

# Introduction of Entrepreneurship Model Question

## 1. What is an Entrepreneurship?

Ans. An entrepreneur is a person who starts a new firm, incurring the most of the risks and reaping the majority of the gains. Entrepreneurship refers to the process of starting a business.

Entrepreneurs play an important role in every economy because they have the ability and initiative to foresee demands and bring innovative ideas to market. Entrepreneurship that succeeds in taking on the risks of starting a business is rewarded with revenues and expansion prospects.

## 2. Why are Entrepreneurs Important?

Ans. Entrepreneurship is one of four resources identified by economists as essential to production: land/natural resources, labour, and capital. The first three of these are combined by an entrepreneur to produce items or deliver services. They usually develop a business strategy, hire employees, get resources and finance, and offer leadership and management for the company.

## 3. What are different types of Entrepreneurs?

Ans. Not every entrepreneur is the same, nor do they all have the same objectives. Here are a few examples of different sorts of entrepreneurs:

- i. **Builder:** Builders aim to establish scalable enterprises in a short period of time. Builders often generate \$5 million in revenue in the first two to four years and continue to grow until they reach \$100 million or more. These individuals attempt to establish a robust infrastructure by attracting the greatest staff and investment. They may have volatile personalities that are suited to the rapid growth they want but make personal and commercial relationships tough.
- ii. **Opportunist:** Opportunistic entrepreneurs are optimistic individuals who can identify financial possibilities, enter at the proper moment, stay on board during growth, and depart when a firm reaches its pinnacle.

These entrepreneurs are preoccupied with earnings and the riches they will produce; thus, they are drawn to concepts that might provide residual or renewal revenue. Opportunistic entrepreneurs might be impulsive since they are hunting for well-timed possibilities.

- iii. **Innovator:** Innovators are those exceptional individuals who come up with a brilliant concept or product that no one else has considered. Consider the names Thomas Edison, Steve Jobs, and Mark Zuckerberg. These people did what they enjoyed and discovered economic chances via their vision and ideas.

Rather of focusing on money, innovators are more concerned with the social effect of their goods and services. These folks are not the greatest at operating a business since they are idea generators, thus they frequently delegate day-to-day operations to those who are more adept in that regard.

## Introduction of Entrepreneurship Model Question

- iv. **Specialist:** These people are analytical and risk-averse. They have developed a strong skill set in a certain field through school or apprenticeship. A specialised entrepreneur will expand their firm through networking and referrals, which might lead to slower development than a builder entrepreneur.

### 4. What are the different types of Traits and Characteristics of an Entrepreneurship?

Ans. We can observe the success tales of many talented and well-known entrepreneurs throughout history. If you read about them, you will notice that no two stories are same.

Everyone follows their own road to success. However, there are a few similar features and characteristics shared by all successful entrepreneurs. Let us examine a couple of these characteristics.

- i. **Vision and Passion:** An entrepreneur must have a strong vision for his company. As a result, he must be able to plan his long-term and short-term goals and objectives. He must be able to describe and efficiently prepare his future plans.

Another essential characteristic of an entrepreneur is his enthusiasm for his profession. Entrepreneurship is demanding and requires long hours; therefore, he must be enthusiastic about his profession. Such enthusiasm may lead to hard effort and achievement.

- ii. **Innovative:** Innovation is a key attribute of entrepreneurship. The entrepreneur seeks for and capitalises on market opportunities.

He is the one who offers new items and services to the market in order to meet the wants of customers. Innovation may also occur in a manufacturing process, a new marketing strategy, novel advertising, and so on.

- iii. **Risk Taker:** A risk is an inherent component of each new venture. However, it is particularly vital in entrepreneurship because the entrepreneur carries the full risk of the enterprise. As a result, the entrepreneur must have an adventurous and risk-taking attitude.

- iv. **Risk Taker:** Another crucial characteristic of a successful entrepreneur is leadership. Every good entrepreneur is an excellent leader.

They are capable of motivating and leading their colleagues to achievement. They also have the perseverance, expertise, and competence to lead their company out of a bad spot.

- v. **Persistent:** A smart entrepreneur is naturally persistent. A business is seldom successful overnight. It takes a lot of hard effort and a little bit of luck. A diligent entrepreneur, on the other hand, creates his own luck. If opportunities are not offered to him, he can manufacture them. As a result, a tenacious entrepreneur who works persistently has a better chance of success.

## Introduction of Entrepreneurship Model Question

- vi. **Ethical:** Ethics and integrity are the foundations of every long-term successful business. Someone with compromised morals cannot operate a viable business. As a result, any respectable firm must be led by an ethical entrepreneur who follows the letter of the law as well as the business's integrity.
- vii. **Competitive Spirit:** The corporate world is a cutthroat one. Every day, thousands of new enterprises are born and die. As a result, competition will always be tough and intense. Such an environment is more suited to someone who is naturally competitive and thrives under pressure.
- viii. **Resilient:** Finally, resilience is one of the most critical characteristics of a successful entrepreneur. There is no clear and narrow route to success. There will always be setbacks and barriers along the way. As a result, the entrepreneur must be tough and unwavering in his pursuit of success.

### 5. Who is Manager?

Ans. A manager, on the other hand, is not the owner of a business. Instead, he is in charge of the management and administration of a group of individuals or an organization's department. His day-to-day responsibilities include managing his personnel and ensuring the organisation functions effectively.

A manager must have some of the same characteristics as an entrepreneur, such as leadership, responsibility, decisiveness, and so on. He must also be an effective people manager. As a result, attributes like warmth and empathy are essential in a boss.

### 6. What is the difference between Entrepreneur and Manager?

Ans.

- The primary distinction between an entrepreneur and a manager is their position within the organisation. An entrepreneur is a visionary who turns a company concept into a reality. He is the business's owner; thus, he bears all financial and other risks. A manager, on the other hand, is an employee who is paid. As a result, he is not exposed to any hazards.
- An entrepreneur's primary concentration is on beginning and later developing a business. A manager will be concerned with the day-to-day operations of the company.
- The main source of motivation for an entrepreneur is success. Managers, on the other hand, are motivated by the authority that comes with their position.
- The profit generated by a firm is the payoff for all of an entrepreneur's efforts. Because the manager is an employee, his pay is determined by the wage he receives from the firm.
- The entrepreneur's job might be informal and casual. A manager, on the other hand, takes a highly formal approach to every situation.

## Introduction of Entrepreneurship Model Question

- Entrepreneurs are risk takers by nature. To propel the organisation forward, he must take measured risks. A manager, on the other hand, is wary about taking risks. His role is to preserve the company's status quo. As a result, he cannot afford to take chances.

### 7. What Re the Difference Between Entrepreneur and Entrepreneurship?

Ans.

Aspect	Entrepreneur	Entrepreneurship
Definition	An individual who initiates and operates a business venture	The concept, mindset, and process of creating and managing a business
Motivation	Driven by personal vision, passion, and ambition	Driven by innovation, identifying opportunities, and solving problems
Role	Plays an active and hands-on role in the business	Represents the collective qualities and characteristics of entrepreneurs
Risk-taking	Takes calculated risks to pursue business opportunities	Embraces uncertainty, takes risks, and adapts to changing circumstances
Creativity	Uses creativity and innovation to develop new ideas	Encourages and fosters creativity and innovation in business ventures
Leadership	Assumes leadership and decision-making responsibilities	Advocates for leadership, initiative, and taking ownership of ideas
Impact	Directly influences the success or failure of the business	Shapes industries, economies, and societal progress through entrepreneurial activities

## Introduction of Entrepreneurship Model Question

Growth	Seeks growth and scalability for the business venture	Drives economic growth and job creation through entrepreneurial endeavours
Mindset	Possesses an entrepreneurial mindset and mindset traits	Reflects a culture of innovation, resilience, and adaptability
Personal Risk	Bears personal financial and professional risks	Encourages calculated risk-taking while managing potential risks

### 8. What is the entrepreneurial decision process?

Ans. Because of the market dilemma and the necessity to protect the market condition, entrepreneurs must make a variety of options for their businesses. Entrepreneurs decide on an identity alternative and then choose the best line of action to handle specific company difficulties.

#### The entrepreneur needs to follow the steps of the entrepreneurship decision process.

- Identification of problem or opportunity.
- Generate alternative solutions.
- Analyse the alternative solutions.
- Selection of the best alternative.
- Implementation of the alternative.
- Review the performance.

- i. **Identification of problem or opportunity (Entrepreneurship decision process):** The first process of finding possibilities or obstacles in entrepreneurship. Both are equal to arising opportunity and problem if you are firm under various arising issues then you recognise a specific problem and opportunities as same.

Problem	Opportunity
<ul style="list-style-type: none"> <li>• Identify of the problem</li> </ul>	<ul style="list-style-type: none"> <li>• Listen to your potential clients and past leads</li> </ul>
<ul style="list-style-type: none"> <li>• Search for alternatives way</li> </ul>	<ul style="list-style-type: none"> <li>• Listen to your customers</li> </ul>

## Introduction of Entrepreneurship Model Question

<ul style="list-style-type: none"> <li>• Weighing of alternatives</li> </ul>	<ul style="list-style-type: none"> <li>• Look at your competitors</li> </ul>
<ul style="list-style-type: none"> <li>• Decide a choice</li> </ul>	<ul style="list-style-type: none"> <li>• Look at industry trends and insights</li> </ul>
<ul style="list-style-type: none"> <li>• Evaluate of the all results</li> </ul>	

- ii. **Generate alternative solutions:** Determine both possibilities and difficulties. After the first-choice process is done, the second decision process generates alternate solutions. To select alternate ideas, you must be creative. That is why we call this step an innovative step for entrepreneurs to make specific selections.
- iii. **Analyse The Alternative Solutions:** The second phase is to develop ideas and then analyse those ideas to see which ones you like for your specific objective. You must examine all aspects of these principles in order for them to be useful in your company.
- iv. **Selection of the best alternative:** When you produce different solutions and analyse them, the fourth phase of entrepreneurship is to decide which alternative option is the best.  
When you select the greatest option for your needs, you will undoubtedly profit.
- v. **Implementation of the alternative (Entrepreneurship decision process):** The best alternative is chosen in the entrepreneurial decision process, and the fifth phase incorporates these choices into your mission to get extra advantages.

### 9. What are the role of entrepreneurs for economic Development?

Ans. Entrepreneurship has a significant impact on the country's economic progress and level of living. You may believe that as a startup founder or small company owner, you are just working hard to establish your own firm and provide for yourself and your family. However, you are doing a lot more for your local neighbourhood, state, region, and country as a whole. Here are the top seven critical roles that entrepreneurs play in a country's economic growth.

- i. **Wealth Creation and Sharing:** Entrepreneurs establish the company entity to invest their own resources and attract cash (in the form of debt, equity, etc.) from investors, lenders, and the general public. This mobilises public money and allows citizens to benefit from entrepreneurs' and developing enterprises' success. One of the fundamental imperatives and aims of economics is the pooling of capital that results in wealth creation and distribution.
- ii. **Create Jobs:** Entrepreneurs, as opposed to job seekers, are by definition job producers. The basic translation is that when you become an entrepreneur, there is one less job seeker in the economy, and you subsequently employ many more. Job creation by new and current enterprises is, once again, one of the fundamental aims of economic development. As a result, the Indian government has developed

## Introduction of Entrepreneurship Model Question

efforts such as Startup India to encourage and assist new businesses, as well as others such as the Make in India initiative to entice international companies and their FDI into the Indian economy. All of this, in turn, produces a lot of job possibilities and contributes to raising our standards to a worldwide level.

- iii. **Balanced Regional Development:** By upgrading infrastructure, providing employment, and contributing to local and regional economic production, new firms in less developed regions contribute to regional development. The central and state governments assist this by offering incentives and concessions to registered MSME enterprises, which contribute to the region's overall growth.
- iv. **GDP and Per Capita Income:** The MSME sector in India today accounts for more than 37% of the country's GDP, with 36 million units employing more than 80 million people. Each new addition to these 36 million units requires more resources such as land, labour, and money to generate products and services that contribute to the country's national income, national product, and per capita income. Growth in GDP and per capita income is, once again, one of the most important aims of economic development.
- v. **Standard of Living:** Another important purpose of economic growth is to raise people's living standards in a community. Entrepreneurs, once again, play an important role in raising a community's standard of living. They accomplish this not only by generating jobs, but also by discovering and implementing innovations that improve the quality of life for their employees, customers, and other community stakeholders. Automation that decreases manufacturing costs and permits speedier production, for example, will make a business unit more productive while still supplying the same items at reduced prices to its clients.
- vi. **Exports:** Any developing firm will ultimately want to start exporting in order to expand into new markets. This is a crucial component of economic growth since it allows access to larger markets, resulting in cash inflows and access to cutting-edge technology and procedures employed in more established overseas markets. Another significant advantage is that this expansion leads to more reliable corporate revenue amid local economic downturns.
- vii. **Community Development:** Economic development does not always imply communal development. Infrastructure for education and training, healthcare, and other public services is required for community growth. To attract new firms, for example, a city needs highly educated and talented individuals. There will be more educated and skilled employees if there are educational institutions, technical training schools, and internship possibilities.

### 10. What are the Ethics and Social Responsibility of an entrepreneur?

Ans. Entrepreneurs have a huge effect on society, which comes with the duty to act ethically and responsibly. Ethical behaviour and social responsibility may help businesses develop trust with stakeholders and contribute to the benefit of society. Some of the most important ethical and social duties of entrepreneurs are as follows:

## Introduction of Entrepreneurship Model Question

- i. **Honesty and integrity:** Entrepreneurs must always treat their workers, customers, investors, and other stakeholders with honesty and integrity. They should be open about their business practises and avoid making misleading or fraudulent claims.
- ii. **Fair Treatment of Employees:** Entrepreneurs have a responsibility to pay their employees fairly, to offer a safe and healthy work environment, and to avoid discrimination and harassment.
- iii. **Environmental Sustainability:** Entrepreneurs should reduce their environmental effect by decreasing waste and emissions, employing sustainable products, and increasing energy efficiency.
- iv. **Corporate Responsibility:** Entrepreneurs should support charity organisations, volunteer in their communities, and promote social and economic progress.
- v. **Ethical business practises:** Entrepreneurs should avoid unethical practises such as bribery, corruption, or fraud, and should follow all applicable rules and regulations.

Overall, entrepreneurs should try to operate ethically and responsibly, since this may not only help society but also contribute to their company's long-term success.

### 11. What are the opportunities for entrepreneurs in Indian and Abroad?

Ans. Entrepreneurs have the rare chance to pursue professions in virtually any industry. Entrepreneurial jobs span from marketing and finance to technology and social media. The options are limitless! If you are an aspiring entrepreneur looking to make your entrepreneur job ideas a reality, here are several career pathways you may choose.



## Introduction of Entrepreneurship Model Question

### 5 types of career opportunities in entrepreneurship



- i. **Web technologies:** The expansion of the internet, with revenues anticipated to exceed \$4 trillion by 2021, creates a thriving market for web technology companies. With the growth of mobile, social applications, and cloud technologies, options for low-cost entry into technology entrepreneurship have emerged. Web technology professionals are needed to aid with web development, establishing landing pages, websites, and online storefronts for customers as businesses shift to online presences.
- ii. **Social Media Manager:** Social media has become a crucial tool for businesses to boost sales and increase brand awareness. 70% of consumers believe brands can create change through social media, and 66% believe brands can create real change. Social media managers craft messaging, field feedback, and answer questions, making it a valuable resource for businesses to tap into millions of potential customers worldwide. They help companies manage and market their brands on these platforms.
- iii. **Financial Analyst:** Financial Analysts are essential for business majors as they assist individuals and companies in assessing, managing, and planning financial goals. They help clients make informed financial decisions, manage investment portfolios, and create business plans. The U.S. Bureau of Labor Statistics predicts 5% job growth for financial analysts from 2019 to 2029, matching the expected growth for all occupations.
- iv. **Marketing Manager:** Marketing managers are responsible for planning and implementing marketing strategies, overseeing the entire business from conceptualization to implementation. They attract new clients and are expected to grow by 9% by 2024, driven by increased social media and internet marketing

## Introduction of Entrepreneurship Model Question

usage. The average annual salary for marketing managers is \$128,750, higher than advertising and promotions managers.

- v. **Public Relations Manager:** Public Relations Managers manage and improve a business's image through media communications, public events, and charity work. The employment of public relations and fundraising managers is projected to grow by over 9% from 2019 to 2029, significantly faster than the average for all occupations. This career is ideal for those interested in maintaining a company's image and reputation.

### Opportunities in Abroad for Entrepreneurs-

- i. **Franchise Businesses:** Starting a business abroad can be risky, but franchising can provide a ready-made business model, strategy, marketing, customer service, branding rules, and support. Focus on reliable resources like local listings and hiring a business lawyer to choose a profitable franchise. Consider starting a distribution, investment, manufacturing, or trade-name franchise, as franchising goes beyond the food sector.
- ii. **Remote Work:** The rise of digital technologies, like cloud, virtual communication, and project management tools, has increased the demand for remote work. The Coronavirus pandemic has accelerated this adoption across industries, allowing businesses to hire top talent without expanding to international markets. However, companies must comply with international recruitment laws and consider hiring remote employees through global employment organizations, which connect with appropriate employee groups and meet global payroll and management policies.
- iii. **Import/Export:** When moving, consider opening a small shop with imported goods from your home country or exporting goods from your new country to your home. This can attract locals and fellow expats. Find reliable partners and explore the world's oyster with import/export options, such as African tribal masks, Panama baskets, Bulgarian ceramic pots, and Caribbean seashell jewellery. Online business development can connect with suppliers and further expand your business.

12. What is Entrepreneur Motivation? Explain.

Ans. The entrepreneurial motivation is the process that activates and motivates the entrepreneur to exert higher level of efforts for the achievement of his/her entrepreneurial goals. In other words, the entrepreneurial motivation refers to the forces or drive within an entrepreneur that affect the direction, intensity, and persistence of his / her voluntary behaviour as entrepreneur. So to say, a motivational entrepreneur will be willing to exert a particular level of effort (intensity), for a certain period of time (persistence) toward a particular goal (direction).

### Definition

# Introduction of Entrepreneurship Model Question

Motivation is regarded as “the inner state that energizes activities and directs or channels behavior towards the goal”.

Motivation is the process that arouses action, sustains the activity in progress and that regulates the pattern of activity.

## **Nature of Motivation**

The nature of motivation emerging out of above definitions can be expressed as follows:

### **1. Motivation is internal to man**

Motivation cannot be seen because it is internal to man. It is externalized via behavior. It activates the man to move toward his / her goal.

### **2. A Single motive can cause different behaviors**

A person with a single desire or motive to earn prestige in the society may move towards to join politics, attain additional education and training, join identical groups, and change his outward appearance.

### **3. Different motives may result in single behaviour**

It is also possible that the same or single behaviour may be caused by many motives. For example, if a person buys a car, his such behaviour may be caused by different motives such as to look attractive, be respectable, gain acceptance from similar group of persons, differentiate the status, and so on.

### **4. Motives come and go**

Like tides, motives can emerge and then disappear. Motives emerged at a point of time may not remain with the same intensity at other point of time. For instance, an entrepreneur overly concerned about maximization of profit earning during his initial age as entrepreneur may turn his concern towards other higher things like contributing towards philanthropic activities in social health and education once he starts earning sufficient profits.

### **5. Motives interact with the environment**

The environment in which we live at a point of time may either trigger or suppress our motives. You probably have experienced environment or situation when the intensity of your hunger picked up just you smelled the odour of palatable food.

You may desire an excellent performance bagging the first position in your examination but at the same time may also be quite sensitive to being shunned and disliked by your class mates if you really perform too well and get too much of praise and appreciation from your teachers. Thus, what all this indicates is that human behaviour is the result of several forces differing in both direction and intent.

## **Entrepreneurial Motivating Factors**

Most of the researchers have classified all the factors motivating entrepreneurs into internal and external factors as follows:

## Introduction of Entrepreneurship Model Question

### Internal Factors

These include the following factors:

1. Desire to do something new.
2. Become independent.
3. Achieve what one wants to have in life.
4. Be recognized for one's contribution.
5. One's educational background.
6. One's occupational background and experience in the relevant field.

### External Factors

These include:

1. Government assistance and support.
2. Availability of labour and raw material.
3. Encouragement from big business houses.
4. Promising demand for the product.

Prof. Tapas Kumar Mondal