

ISSUES OF ENTREPRENEURSHIP AND INNOVATION

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ABSTRACT

Entrepreneurship and Innovation

Because the purpose of business is to create a customer, the business enterprise has two – and only two – basic functions: marketing and innovation. Marketing and innovation produce results; all the rest are costs. -"Peter Drucker"

Difference between Entrepreneurship and Innovation

An entrepreneur is a person who starts a new business. That's not necessarily innovative, but it can create new jobs and new wealth, so it is valuable. Sometimes, entrepreneurs create new businesses based on new ideas, either inventions or new innovations. However, a person running a McDonald's is also an entrepreneur, but not necessarily innovative. Innovation can happen in any organization, of any size. An innovation is a new idea that is put into valuable or profitable action. Innovation is a part of our daily life.

An innovation can be created by an inventor who then licenses her invention to others to commercialize, or commercializes the concept herself as a small business person - in this case as an entrepreneur. An innovation can (and often is) created by a large organization to disrupt an existing market space or create an entirely new market (the iPod or Flip Video recorder are two good).

KEYWORDS: Entrepreneurship, Development of New Products, Global Players

INTRODUCTION

Entrepreneurship is the defacto barometer of overall economic, social and industrial growth and plays an important role in the development of society. Entrepreneurship has facilitated large scale production and distribution. It has widened the area and scope of marketing of goods and services. Hence entrepreneurship acts as a positive force, a motivator in economic development by creating national wealth and new jobs.

Key areas of entrepreneurship as – challenges, learning, managing startups, financing, knowing, and competitors, developing a USP and research work It is important to be FBC – faster, better, cheaper It is important for entrepreneurs to develop thought process, be sensitive to local cultures, posses self confidence and keep one's pride. In short "entrepreneurship is return on ideas".

MEANING AND DEFINITIONS OF ENTREPRENEUR, ENTREPRENEURSHIP AND INNOVATION

Entrepreneur

"Entrepreneur" means a person who establishes his own business or industrial undertaking with a view to make profit.

Entrepreneur is one who don't have fear of failure, tremendous optimism, energy and unflinchingly positive.

A person with a vision who orchestrates the time,, talent, money and other resources of other people to make their vision real-"Gordon Bizar"

A person who has possession of a new enterprise, venture or idea and is accountable for the inherent risks and the outcome-Wikipedia

An entrepreneur searches for change, responds to it and exploits opportunities. Innovation is a specific tool of an entrepreneur hence an effective entrepreneur converts a source into a resource "Peter Drucker"

Entrepreneurship

Entrepreneurship is the state, quality or condition of being an entrepreneur-"The free dictionary"

Entrepreneurship is the process of starting and running one's own business.

Innovation

Innovations involve problem-"solving and the entrepreneur gets satisfaction using his capacities in attacking problems".

In simple words "innovation is doing new things".

The Relationship between Entrepreneurship and Innovation

Entrepreneurship and innovation are naturally parallel to each other. Each requires creative thinking and a passion of taking risk.

CHARACTERISTICS OF ENTREPRENEURSHIP

Entrepreneurship is much more than the building start ups. It is a way of thinking, a way of life. Entrepreneurship is a way of thinking, a way of life. Innovation is something that drives our economy. A small team that are given resources, with a common purpose and common vision can do miracles.

Entrepreneurs never get satisfied with their ongoing learning quest and have an insatiable appetite for learning new things. The inborn qualities of generating ideas is the hallmark of their personality. They are philosophical by nature, often contemplating unique relationships, cause and effect scenarios and extended capabilities of their projects and endeavors.

CHARACTERISTICS OF SUCCESSFUL ENTREPRENEURSHIP

Self-Awareness

Building self-awareness can boost confidence levels and consequentially the ability to face hard times and challenges of all types. Becoming aware of one's fears and their causes will help to address them with confidence and determination.

Self-Belief

Learn to keep mind positive. This is easier when trust your own abilities to learn new things. In the process it will

become easier to face all kinds of challenges. Always believe that one can grow and change because that is the key to facing difficult situations with poise.

Adaptability

Learning to adapt to a new situation is a great attitude change that will help to create the best results in hard times. Once this attitude is permanent, it will help to adapt business to a new world with buoyancy and resilience.

Calm and Composed

The most important thing in difficult times is to remain calm and composed and not lose cool. Losing nerve could destroy everything, one has created so far. One can achieve more when operating from a calm and positive frame of mind.

An Unwavering Passion

Everyone says, "Find your passion." But that's easier said than done. Being an entrepreneur demands commitment and dedication -- more than most jobs do, I'd argue

Open-Mindedness

The most successful entrepreneurs never forget how much they can learn from others. They ask for advice. They're flexible. They soak up the best practices around them like a sponge. Fear of failure can make it easy to grip on vision with an iron fist, but rigidity won't serve.

The Desire to be an Expert

Entrepreneurs like a challenge. If they didn't, they'd probably have chosen another line of work. But as exciting as it is to consider a new field, high-achieving entrepreneurs know the benefits of staying in the same industry for a while are immense. Knowing what's been done before can help to identify how it can and should move forward.

A Forward-Looking Approach

Successful entrepreneurs are always thinking ahead. They may stray from their roadmap, and that's okay, but they have one in mind. Having a clearly established set of goals will keep from getting stuck. Goals may be constantly evolving, but if a person, don't know where he want to go, chances are, he won't get anywhere.

A Constant Flow of Ideas

Having one project that's doing well is great. But the successful entrepreneurs don't rest on their laurels. Instead, they're constantly asking themselves, "What's next?" They understand that being a successful entrepreneur is a lifestyle choice, not a destination.

SUCCESS FACTORS FOR AN INNOVATION

Resources:-People and the budget, company willing to spend on the development of new products, new services, and a clear structure innovation process. In the end all the new ideas originates in the peoples mind that's why people resource is one of the major key factors for innovation success process

Ready to Fail:-To do great things and one cannot afford to fail, one should do some safe things not necessarily the great one. Don't gamble all time and money

Innovation Ecosystem

The innovation ecosystem consist of three communities

Research Community Which is: Further understanding of any subject, “Wherever you are, whatever you are, computer science becomes obsolete in five years. So learning is important.”

Development Community: Developing the product and services, or inventing a new way of selling products, and last but not the least to continuously improve the processes in terms of quality and cost.

Application Community: Is about applying developed products and services to any type of business.

CHARACTERISTICS FOR SUCCESSFUL INNOVATION

Innovators often think abstractly, recognizing the implications of their inventions and trouble-shooting before long term problems result. To make it happen, most of the companies, allows crosspollination- somebody who is working in services and may want to try his hand at product development.

Irreproachable reputations make the work of entrepreneurs and innovators easier to accomplish. They work together promoting the greater good and serving communities responsibly and with integrity. Simultaneously, entrepreneurs use resources to turn their ideas into realistic and achievable goals.

First and Foremost Culture

Culture eats both opportunity and strategy for breakfast to succeed, the innovation learn must operate like a real start-up. Have few rules and fewer policies. Reward experimentation and risk taking. Celebrate failure, and not success.

Embrace Lean Thinking

This means avoid: "big bang" high investment and high risk approaches. Favour "lean start-up" principles, which basically means: "Think big, start small, iterate quickly and scale fast". As quoted by "**Steve Ballmer**, CEO of Microsoft" "The biggest competitor for Microsoft is its oldest product".

A No Exit Policy

The difference between success and failure is often no more than tenacity. Many innovations fail simply because someone gave up prematurely. The bigger the mission, the longer it takes. McDonald's India took nearly a decade to get the model right. Unilever started its Pureit water purifier business over a decade ago and has yet to turn profitable, but they steadfastly keep at it. The Tata Nano is a game changer, but still has major challenges on product, branding, distribution and profitability. It is critical to have a no exit policy –failure is simply not an option. If at first you don't succeed, try, try, try yet again.

Leadership matters:-Innovation means doing something counter-intuitive and going against the current way of thinking. Innovation is therefore an unnatural act. The bigger, older and more successful the organization, the most unnatural act an innovation is. There is no shortage of ideas-It's merely that the ground for them is barren.

Can One Learn to be Innovative

Yes and no that one learn theories and methods and the tools that can be used, but more important is that you have

to bring up your skills to understand the spirit and culture of the company and then translate why you have learn in the company's context.

Innovation is very important for the companies, be it small or major global players. One has to bring out new solutions to the customers which have a real competitive advantage if it is compare with global competitors.

How to Promote Innovation

It is very important to have a clear understanding what innovation is and what the company aims for, so that everyone in the company knows what and why is the contribution towards innovation can be and shall be.

Another very important factor is the leadership team because the leadership team can influence in a very strong way –the pro innovative mind set in the surrounding of accompany and promoting or boosting factors like courage, openness, and power of endurance of the people.

CONCLUSIONS

An innovation produces a greater yield for the user, greater wealth-producing capacity for society, higher value and greater satisfaction. While, entrepreneurship always needs to be market-focused, indeed, market-driven Innovation must be purposeful. But innovation, almost by definition, has to be decentralized, ad hoc, autonomous, specific, and micro-economic. The success of entrepreneurship depends up on the level of innovative skills of the entrepreneur.

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