



Entrepreneur – New Innovation

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Abstract

This Paper examines the development of Entrepreneurs and their innovations across the different socio-economic classes in India and how the urban and semi-urban people and turned as an Entrepreneurs as witnessing major growth of Economy of India. It explores the role of the Government of India in the development of Small and Medium Scale Industries and the need for additional reforms in this Sector. The paper includes growth of retail sector in India, strategies, strength and opportunities of retail stores, retail format in India, recent This paper concludes with the likely impact of the innovations by Entrepreneurs and their progress in this Country. It also highlights the challenges faced by the Entrepreneurs in near future in the Global Scenario.

Key words: commercial, Communities, development, entrepreneurs

Introduction

Entrepreneurship is the propensity of mind to take calculated risks with confidence to achieve a pre-determined business or industrial objective. In substance, it is the risk-taking ability of the individual, broadly coupled with correct decision-making. When one witnesses a relatively larger number of individuals and that too generation in a particular community, who engage themselves in the industrial or commercial pursuits and appear to take risks and show enterprise, it is acknowledged to be a commercial class. The commercial class is a myth just like that of the so-called martial race. There are neither, for all-time, martial races nor commercial classes. Communities, which in the course of history once appeared to be martial in spirit have, in later period, emerged as mercantile societies. Those who were once more concerned with and relished in trade, later in history, seem to

have taken to the profession of the sword. Today, it is quite evident to anyone that national communities which have developed world-wide industrial and consequent commercial interest are militarily powerful; nay, great Industrial powers have today become super-military powers as well. Enterprise finds manifestation in different ways. The capacity to take risk independently, and individually, with a view to making profits and seizing an opportunity to make more earning in the market-oriented economy, is the dominant characteristic of modern Entrepreneurship. Enterprise, ready for the pursuit of business and responsive to profit by way of producing and or marketing goods and commodities, to meet the expanding and diversifying actual and potential needs and demand of the customers, is what constitutes *Entrepreneurial stuff*. In underdevelopment counties like India, a new spice of Entrepreneurs is desirable,



because here the economic progress the national objective. There is an apparent conflict between social objectives and economic imperatives. This conflict has to be resolved first by the individual Entrepreneur in his own mind and economic growth, which induces industrial development, as one of the instrument of attaining the social objective. A high sense of responsibility is thus an essential attribute of emergent Entrepreneurship in India.

According to Schumpeter (1934), the capabilities of innovating, introducing new technologies, increasing efficiency and productivity, or generating new products or services, are characteristics of Entrepreneurs. Entrepreneurs are catalysts for economic change. Research has found Entrepreneurs to be highly creative with a tendency to imagine new solutions by finding opportunities for profit or reward. Psychological studies show that the psychological propensities for male and female Entrepreneurs are more similar than different. Perceived gender differences may be due more to gender stereotyping.

There is a growing body of work that shows that Entrepreneurial behavior is dependent on social and economic factors. For example, Countries which have healthy and diversified labor markets or stronger safety nets show a more favorable ratio of opportunity-driven rather than necessity-driven women Entrepreneurs. Empirical studies suggest that women Entrepreneurs possess strong negotiating skills and consensus-forming abilities.

Types of Entrepreneurs

The literature has distinguished among a number of different types of Entrepreneurs, for instance:

Social Entrepreneur

A Social Entrepreneur is motivated by a desire to help, improve and transform social, environmental, educational and economic conditions.

Key traits and characteristics of highly effective social Entrepreneurs include ambition and a lack of acceptance of the accepting the world "as it is".

The Social Entrepreneur is driven by an emotional desire to address some of the big social and economic conditions in the world,

for example, poverty and educational deprivation, rather than by the desire for profit.

Social Entrepreneurs seek to develop innovative solutions to global problems that can be copied by others to enact change.

Serial Entrepreneur

A Serial Entrepreneur is one who continuously comes up with new ideas and starts new businesses. In the media, the Serial Entrepreneur is represented as possessing a higher propensity for risk, innovation and achievement. Serial Entrepreneurs are more likely to experience repeated Entrepreneurial success. They are more likely to take risks and recover from business failure.

Lifestyle Entrepreneur

A Lifestyle Entrepreneur places passion before profit when launching a business in order to combine personal interests and talent with the ability to earn a living. Many Entrepreneurs may be primarily motivated by the intention to make their business profitable in order to sell to shareholders



A Lifestyle Entrepreneur may decide to become self-employed in order to achieve greater personal freedom, more family time and more time working on projects or business goals that inspire them. A Lifestyle Entrepreneur may combine a hobby with a profession or they may specifically decide not to expand their business in order to remain in control of their venture. Common goals held by the lifestyle Entrepreneur include earning a living doing something that they love, earning a living in a way that facilitates self-employment, achieving a good work / life balance and owning a business without shareholders.

Entrepreneur – an innovator:

The Entrepreneurs are an important source of economic development. It is, therefore, suggested that there must be a motivational training programme to develop Entrepreneurs and measures to be taken to modify the environment to stimulate Entrepreneurial behaviour among individuals. There are thinkers to modify the environment to stimulate Entrepreneurial behaviour among the individuals. There are thinkers who believe that "Schumpeterian Entrepreneurs are needed in under developed countries for rapid economic development." Entrepreneurs are to be innovators who must change the production function and bring about rapid development. It is only through Entrepreneurs that substantial development can be brought about.

In a Mixed Economy, the Government tries to remove the evil of monopoly capitalism by placing some restrictions. It may curb the growth of monopolies and introduce workable competition which is essential for the optimum use of the available resources. Mixed Economy tries to solve the

problem of distribution of goods and services in a better way than the Capitalist Economy. The Government tries to level up the incomes of the poor people and level down those of the rich people. This is done by fiscal measures, fixation of minimum wages and salaries and improvements in the environment by the people.

The role played by an Entrepreneur is significantly important in a Mixed Economy, as it permits the growth of the Public and the Private Sector. In the Private Sector, profit motive acts as an incentive to the Entrepreneur and market mechanism plays its own role and this establishes the role of an Entrepreneur in the Mixed Economy. Entrepreneurship has great importance in various economic systems. It is all the more important under Capitalism and Mixed Economy where not only the responsibilities of the Entrepreneurs in production and the distribution are recognized but the objective of the growth of business and profit maximization is also attained. Therefore, the importance of Entrepreneurship stands beyond challenge in every economic system except under socialism where it appears in a different form. Yet, Entrepreneurship prevails in all economic systems in one form or the other.

Bringing about new combinations:

As an innovator entrepreneur brings about the new combinations in the following manner

- a) Introduction of new products
- b) Introduction of new techniques of production
- c) Opening up of a new market



- d) Conquest of new source of supply of raw materials or semi-finished goods
- e) The carrying out of new organizations of any industry like the creation of monopoly.

Further, Entrepreneur's motivation is directed by the desire to found private commercial kingdom, the will power to conquer and to prove superiority and the joy of creating and getting things done.

The World Economy requires Innovators and Entrepreneurs to both advance and sustain Global Community. While Ethics and Social Responsibilities of an Entrepreneur and Businesses undertake the plan and consider Social Responsibility a vital event in their activities, everybody benefits. The effect could be noticed within local communities and ultimate profit making from their business. With the extension of cooperation for Businesses, Governments and NGOs, they encourage in the matter of Corporate Social Responsibility and Entrepreneurship and take steps to improve the mechanism for its potential growth. Therefore, in regards Ethics and Social Responsibilities, an Entrepreneur has to become aware about his role and strive to obey them in perfect manner, which would be beneficial to him as well as the Community as whole.

Role of government in supporting entrepreneurship:

Entrepreneurship Development Institute of India (EDI):

It is an autonomous and not-for-profit Institute, set up in 1983, is sponsored by apex financial institutions - the IDBI Bank Ltd., IFCI Ltd., ICICI Bank Ltd. and State Bank of India (SBI). The Government of Gujarat pledged twenty-three acres of land on which stands the

majestic and sprawling EDI campus. To pursue its mission further, EDI has helped set up twelve state-level exclusive Entrepreneurship development centers and institutes. In view of EDI's expertise in Entrepreneurship, the University Grants Commission appointed the EDI as an expert agency to develop curriculum on Entrepreneurship. EDI's success led by its strong sense of commitment culminated in recognition of its achievements by the Government of India and various state governments. In the international arena, efforts to develop Entrepreneurship by way of sharing resources and organizing training programmes have helped the EDI earn accolades and support from the World Bank, Commonwealth Secretariat, UNIDO, ILO, FNSt, British Council, Ford Foundation, European Union and several other renowned agencies.

Venture Capital

Venture Capital is financial capital provided to early-stage, high-potential, high risk, growth startup. The Venture Capital fund makes money by owning equity in the companies it invests in, which usually have a novel technology or business model in high technology industries, such as biotechnology, IT, software, etc.

The typical Venture Capital investment occurs after the seed funding round as growth funding round (also referred to as Series A round) in the interest of generating a return through an eventual realization event, such as an IPO or trade sale of the company.

Venture Capital is a subset of private equity. Therefore, all venture capital is



private equity, but not all private equity is venture capital. The National Venture Capital Association (NVCA) is the leading trade association representing the venture capital industry in the U.S. The NVCA represents the venture industry in public policy debates in Washington, DC

Entrepreneurship Education

Entrepreneurship Education seeks to provide students with the knowledge, skills and motivation to encourage Entrepreneurial success in a variety of settings. Variations of Entrepreneurship education are offered at all levels of schooling from primary or secondary schools through graduate University programs Entrepreneurship Education can be oriented towards different ways of realizing opportunities:

Conclusion": To promote innovation or introduce new products or services or markets in existing firms, this ach is called entrepreneurship or entrepreneurship. A recent approach involves creating charitable organizations (or portions of existing charities) which are designed to be self-supporting in addition to doing their good works. Entrepreneurship Education seeks to provide students with the knowledge, skills and motivation to encourage Entrepreneurial success in a variety of settings.

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