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Development and Growth of Entrepreneurship in The Era of Globalisation A New Wavelength

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Abstract

Entrepreneurship is important as it has the ability to improve standards of living and create wealth, not only for the entrepreneurs, but also for related businesses. Entrepreneurs also help drive change with innovation, where new and improved products enable new markets to be developed.

Keywords: development, growth, entrepreneurship, Era, globalisation, wavelength etc.

Introduction of Entrepreneurship:

Entrepreneurship is the dynamic process of creating incremental wealth and innovating things of value that have a bearing on the welfare of an entrepreneur. It provides civilization with an enormous amount of goods and services and enhances the growth of social welfare.

The man behind the entrepreneurship is an action-oriented and highly motivated individual who is ready to achieve goals.

Scope of Entrepreneurship:

Scope of Entrepreneurs Small- scale business provides good scope for the growth of entrepreneurial activities .An entrepreneur has good opportunity and vast scope in selling service rather than manufacturing a product. The entrepreneur can achieve better results if the size of the business is small.



Need of Entrepreneurship:

Need for Entrepreneurship. Entrepreneurship does not only imply being able to start and manage your own business but it also helps the economy in a lot of ways. ... An entrepreneur also generates employment in the economy and helps in reducing unemployment as well as in improving the standard of living of the people.

Importance of Entrepreneurship:

- Growth of Entrepreneurship.
- Creation of job opportunities.
- Innovation.
- Impact on community development.
- The consequence of business failure.
- Political and economic integration of outsiders.
- Spawns entrepreneurship.
- Enhances standard of living.
- Promotes research and development.

1. Growth of Entrepreneurship

Entrepreneurship the advent of new venture particularly small ventures in order to materialize the innovative ideas of the entrepreneurs.

Thus, the growth or establishment of small enterprises is the specific contribution of entrepreneurship in every economy of the world.

The statistics reveal that in USA economy nearly half a million small enterprise is established every year. Our country is not an exception in this regard.

2. Creation of job opportunities:



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Entrepreneurship firms contributed a large share of new jobs. It provides entry-level jobs so necessary for training or gaining experience for unskilled workers. The small enterprises are the only sector that generates a large portion of total employment every year.

Moreover, entrepreneurial ventures prepare and supply experienced labor to the large industries.

3. Innovation

Entrepreneurship is the incubator of the innovation. Innovation creates disequilibria in the present state of order.

It goes beyond discovery and does implementation and commercialization, of innovations. “Leapfrog” innovation, research, and development are being contributed by entrepreneurship. Thus, entrepreneurship nurses innovation that provides new ventures, product, technology, market, quality of good etc. to the economy that increases Gross Domestic Products and standard of living of the people.

4. Impact on community development:

A community is better off if its employment base is diversified among many small entrepreneurial firms.

It promotes abundant retail facilities, a higher level of home ownership, fewer slums, better, sanitation standards and higher expenditure on education, recreation, and religious activities. Thus, entrepreneurship leads to more stability and a higher quality of community life.

5. The consequence of business failure:

The collapse of large industry almost has irresistible damage to the development of state and to the state of the economy and to the financial condition of the relevant persons. The incumbents lost their jobs: suppliers and financial institutions face a crisis of recovery.

Customers are deprived of goods, services, and the government loses taxes. This could not happen in the case of failure of entrepreneurship.



There shall be no measurable effect upon the economy and no political repercussions too.

6. Political and economic integration of outsiders:

Entrepreneurship is the most effective way of integrating those who feel disposed and alienated into the economy. Minorities, migrants, and women are safely integrated into entrepreneurship that will help to develop a well-composed plural society.

7. Spawns entrepreneurship:

Entrepreneurship is the nursing ground for new inexperienced adventurers. It is the field where a person can start his/her idea of the venture, which may be ended up in a giant enterprise. All the large industrial ventures started as a small entrepreneurial enterprise. Therefore, entrepreneurship provides a wide spectrum of ventures and entrepreneurs in every economy. The vast open arena of entrepreneurship thus acts as an incubator to entrepreneurs.

8. Enhances standard of living:

Standard of living is a concept built on increasing amount of consumption of a variety of goods and services over a particular period by a household. So it depends on the availability of diversified products in the market. Entrepreneurship provides enormous kinds of a product of various natures by their innovation. Besides, it increases the income of the people who are employed in the entrepreneurial enterprises. That also capable employed persons to consume more goods and services. In effect, entrepreneurship enhances the standard of living of the people of a country.

9. Promotes research and development:

Entrepreneurship is innovation and hence the innovated ideas of goods and services have to be tested by experimentation.

Therefore, entrepreneurship provides funds for research and development with universities and research institutions. This promotes the general development, research, and development in the economy.



Characteristics of Entrepreneurship:

Entrepreneurship is characterized by the following features:

1. Economic and dynamic activity:

Entrepreneurship is an economic activity because it involves the creation and operation of an enterprise with a view to creating value or wealth by ensuring optimum utilisation of scarce resources. Since this value creation activity is performed continuously in the midst of uncertain business environment, therefore, entrepreneurship is regarded as a dynamic force.

2. Related to innovation:

Entrepreneurship involves a continuous search for new ideas. Entrepreneurship compels an individual to continuously evaluate the existing modes of business operations so that more efficient and effective systems can be evolved and adopted. In other words, entrepreneurship is a continuous effort for synergy (optimization of performance) in organizations.

3. Profit potential:

“Profit potential is the likely level of return or compensation to the entrepreneur for taking on the risk of developing an idea into an actual business venture.” Without profit potential, the efforts of entrepreneurs would remain only an abstract and a theoretical leisure activity.

4. Risk bearing:

The essence of entrepreneurship is the ‘willingness to assume risk’ arising out of the creation and implementation of new ideas. New ideas are always tentative and their results may not be instantaneous and positive. An entrepreneur has to have patience to see his efforts bear fruit. In the intervening period (time gap between the conception and implementation of an idea and its results), an entrepreneur has to assume risk. If an entrepreneur does not have the willingness to assume risk, entrepreneurship would never succeed.

Types of Entrepreneurs:



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Depending upon the level of willingness to create innovative ideas, there can be the following types of entrepreneurs:

1. **Innovative entrepreneurs:**

These entrepreneurs have the ability to think newer, better and more economical ideas of business organisation and management. They are the business leaders and contributors to the economic development of a country.

Inventions like the introduction of a small car 'Nano' by Ratan Tata, organised retailing by Kishore Biyani, making mobile phones available to the common man by Anil Ambani are the works of innovative entrepreneurs.

2. **Imitating entrepreneurs:**

These entrepreneurs are people who follow the path shown by innovative entrepreneurs. They imitate innovative entrepreneurs because the environment in which they operate is such that it does not permit them to have creative and innovative ideas on their own. Such entrepreneurs are found in countries and situations marked with weak industrial and institutional base which creates difficulties in initiating innovative ideas. In our country also, a large number of such entrepreneurs are found in every field of business activity and they fulfill their need for achievement by imitating the ideas introduced by innovative entrepreneurs. Development of small shopping complexes is the work of imitating entrepreneurs. All the small car manufacturers now are the imitating entrepreneurs.

3. **Fabian entrepreneurs:**

The dictionary meaning of the term 'fabian' is 'a person seeking victory by delay rather than by a decisive battle'. Fabian entrepreneurs are those individuals who do not show initiative in visualising and implementing new ideas and innovations wait for some development which would motivate them to initiate unless there is an imminent threat to their very existence.

4. **Drone entrepreneurs:**



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The dictionary meaning of the term 'drone' is 'a person who lives on the labor of others'. Drone entrepreneurs are those individuals who are satisfied with the existing mode and speed of business activity and show no inclination in gaining market leadership. In other words, drone entrepreneurs are die-hard conservatives and even ready to suffer the loss of business.

5. Social Entrepreneur:

Social entrepreneurs drive social innovation and transformation in various fields including education, health, human rights, workers' rights, environment and enterprise development. They undertake poverty alleviation objectives with the zeal of an entrepreneur, business practices and dare to overcome traditional practices and to innovate. Dr Mohammed Yunus of Bangladesh who started Grameen Bank is a case of social entrepreneur.

Functions of an Entrepreneur:

The important functions performed by an entrepreneur are listed below:

1. Innovation:

An entrepreneur is basically an innovator who tries to develop new technology, products, markets, etc. Innovation may involve doing new things or doing existing things differently. An entrepreneur uses his creative faculties to do new things and exploit opportunities in the market. He does not believe in status quo and is always in search of change.

2. Assumption of Risk:

An entrepreneur, by definition, is risk taker and not risk shirker. He is always prepared for assuming losses that may arise on account of new ideas and projects undertaken by him. This willingness to take risks allows an entrepreneur to take initiatives in doing new things and marching ahead in his efforts.

3. Research:



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An entrepreneur is a practical dreamer and does a lot of ground-work before taking a leap in his ventures. In other words, an entrepreneur finalizes an idea only after considering a variety of options, analyzing their strengths and weaknesses by applying analytical techniques, testing their applicability, supplementing them with empirical findings, and then choosing the best alternative. It is then that he applies his ideas in practice. The selection of an idea, thus, involves the application of research methodology by an entrepreneur.

4. Development of Management Skills:

The work of an entrepreneur involves the use of managerial skills which he develops while planning, organizing, staffing, directing, controlling and coordinating the activities of business. His managerial skills get further strengthened when he engages himself in establishing equilibrium between his organization and its environment.

However, when the size of business grows considerably, an entrepreneur can employ professional managers for the effective management of business operations.

5. Overcoming Resistance to Change:

New innovations are generally opposed by people because it makes them change their existing behavior patterns. An entrepreneur always first tries new ideas at his level. It is only after the successful implementation of these ideas that an entrepreneur makes these ideas available to others for their benefit. In this manner, an entrepreneur paves the way for the acceptance of his ideas by others. This is a reflection of his will power, enthusiasm and energy which helps him in overcoming the society's resistance to change.

6. Catalyst of Economic Development:

An entrepreneur plays an important role in accelerating the pace of economic development of a country by discovering new uses of available resources and maximizing their utilization.

Conclusion



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To be successful in sustainable business practices often requires entrepreneurship and innovation. This chapter provides an overview of entrepreneurship and innovation as it relates to sustainable business. The discussion is most relevant to sustainable businesses focused on offering new products and services in response to societal concerns. The importance of entrepreneurship and innovation also applies to companies that change how they produce products and services. The latter companies can use innovative practices and entrepreneurship to establish their brand name and to be market leaders in doing things that create shared value for society and their companies and also, over time, contribute to changes in practices in their industry.

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