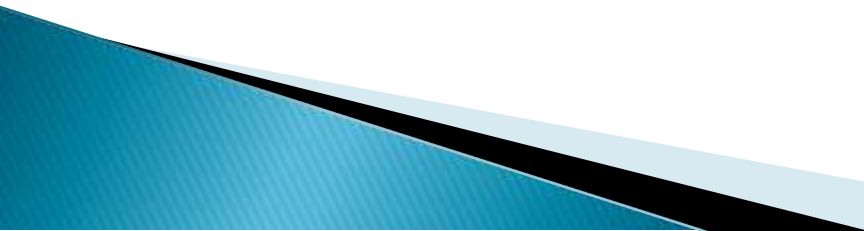


Introduction to Entrepreneurship

By : Ms Rutuja Budhe



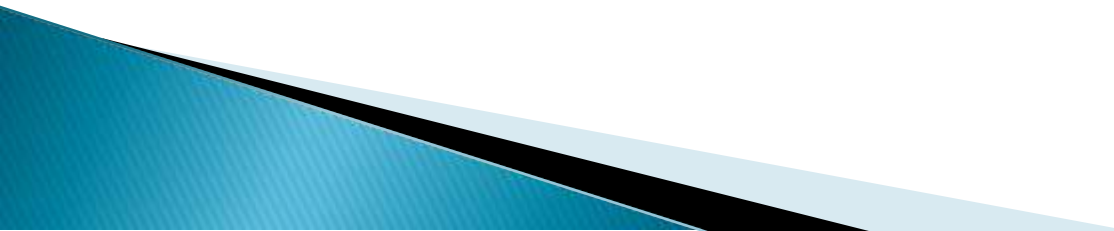
Introduction

- ▶ An entrepreneur is an individual who creates a new business, bearing most of the risks and enjoying most of the rewards. The entrepreneur is commonly seen as an innovator, a source of new ideas, goods, services, and business or procedures.
 - ▶ Entrepreneurs play a key role in any economy, using the skills and initiative necessary to anticipate needs and bring new ideas to market.
 - ▶ Entrepreneurship is an ability of an entrepreneur to develop and establish a business enterprise. It starts with discovering of opportunities, designing a business plan, applying resources and techniques, and finally implementing the ideas.
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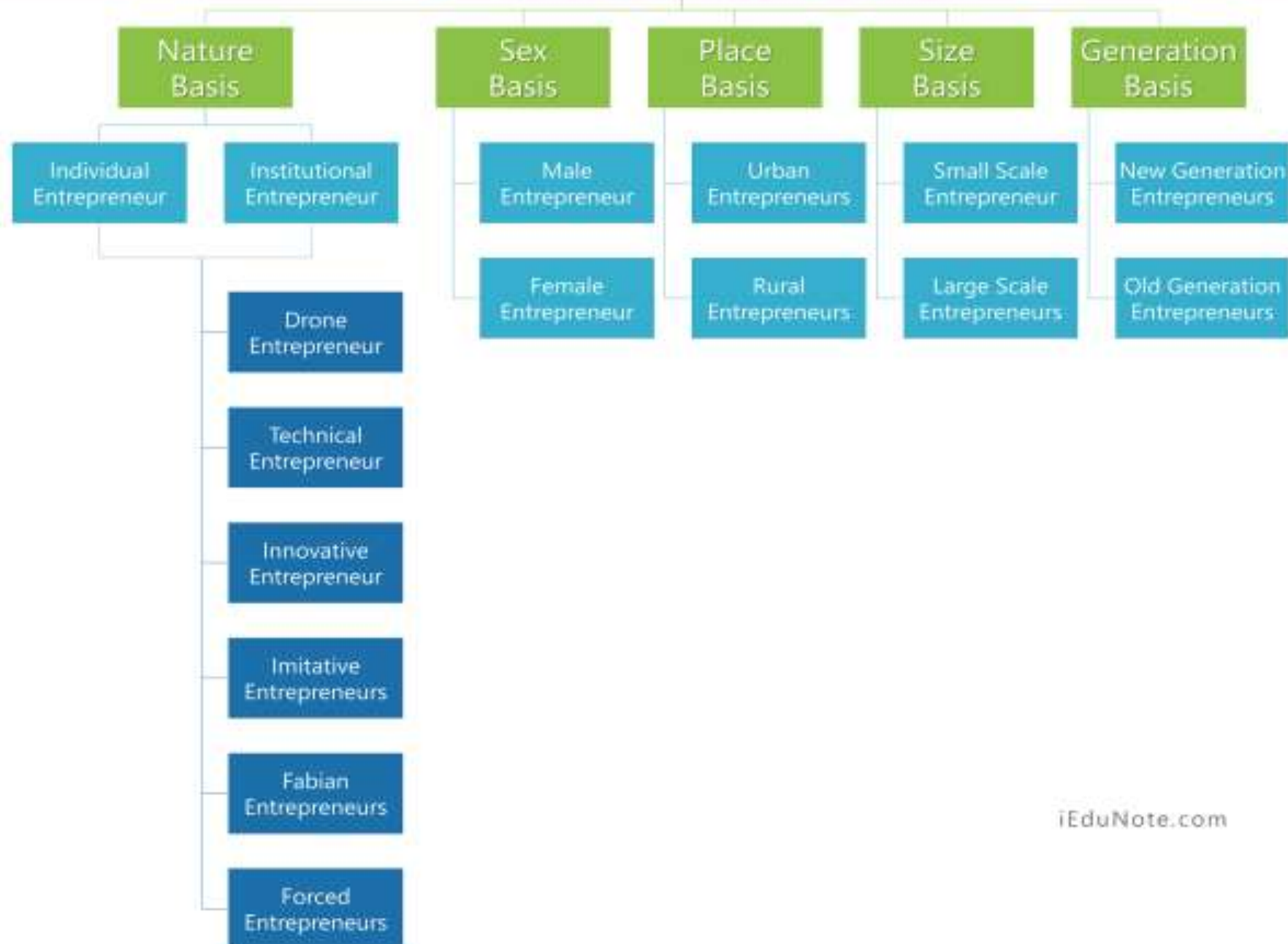
Characteristics of an Entrepreneur

1. Hard work
2. Self Starting
3. Setting personal goals
4. Resilience
5. Confidence
6. Receptiveness to new ideas
7. Assertiveness
8. Information seeking
9. Eager to learn
10. Attuned to opportunities
11. Receptive to change
12. Commitment to others
13. Comfort with skills

Functions of a Successful Entrepreneur

- ▶ Taking Initiative
 - ▶ Organizing Resources
 - ▶ Identifying Opportunities and Prospects
 - ▶ Risk-Taking
 - ▶ Decision Making
 - ▶ Technology Transfer and Adaptation
 - ▶ Innovation
 - ▶ Social Responsibility
 - ▶ Public Relations
 - ▶ Experience Sharing
 - ▶ Managerial Roles
 - ▶ Balanced Economic Development
- 

Types of Entrepreneur



Distinguish between Entrepreneur and Manager

BASIS FOR COMPARISON	ENTREPRENEUR	MANAGER
Meaning	Entrepreneur refers to a person who creates an enterprise, by taking financial risk in order to get profit.	Manager is an individual who takes the responsibility of controlling and administering the organization.
Focus	Business startup	Ongoing operations
Primary motivation	Achievement	Power
Approach to task	Informal	Formal
Status	Owner	Employee
Reward	Profit	Salary
Decision making	Intuitive	Calculative
Driving force	Creativity and Innovation	Preserving status quo
Risk orientation	Risk taker	Risk averse

Role of Entrepreneurship in Economic Development



▶ **Capital Formation:**

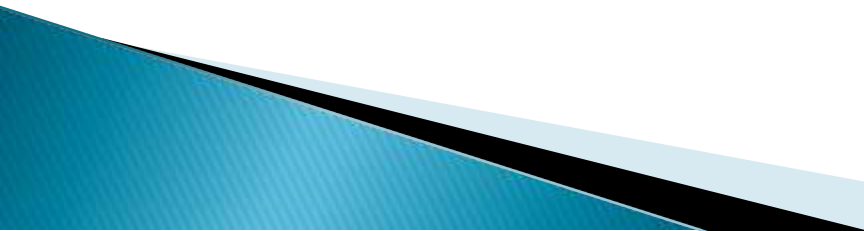
Entrepreneurs mobilize the idle savings of the public through the issues of industrial securities. Investment of public savings in industry results in productive utilization of national resources. Rate of capital formation increases which is essential for rapid economic growth.

▶ **2. Improvement in Per Capita Income:**

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 to increase net national product and per capita income in the country.

▶ **3. Generation of Employment:**

Entrepreneurs generate employment both directly and indirectly. Directly, self-employment as an entrepreneur offers the best way for independent and honorable life. Indirectly, by setting up large and small scale business units they offer jobs to millions. Thus, entrepreneurship helps to reduce the unemployment problem in the country.



▶ **4. Balanced Regional Development:**

Entrepreneurs in the public and private sectors help to remove regional disparities in economic development. They set up industries in backward areas to avail various concessions and subsidies offered by the central and state governments.

▶ **5. Improvement in Living Standards:**

Entrepreneurs set up industries which remove scarcity of essential commodities and introduce new products. Production of goods on mass scale and in the small scale sector help to improve the standards of life of a common man. These offer goods at lower costs and increase variety in consumption.

▶ **6. Economic Independence:**

Entrepreneurship is essential for national self-reliance. Industrialists help to manufacture indigenous substitutes of imported products thereby reducing dependence on foreign countries. Businessmen also export goods and services on a large scale and thereby earn the scarce foreign exchange for the country. Such import substitution and export promotion help to ensure the economic independence of the country

▶ 7. Backward and Forward Linkages:

An entrepreneur initiates change which has a chain reaction. Setting up of an enterprise has several backward and forward linkages. For example- the establishment of a steel plant generates several ancillary units and expands the demand for iron ore, coal, etc.



Women Entrepreneurship

DEFINITION

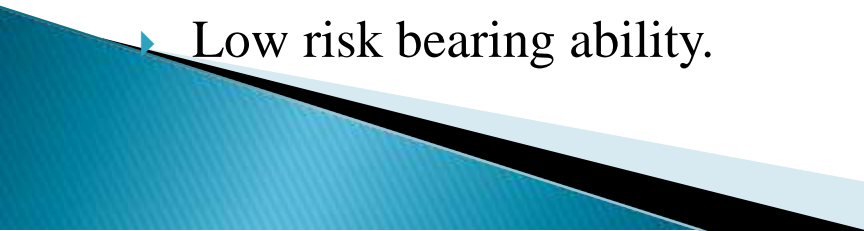
- Women entrepreneurs are those who start a small business either individually or collectively with others by using the business opportunities offered by the environment.



Functions of Women Entrepreneurship

- ▶ Exploration of the prospects of starting a new business enterprise.
- ▶ Undertaking of risks and the handling of economic uncertainties involved in business.
- ▶ Introduction of innovations or imitation of innovations.
- ▶ Coordination, administration and control.
- ▶ Supervision and leadership.

Problems of Women Entrepreneurship

- ▶ Problem of finance.
 - ▶ Scarcity of raw materials.
 - ▶ Stiff competition.
 - ▶ Limited mobility.
 - ▶ Family ties.
 - ▶ Lack of confidence.
 - ▶ Male dominated society.
 - ▶ Low risk bearing ability.
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Rural Entrepreneurship

Definition

Rural entrepreneurship is that entrepreneurship which ensures value addition to rural resources in rural areas engaging largely rural human resources.

Rural entrepreneurship:- “the ability of communities to turn grass into gold”
it is a behavioral trait that requires an individual to be able to see and exploit potential business opportunities in his or her surroundings.

HOW TO DEVELOP RURAL ENTREPRENEURSHIP

1. Set up plant near raw materials to generate more employment
2. Finance-funds
3. Common production and marketing centers should set up.
(Govt. Purchase mandatory)
4. EDPs and Women Entrepreneurship Development Programmes
5. Subject in Schools, colleges.
6. NGOs

