

Ch-01

Concept

Entrepreneurship-

It is the process of designing, launching and running a new business, which is often initially a small business. The people who create these business are called entrepreneurs.

Entrepreneurship has been described as the capacity and willingness to develop, organize and manage a business venture along with any of its risks in order to make a profit

- lack of funding
- bad business decisions
- An economic crisis
- Lack of market demand.

Entrepreneur is an entity which has the ability to find and act upon opportunity to translate inventions or technology into new products.

The term 'entrepreneur' was first introduced in economics by the early 18th Century French economist Richard Cantillon. In his writing, he formally defined the entrepreneur as the "agent who buys means of production at certain

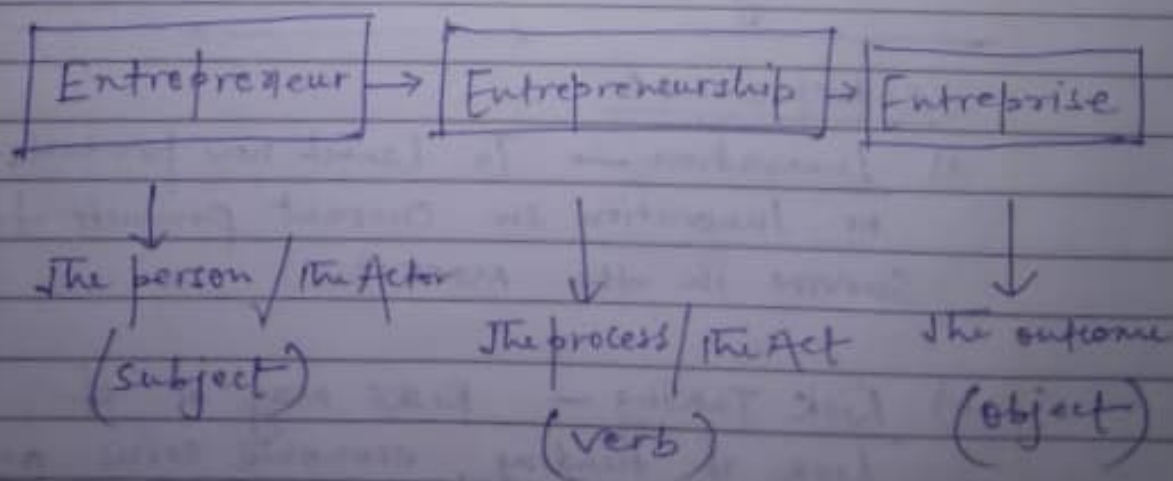
prices in order to sell the produce at uncertain prices in the future." ~~Since~~

Since then a perusal of the usage of the term in economics shows that entrepreneurship implies risks/uncertainty bearing.

Entrepreneurship is a systematic, purposeful and creative activity of identifying a need, mobilising resources and organising production with a view to delivering values to the customers, returns for the investors and profits for the self in accordance with the risks and uncertainties associated with business.

SVO Analogy

(subject, verb, object)



History of Entrepreneurship in India

- The history of entrepreneurship in India starts in the era of Indus valley civilization
- During the early ~~the~~ Harappa period (about 3200 - 2600 BCE)
- This age is also called as copper age, the Indus valley civilization area showed ceramic similarities with southern Turkmenistan and northern Iran which suggested considerable mobility and trade.
- Apart from agriculture and hunting, the Indus people supported themselves by trading goods like exchange of potteries, ornaments, exchange of animals etc.

exchange of animals etc.

Growth of Entrepreneurship

→ Indus valley civilization - organized enterprise at a time when the world just belonged to clothe itself

→ The early years (1000 B.C - 500 B.C)
Indian trader introduced re-exporting bought silk from Chinese and sold to Central Asia. Bought horses from West Asians and sold to the Chinese.

→ The Maurya Era - In the modern times the Maurya Empire is remembered as one of the golden ages of Indian history, a time when the country was united and independent.

→ Vast territory, better trade, widespread use of metallic money, missions to Sri Lanka and Southeast Asia increase trade.

→ The people were divided into seven endogenous groups - philosophers, peasants, herdsman, trader, soldiers, government officials and councilors.

→ The ~~Maurya~~ Mughal age (15th AD - 16th AD) - Dominated world commerce, large quantities of gold and silver flow into the country.

→ The Mughal age II (16th AD - 17th AD) - British arrive in this era. The person named Surat merchant Virji Vora among first entrepreneurs.

→ The Colonial era (17th AD - 19th AD) -
→ Dwarakanath Tagore, who formed India's first joint venture with a foreigner, Cass Tagore Manabhai Bazar, who put up the country's first textile mill in 1854. But could not be able to run that.

→ The Colonial Era II (1850 AD - 1947 AD) -

Railways set up (1853), Cowasjee Nanabhai Davar first cotton mill in Bombay, Sir J. N. Tata founded Jamshedpur steelwork, foundation of jute mills, pharmaceutical industry were laid.

→ The Colonial era III (1947 AD - 1947 AD) -

New crop arises in this period. Change makes like JRD Tata, MS Oberoi, Jamshed Bajaj lead the way for Indian entrepreneurs.

→ After Independence -

Scale industrialization

entrepreneurs like Dinubai Ambani emerge. Globalisation arrives, and with its the premiss, the Narayan Murthy, the Rajesh Jains etc. Over the last 68 years India has seen the entrepreneur evolves in different role.

→ The modern entrepreneurs are wealth creators, communicators, change agents, ~~entrep~~ entertainers.

→ Nation urges Entrepreneurs to explore domestic opportunities.

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16000
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16630

Difference between Entrepreneur and Manager.

① Responsibility	An Entrepreneur holds the overall structure of the business as he has the idea behind the business. → An entrepreneur is responsible for all the activities of the company.	manager just follow the order given by an entrepreneur. → Managers just has to deliver his duties and responsibilities assigned to him in a certain department.
② Nature of work	The entrepreneur is responsible for the starting and initialization of the business along with ensuring a proper launch for the business.	A manager takes care of all the ongoing activities of the business and makes sure each and every department undertake suitable measures for.
③ Specialization	It is not necessary that an entrepreneur must know all the entrepreneurial activities of the business. And sometimes there is even possibility that an entrepreneur understand all the smaller portion of the business.	Manager needs to a specialize in his own work. Manager tends to be more calculative and they form various plans and strategies.

<p>④ Prone to make mistake</p>	<p>An Entrepreneur is allowed to make mistakes as his mistakes can educate him better in his upcoming decisions.</p>	<p>Manager is not supposed to make mistakes as he is one of the best in his field of work.</p>
	<p>An entrepreneur is allowed to make mistake while seeking various innovative and creative ideas that can help with the development of the company</p>	<p>A manager should try hard to preserve the status and name of the company.</p>
<p>⑤ Educational background</p>	<p>Entrepreneur who owns a successful leading business needs not to be well educated.</p>	<p>A manager needs to be trained perfectly in his job profile. It is mandatory for the manager to be well knowledgeable so as to manage the company in a stable manner.</p>
<p>⑥ Risk taking</p>	<p>Entrepreneur tend to take risks as this will also help them to retrieve innovative and creative ideas required for the business.</p>	<p>Manager needs to avoid taking risks in the field of his work.</p>

<p>⑥ financial freedom</p>	<p>Entrepreneur holds all the rights to enjoy the complete financial freedom of the business.</p>	<p>Managers tend to prefer stability and security over freedom while working under someone in a Corporation.</p>
<p>⑧ Ownership</p>	<p>An entrepreneur person holds the ownership of the company and none can take that ownership from the entrepreneur.</p>	<p>A manager on the other hand, is someone who works for the entrepreneur and is responsible for only a part of the organisation.</p>
<p>⑨ Capital gain</p>	<p>An entrepreneur is liable to enjoy all the capital gain of the business.</p>	<p>manager should only be liable for the fixed salary.</p>
<p>⑩ Commitment</p>	<p>An Entrepreneur need to be committed towards their whole business.</p>	<p>Manager need to be committed towards their department or assigned work.</p>