**Q Nature and Development of Entrepreneurship**

* **French word**
* **Means “between-taker” or “go-between”**
* **“Individual who takes risks and starts something new”**

**Q: DEFINITION OF ENTREPRENEUR**

**- Almost all the definitions includes:**

* **(1) initiative taking,**
* **(2) the organizing and reorganizing of**
* **social and economic mechanisms to turn resources and situations to practical account,**
* **(3) the acceptance of risk or failure.**

**Q: Who is an Entrepreneur?**

* ***recognise opportunities where others see chaos or confusion***
* ***highly creative and innovative***
* ***possess business know-how , networks and general management skills***

**Q: Desirability of new venture formation:**

**The perception that starting a new company is desirable results from an individual’s culture, subculture, family, peers and teachers.**

**Q: Role of entrepreneurship in Economic Development**

**It involves initiating and constituting change in the structure if business and society (i-e innovation).**

**Q: innovations**

**Innovation**

**Developing new stimulating investment**

**products (& services) interest in the new venture**

**for the market**

**IDEA GENERATION**

**Q: SOURCES OF IDEAS**

* **Incongruities**
	+ - **Whenever a gap or difference exists between expectations and reality.**
* **Process needs**
	+ - **Whenever a demand arises for the entrepreneur to innovate e.g. health foods, time saving devices, govt. regulations.**
* **Demographic changes**
	+ - **Trend changes in population, age, education, occupations, geographic locations etc**
* **Perceptual changes**
	+ - **Change in people’s interpretation of facts and concepts**

**Q: IDEAS GENERATION TECHNIQUES**

**FOCUS GROUPS**

* + **Focus Groups are groups of individuals providing information in a structured format.**
	+ **The composition of focus group is usually on the basis of similarity of group members**
	+ **Discussion is targeted on research objectives**
	+ **Video/ audio/ manual note taking**

**BRAINSTORMING**

* **A group method for obtaining new ideas and solutions.**
* **An unstructured process**
	+ **FOUR RULES TO BE FOLLOWED:**
		- **No criticism is allowed-No negative comments,**
		- **Quantity of ideas is desired,**
		- **Combinations and improvements of ideas are encouraged.**

**REVERSE BRAINSTORMING**

* + - * **The process involves the identification of everything wrong with an idea, followed by a discussion of ways to overcome these problems.**
			* **It is similar to brainstorming except that criticism is allowed.**
			* **This technique is based on finding fault by asking the question, “In how many ways can this idea fail?”**

**Q: MIND MAPING**

* + - **Mind mapping also called ‘spider diagrams’ represents ideas, notes, information, etc. in far-reaching tree-diagrams**

**To draw a mind-map:**

* + - **Layout a large sheet of paper in landscape and write a concise heading for the overall theme in the centre of the page.**
		- **For each major sub-topic or cluster of material, start a new major branch from the central theme, and label it.**
		- **Each sub-sub-topic or sub-cluster forms a subordinate branch to the appropriate main branch**
		- **Carry on in this way for ever finer sub-branches.**

**Q: COLLECTIVE NOTEBOOK METHOD**

* + - **Mind mapping also called ‘spider diagrams’ represents ideas, notes, information, etc. in far-reaching tree-diagrams**

**To draw a mind-map:**

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**Q: DO IT**

* **Define Problem**
	+ **Define your problem precisely**
* **Open mind & apply creative techniques**
	+ **generate as many different ideas as possible.**
	+ **Even bad ideas may be the seeds of good ones.**
* **Identify the best Solution**
	+ **select the best of the ideas you have generated**
	+ **examining and developing a number of ideas in detail before you select one**
* **Transform**
	+ **to implement this solution.**

**Chapter**

**Q: Definition CREATIVITY**

**"Creativity is the process of bringing something new into being...creativity requires passion and commitment. Out of the creative act is born symbols and myths. It brings to our awareness what was previously hidden and points to new life. The experience is one of heightened consciousness-ecstasy."**

**Q: Definition INNOVATION**

**Innovation is the creation of better or more effective** [**products**](http://en.wikipedia.org/wiki/Product_%28business%29)**,** [**processes**](http://en.wikipedia.org/wiki/Procedure_%28term%29)**,** [**services**](http://en.wikipedia.org/wiki/Service_%28economics%29)**,** [**technologies**](http://en.wikipedia.org/wiki/Technologies)**, or** [**ideas**](http://en.wikipedia.org/wiki/Idea) **that are accepted by** [**markets**](http://en.wikipedia.org/wiki/Market)**,** [**governments**](http://en.wikipedia.org/wiki/Government)**, and** [**society**](http://en.wikipedia.org/wiki/Society)**. Innovation differs from** [**invention**](http://en.wikipedia.org/wiki/Invention) **in that innovation refers to the use of a new idea or method, whereas invention refers more directly to the creation of the idea or method itself.**

**Chapter name : ENTREPRENEURIAL FEELINGS**

**Q ENTREPRENEURIAL FEELINGs**

* **Entrepreneurs come from a variety of back grounds, family situations & work experiences**

**Q: LOCUS OF CONTROL**

* **“an attribute indicating the sense of control that a person has over life”**
* **Internal locus of control**
	+ - **These people believe that they can control their own destiny & make decisions at their own.**
* **External locus of control**
	+ - **These people believe that their lives are controlled by outside forces & external forces influence their decisions.**

**Q :Feelings about Independence and Need for Achievement**

* **Need for independence**
	+ **“Being one’s own boss” – one of the strongest needs of an entrepreneur.**
	+ **Need for achievement**

 **“An individual’s need to be recognized**

**Q: Risk Taking**

* **Risk taking—whether financial, social, or psychological—is a part of the entrepreneurial process.**
* **Successful entrepreneurs are not gamblers**
* **They manage risks by transferring it to others (share financial & business risks)**

**Q: Role Models**

* **Individuals influencing an entrepreneur’s career choice and style**

 **Q: Moral-Support Networks**

* **Individual who give psychological support to an entrepreneur**

**Q: A mentor**

* **A coach, an advocate, who provides guidance - someone with whom the entrepreneur can share both problems & successes**

**Q: Business associates**

* **Self employed individuals who have experience starting a business**
* **Clients or buyers of venture product/service**

**Lawyers**

**Q: Trade associates**

* **Trade associations keep up with new developments**
* **Provide over all industry data**

**Q: Machismo**

* **People who try to prove that they are better than others and can beat**