

**E-CONTENT-SERIES ON ENTREPRENEURSHIP AND MSMEs**  
by  
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**Introduction to Entrepreneurship**

- **Meaning & Concept**
  - **Definition Of Entrepreneurship**
  - **Characteristics Of An Entrepreneur**
  - **Entrepreneurial Process**
  - **The Scope Of Entrepreneurship In India**
- 

According to George Bernard Shaw, "The people who get on in this world are the people who get up and look for the circumstances they want, and, if they can't find them, they make them." It seems George Bernard Shaw was talking about entrepreneurs, because this is what the entrepreneurs do, they create their own future. The Entrepreneur understands possible futures and creates the future of his or her choice.

**Meaning & Concept**

The word 'entrepreneur' immediately conjures up images of business tycoons like L.N. Mittal or Bill Gates. While these rich, famous and successful individuals can be inspirational for some but most of us would find it difficult to associate our own lives, personalities or abilities with them. But the fact is that virtually everybody is

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entrepreneurial in some part of his or her lives. Entrepreneurial in terms of self-development (an athlete constantly practicing to improve her performance and stamina), in terms of self-decision making (a man deciding not to marry and devote the rest of his life in the service of GOD), in terms of creativity (a house wife using waste material for making a piece of art), risk taking (a teenage boy trying bungee jumping). Hence anyone who exhibits the characteristics of self-development, creativity and self-decision making, can be rightly called as a person with entrepreneurial traits and when these traits are exhibited by a person running a business he can rightly be called as an entrepreneur. The reverse is also true a businessman who does not take risks, or does not aim for self-development, is not creative and cannot take decision on his own, cannot be rightly called as an entrepreneur. And in the present competitive world the latter is thrown out of the business by the market forces over a period of time.

In the present chapter we discuss the meaning and concept of entrepreneurship, label the characteristics of entrepreneurs and finally draw the entrepreneurial process.

Let us understand why an individual becomes an entrepreneur? For an Individual role & type of career he / she chooses is of great importance because it lays down the pattern of living, determines the social status and controls his present & future life. Any individual has three career options: 1) to work for someone else 2) to be self employed in a profession 3) to be an entrepreneur. Of the three Entrepreneurship has gained lot of popularity – reasons are many:

- It provides numerous opportunities for self-expression and realization of one's passion for doing something new and different.
- There are numerous opportunities for growth & self-development.
- Monetary rewards are more
- Entrepreneur has the power of decision making
- Reward of working on one's own leads to immense satisfaction.

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Apart from these personal gains the entrepreneur also contributes to the development of community as entrepreneur generates employment for others. Entrepreneurs initiate and constitute change in the structure of business & society. This change is accompanied by growth and increased output, which allows more wealth to be divided amongst the various participants and hence entrepreneurship leads to increase in the national income of the country and so leads to the economic development of the country. In countries like India where educated unemployment and unemployment in general has become a national problem. Entrepreneurship can be eyed as a tool for income generation and employment. It is for this reason that the government of India is designing policies & procedures to promote entrepreneurship.

### **DEFINITION OF ENTREPRENEUR**

Despite its current prominence, entrepreneurship still remains a rather vague concept.

According to the dictionary the word “Entrepreneur” can be defined as “one who reorganizes and manages only enterprise specially involving high risk” If taken literally this definition seems fine but it is quite incomplete. Researches have shown that entrepreneurs are not necessarily high risk takers. However, a clever entrepreneur performs to reduce risk and increase the chances of success. The definition nowhere mentions anything about opportunities or resources allocated to achieve the success. The only point mentioned in the definition is regarding high risk, which might not even be necessary to be successful.

Let us look at the definitions given by different social scientist.

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- Economist defines an entrepreneur as one who brings resources, labor, material and other assets into combinations that make their value greater than before and also one who introduces changes, innovations and a new order.
- Psychologist defines an entrepreneur as a person who is typically driven by some forces, which create a desire to obtain or attain something.
- Sociologist defines entrepreneur as a person whose actions would determine his social status and who contribute to the development of the society.
- Management experts define entrepreneur as a person who has a vision and generates a action plan to achieve it.

Hence in the absence of a clear-cut concept of Entrepreneurship that might well be impossible to find altogether scientists, governments and supranational bodies tend to use start-ups as a measure for entrepreneurial activity.

Let us try & define the term entrepreneurship, The word itself is derived from the 17<sup>th</sup> century French verb '**Entrependre**' and the German word "**Uternehmen**" both referring to individuals who are '**undertakers**', i.e. those who '**undertook**' the risk of new enterprise. They were contractors who bore the risks of profit or loss, they were soldiers of fortune, adventurers, builders or merchants.

Though many traits like creativity, risk taking, innovation have been associated with the term entrepreneur, which reflects as if entrepreneurs are only those individuals who take up the challenges of creating a business with new concept and ideas. But this is not true. Research scientist like de Bono have pointed out that the most important variable required for entrepreneurship is not innovation but value addition. Which means that it is not always important that an individual comes up with an entirely new idea to be called

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entrepreneur but if he is adding incremental values to the current product or service he can rightly be called as an entrepreneur.

Let us scan the views of some social scientist on Entrepreneur & Entrepreneurship

### **Views of Social Some Scientist On Entrepreneur & Entrepreneurship**

**Richard Cantillon:** (1755) Richard Cantillon was the first person to recognize the role of entrepreneurs in economic theory. He stated that “the farmer is an entrepreneur who promises to pay the landowner for his farm or land, a fixed sum of money without assurance for the profit he will derive from his enterprise.” (Cantillon 1755). He described an entrepreneur as a person bearing risk. He makes profit by buying goods at certain known price and by selling at an uncertain higher price but there is always an element of uncertainty in market and hence entrepreneur is always at a risk of bearing losses (if he is not able to sell the goods at higher price.) Cantillon stressed on the function of entrepreneur and not his personality. He also stressed on the economic function of entrepreneur over his social status (Hébert and Link, 1988).

**Jean Baptiste Say :** (1800) Following Cantillon, Say broadened the definition of entrepreneur to include the concept of combining factors of production, also noting that the entrepreneur must have special personal qualities (Ole,1946, Stevenson & Jarillo, 1990). Say did not unlike Cantillon emphasize uncertainty in his definition. Say analyzed that “the central function of the entrepreneur independently of any particular social framework.” (Hébert and Link, 1988).

**Frank Knight:** (1921) Frank Knights definition of entrepreneur discusses uncertainty and risk, “with uncertainty present, doing things, the actual execution of activity, becomes in real sense a secondary part of life, the primary problem or function is

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deciding what to do and how to do it.” He describes entrepreneur as a recipient of pure profits. Pure profit with regard to entrepreneurship is bearing the cost of uncertainty.

**Max Weber (1930)** : Max Weber defined entrepreneur as an innovator with unusual will and energy, clarity of vision and ability to act.

**Joseph Schumpeter (1934):** Schumpeter add the concept of innovation to the theory of entrepreneurship. For Schumpeter (1934) the entrepreneur is bearer of the “mechanism for change”. Changes can occur from inside & outside the economy. Entrepreneurship is defined *as* the carrying out of new combinations we call “enterprise”; the individuals whose function it is to carry them out we call “entrepreneurs.” These concepts are at once broader and narrower than the usual. Broader, because in the first place we call entrepreneurs not only those “independent” businessmen in an exchange economy who are usually so designated, but all who actually fulfill the function by which we define the concept, even if they are, as is becoming the rule, “dependent” employees of a company, like managers, members of boards of directors, and so forth, or even if their actual power to perform the entrepreneurial function has any other foundations, such as the control of a majority of shares. As it is the carrying out of new combinations that constitutes the entrepreneur, it is not necessary that he should be permanently connected with an individual firm; many “financiers,” “promoters” and so forth are not, and still may be entrepreneurs in our sense. On the other hand, our concept is narrower than the traditional one that it does not include all heads of firms or managers of industrialists, who merely may operate an established business, but only those who actually perform that function. ... But whatever the type, everyone is an entrepreneur only when he actually “carries out new combinations,” and loses that character as soon as he has built up his business, when he settles down to running it as other people run their businesses.

Schumpeter listed five different kinds of innovations or ways to act as an entrepreneur:

1. The introduction of a new good or quality of a good.

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2. The introduction of a new method of production.

3. The opening of a new market.

4. The utilization of some new sources of supply for raw materials or intermediate goods.

5. The carrying out of some new organizational form of the industry.

For Schumpeter (1934) the ability to identify new opportunities in the market is a central entrepreneurial activity which creates disequilibrium in the economy.

**Kirzner (1973):** To Kirzner the entrepreneur contributes to a movement towards economic equilibrium by pursuing opportunities, though an equilibrium situation will never be reached. Central concept added to entrepreneurship by Kirzner is alertness (1973). “. *Now I choose ... to label that element of alertness to possible newly worthwhile goals and to possible newly available resources ... the entrepreneurial element in human decision-making. It is this entrepreneurial element that is responsible for our understanding of human action as active, creative, and human rather than as passive, automatic, and mechanical.*” (Kirzner, 1973). In the mind of Kirzner a pure entrepreneur has nothing but his alertness. Nevertheless, the main focus by Kirzner is on the entrepreneur and his role in the economy rather than on the human behavior.

**Mark Casson (1982):** Casson defines an entrepreneur as “someone who specializes in making judgmental decisions about the coordination of scarce resources. As support to this definition Casson has five arguments that: i) Entrepreneurship appears as a personal quality which enables certain individuals to make decisions with far reaching consequences. ii) “The entrepreneur has better - or at least more relevant - information than other people” ; iii) “It is assumed, ... , that entrepreneurs are motivated by self-interest”. ... “To simplify the theory it is assumed that entrepreneurs operate their business purely with a view to maximizing the profit they obtain from a given amount of effort”. Although this assumption is clearly counter-factual, the resulting theory goes a long way towards explaining entrepreneurial behaviour, iv) The entrepreneur believes that he is right, while everyone else is wrong. Thus the essence of entrepreneurship is

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being different – being different because one has a different perception of the situation ;  
v) “The entrepreneur often has to create an institution to make markets between himself and other transactors”).

**Stevenson and Sahlman (1987):** Defined entrepreneurship as “the relentless pursuit of opportunity without regard to resources currently controlled. Moreover we believe there is an underlying process in entrepreneurship that starts with the identification of opportunity and ends with harvesting the fruits of one’s labours” (Stevenson and Sahlman, 1987).

Though Stevenson and Sahlman (1987) describe entrepreneurship as an economic function they find that within the management approach, in which they place their contribution, it is not fruitful to distinguish between those functions which are entrepreneurial and which are not entrepreneurial. They do not view entrepreneurship as a certain point in time at which the distinction between entrepreneurs and non-entrepreneurs can be made - they reject an understanding of entrepreneurship as an all-or-none trait. Entrepreneurship is a sequence of behaviors, which may change over time. Stevenson and Sahlman have identified six critical dimension which can be used to distinguish between entrepreneurship and more administratively oriented management. The six critical dimensions of business practice are: strategic orientation, the commitment to opportunity, the resource commitment process, the concept of control over resources, the concept of management, and compensation policy.

Stevenson and Sahlman (1987) perceive the behavior as a continuum with two extremes. “At one extreme is the *promoter* type of manager who feels confident of his or her ability to seize opportunity regardless of the resources under current control. At the opposite extreme is the *trustee* type of manager who fosters efficient management by emphasizing the effective utilization of existing resources.” (Stevenson and Sahlman, 1987).



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**Gartner (1990):** In Delphi study, Gartner found eight themes expressed by the participants that constituted the nature or entrepreneurship. They were, **the entrepreneur, innovation, organization creation, creating value, profit or nonprofit, growth, uniqueness, and the owner-manager.** Many of these themes are consistent with Schumpeter's conceptualization, in particular, organization creation, innovation in the form of the pursuit of a discontinuous opportunity, value creation, uniqueness, growth (to a point), and the entrepreneur.

One further component of entrepreneurship that was identified in Gartner's 1990 Delphi study was the expectation of return by the entrepreneur(s). People form and associate with organizations because of the prospect of return. This return may or may not be financial. As such, both for profit and nonprofit organizations may be entrepreneurial. Both types of organizations must accumulate resources, build organizational structure and networks, develop distinctive competencies, and maintain competitive advantage to survive. However, in either circumstance, the members of the organization become and remain affiliated because of the prospect of return. Therefore, synthesizing these concepts, we propose that the essence of entrepreneurs is the pursuit of a discontinuous opportunity involving the creation of an organization (or sub-organization) with the expectation of value creation to the participants. The creation of an organization involves the accumulation and deployment of resources and the building of organizational structure to pursue an opportunity.

**Peter Drucker** defines an entrepreneur as one who always searches for change, responds to it, and exploits it as an opportunity. Entrepreneurs innovate.

Peter Drucker has aptly observed that “ *Innovation is the specific tool of entrepreneurs, the means by which they exploit changes as an opportunity for a different business or a different service. It is capable of being presented as a discipline, capable of being learned , capable of being practiced. Entrepreneurs need to search purposefully fo the sources of innovation, the changes and their symptoms that indicate opportunities for*

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*successful innovation. And they need to know and to apply the principles of successful innovation.”*

According to Drucker 3 conditions have to be fulfilled:

- 1) Innovation is work. It requires knowledge. It requires ingenuity. It makes great demands on diligence, persistence and commitment.
- 2) To succeed innovation must be build on their strengths.
- 3) Innovation always has to be close to the market, focused on the market, indeed market driven.

According to **Francis A. Walker**, the true entrepreneur is one who is endowed with more than average capacities in the task of organizing and coordinating the various other factors of production. He should be pioneer, a captain of industry the supply of such entrepreneurship is however quite limited and enterprise in general consists of several grades of organizational skill and capability. The more efficient entrepreneurs receive a surplus reward over and above the managerial wages and this sum constitutes true profit ascribable to superior talent.

**Bygrave & Hofer** (1991) proposed that the focus of the field of entrepreneurship change from the focus on the characteristics of the entrepreneur to the characteristics of the entrepreneurial process. By focusing on the process, entrepreneurs are identified by their participation in the process, not by a unique set of characteristics. Bygrave & Hofer defined the entrepreneurial process as involving “*all the functions, activities, and actions associated with the perceiving of opportunities and the creation of organizations to pursue them.*” Bygrave further restricted the definition to only include new independent organizations, excluding intrapreneurship.

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<p align="center"><b>THE CHANGING DEFINITION OF ENTREPERENEUR/ENTREPRENEURSHIP</b></p>		
1755	CANTILLON	“A person bearing risk.”
1816	SAY	“Agent combining all factors of production”
1921	Knight	“recipient of pure profits”
1930	Weber	INNOVATOR
1934	Joseph Schumpeter	“ability to identify new opportunities”
1973	Kirzner	“Contributes to movement towards equilibrium by pursuing opportunities through equilibrium”
1982	Mark Casson	“Judgment decision maker in co-ordinating scarce resources”
1987	Stevenson & Sahlman	“The relentless pursuit of opportunity”
1988	Gartner	“Actions taken to create organization”
1991	Bygrave & Hofer	“Characteristics of the entrepreneurial process”.

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Both the terms entrepreneurs and entrepreneurship have been defined in a comprehensive way in the following definitions:

- Entrepreneurs are people with vision who recognize & pursuit opportunity, create & establish businesses / new ventures, take into account the risks involved, have control over the present & future and have the flexibility to change and adapt with the changing times.
- An entrepreneur is a person who visions a particular business venture and then goes on to create it. Basically, the originator of a new business venture and a new organization for that venture.
- The entrepreneur is the individual (or team) that identifies the opportunity, gathers the necessary resources, creates and is ultimately responsible for the performance of the organization.
- Entrepreneurship is the pursuit of a discontinuous opportunity involving the creation of an organization (or sub-organization) with the expectation of value creation to the participants.
- Entrepreneurship is the means by which new organizations are formed with their resultant job and wealth creation. A critical component of the proposed definition is the necessary condition that the organization created actually provides goods and/or services to society, not merely for internal consumption.
- Entrepreneurship is the process of creating value by bringing together a unique package of resources to exploit an opportunity.

The entrepreneurs can be both the originators as well as value enhancer of a product or service. The entrepreneur perceives opportunities that other business executives do not see or do not care about. Say for example **Akio Morita**, the President of the Japanese consumer electronics giant, **Sony**, saw that his company's existing products could be

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adapted to create a new one - the Walkman Personal Stereo. Not only did he create a Walkman, it is stated that an entirely new generation was created, named as the "Walkman Generation".

Similarly grinding coffee beans and selling brewed coffee are not new. What is new is the quality and ambience that **Barista** gives to these activities. When **Reliance** entered the telecommunication business the industry was already an established one but the concept – 'Karr Lo Duniya mutthi mein' gave room to reliance in the mobile business and now Reliance is an established player in this industry. Hence in most instances, an entrepreneur creates an organization, as a way of offering something new to employees, customers or other stakeholders or adds value to the existing ones.

Entrepreneurship is, above all, about change. "Entrepreneurs see change, as the norm and as something healthy. Usually, they do not bring about the change themselves. But - and this defines entrepreneur and entrepreneurship – "The entrepreneur always searches for change, responds to it and exploits it as an opportunity". ... Peter Drucker, an acknowledged management guru.

### **Characteristics of an Entrepreneur**

Because entrepreneurs have the potential to contribute much to society, researchers have tried to analyze their personalities, skills and attitudes, as well as the conditions that foster their development. Research has shown that certain psychological and sociological factors are characteristics of entrepreneurs.

Like most individuals, entrepreneurs are complex, and no one theory can explain all of their behaviour. The most important theory of entrepreneurship's psychological roots was put forward in the early 1960's by **David McClelland**, who found that people who pursued entrepreneur - like careers, were high in need for achievement (n Ach), the psychological need to achieve. People with high need - achievement, have the penchant to take risks, but only reasonable ones. These calculated risks, stimulate them to greater

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effort. **Thomas Begley and David Boyd**, in the mid - 1980's identified five dimensions unique to entrepreneurs.

- Entrepreneurs are high in need-achievement.
- Entrepreneurs like to think, they are pulling their own strings. (They control their own lives, not luck or fate)
- Entrepreneurs are willing to take moderate risks. This enables them to earn higher returns on assets.
- Entrepreneurs have the ability to tolerate ambiguity. They also face more ambiguity, since they may be doing certain things for the first time.
- Entrepreneurs have the drive to get more done in less time and if necessary, despite the objections of others.

Clearly, the entrepreneur needs self-confidence, drive, optimism and courage to launch and operate a business, without the safety of a steady pay check. In certain instances, entrepreneurs decide to launch a new venture, because they cannot ignore their vision and their dream. They are willing to risk security for financial gain.

In an effort to understand entrepreneurs better, researchers have sought to define traits common to a majority of individuals who start and operate new ventures.

**John Hornday** of Bobson College was among the first to develop a composite list of entrepreneurial traits. These are summarized below:-

- ❖ *Self Confident and Optimistic*
- ❖ *Able to take calculated risk*
- ❖ *Respond positively to challenge*
- ❖ *Flexible and able to adapt*

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- ❖ *Knowledgeable of markets*
- ❖ *Able to get along with others better*
- ❖ *Independent minded*
- ❖ *Versatile knowledge*
- ❖ *Energetic and efficient*
- ❖ *Creative, need to achieve*
- ❖ *Dynamic leader*
- ❖ *Responsive to suggestions*
- ❖ *Take initiatives*
- ❖ *Resourceful and persevering*
- ❖ *Perceptive with foresight*
- ❖ *Responsive to criticism*

If we go through the business history of we come across the names of persons who have emerged as successful entrepreneurs. For examples, Tata, Birla, Modi, dalmia, Ambanis and other well known names of successful entrepreneurs who started their business on small scale and made good fortunes. Researches have proved that there are certain traits (characteristics) that an entrepreneur possess which lead to the success of the business.

### **Characteristics of an entrepreneur:**

1. **Vision:** An entrepreneur has a dream and he visualizes ways and means to achieve that dream. In doing so visualize market demands, socio-economic & technological environment and then based on these dynamics he visualizes a future for his business venture. [Without a vision of making a big mark on the mobile industry Dhirubhai and now Anil Ambani would not have made what Reliance Infocomm (A Anil Dhirubhai Ambani Group) is today.
2. **Knowledge:** An entrepreneur has sound conceptual knowledge about all the technicalities of his business- be it technological, operational, financial or market

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- dynamics. [Without sound knowledge of computers Narayanmurthy would not have made what Infosys is today.
3. **Desire to succeed:** An entrepreneur has strong desire to succeed in life. Their dreams are not just limited to achieving one single goal but they constantly work to achieve higher goals. (Without a desire to succeed constantly Mukesh ambani would not have planned to venture into Retail and Real Estates.
  4. **Independence:** Entrepreneur needs independence in work and decision-making. They don't follow the rules of thumb but make their own rules and destiny. [Without the desire for independence that Sabeer Bhatia would not have quit his job to start and enterprise on his own and created Hotmail-The popular internet portal and Arzoo.com]
  5. **Optimism:** Entrepreneurs are highly optimistic about achieving their vision [without optimism Narayanmurthy (who took a loan from his wife as he was not having enough finances) would not have left a lucrative job and created Infosys]
  6. **Value Addition:** Entrepreneurs do not follow the conventional rules of thumb. They have a constant desire to introduce something new to the existing business. They create, innovate or even add value to the existing products/ services and hence stand out in the market. [Without Value addition of introducing 'Life time free incoming call' Tata Indicom would not have been able to create a space in the already saturated mobile market in India.
  7. **Leadership:** Entrepreneur exhibit the qualities of leader. They are good planner, organizers, have good communication skills, are empathetic towards their employees, are good decision makers, take initiatives to implement plans and are result oriented. (Read the success story of any entrepreneur to confirm the presence of all these traits of leadership).
  8. **Hardworking:** At times they are called work alcoholic. Work is worship for them. They put in continuous efforts to achieve success and know that there is no substitute for hard work. [Trust this and fuel in hard work from now to find changes in your own aspirations, growth and sustainability.]



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- 9. Desire to have control over their own fate:** Entrepreneurs do not want to move in herds like sheep but want to pave their own paths. They do not believe in luck or destiny but create their own destiny. [Had Sarathbabu of IIM, Ahmedabad the desire to have control over his own fate he would have not said no to the lucrative jobs of MNC. He has paved his own path by opening up a catering business and he wants to contribute to the employment of the weaker section of the society. Indeed a bold decision to navigate his own future!]
- 10. Risk Taking Ability:** Frank Knight has identified risk taking ability as the most integral element in defining entrepreneurial characteristics.

### **Risk Taking Ability**

#### **How do entrepreneurs view risk**

Entrepreneurs do not shoot in dark, they are not gamblers, Yes they do take risks but only CALCULATED RISKS.

Lets take an exercise:

#### *The Ring toss Exercise:*

Suppose there are three rows of gifts and prizes. The first row is closest and with least attractive gifts followed by second row with more attractive gifts but placed at a greater distance than the first row and the third with most attractive gifts but placed farthest of the three rows. You have a ring to throw which ring will you target?

Entrepreneurs target the middle row. The ring toss exercise is an indicator that Yes entrepreneur take risks but only calculated risks. They determine the risk return ratio and try to maximize returns from a given sets of risks. They consider risks as a challenge and they strive hard to overcome the hurdles and achieve success in life.

The type of risks that entrepreneur take can be divided into the following:

- a) Career Risk: When an entrepreneur chooses the third career option [remember we had discusses earlier in the chapter that any individual has three career options i) To work for someone else ii) to be self employed professional iii) to

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be an entrepreneur], he has risked his means to earn a living for himself and his family. He takes up a career risk either by not opting to take up a job or by leaving a job. In doing so on one hand his livelihood is at risk and on the other hand his professional reputation is at risk.

- b) **Financial Risk:** Any business venture needs finances for creation, functioning & growth. And since there is an element of uncertainty involved in the success of business the finance which he has arranged from his savings/borrowings is at stake.
- c) **Psychological Risks:** Business involves series of uncertainty thrown up by market forces like consumer demands, competitors strategies, new innovations and substitute products, government policies, changing economic conditions demographic trends etc and the above two risk and hence the entrepreneur is in lot of psychological stress. The possibility of failure can be actually killing for a person and hence entrepreneurs entire mental status is at stake.

Though the risks discussed above might seem quiet frightening for few but entrepreneurs take them as challenges, they fight these challenges with euphemistic desire to succeed. The risks discussed above might have different degree of relevance for an entrepreneur. [Like a second generation entrepreneur whose father has already established a business well and has got strong financial backing might not consider financial risks to that degree as an entrepreneur who has no capital or backing at all!]

Whatever might be the level of importance but the risks do exist and entrepreneurs are well aware of these risks, they analyze risks and take decisions to counter them and even have plans if the original plan does not turn up as was expected. And hence it has been said that entrepreneurs have complete control over the risks involved in the business.

Next we discuss entrepreneurial process which describes the stepwise procedure adapted by an entrepreneurial to establish & run his business successfully. It is important to



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mention that the stages mentioned below do not have rigid boundaries but the stages might overlap ie; before one stage is over the second stage might start