IMPACT: International Journal of Research in Business Management (IMPACT: IJRBM);
ISSN(Print): 2347-4572; ISSN(Online): 2321-886X
Vol. 11, Issue 9, Sep 2023, 27–34

IMPACT OF ARTIFICIAL INTELLIGENCE (AI) IN ENTREPRENEURSHIP DEVELOPMENT IN THE CONTEXT OF PETER DRUCKER'S INNOVATION AND OPPORTUNTITY

M.Anthony[1]& Dr.S.Sasikumar[2]

[1]Research Scholar, Sacred Heart College (Autonomous), Department of Management Studies, Tirupattur, Tirupattur, Tamil Nadu, India

[2]Assistant Professor, Sacred Heart College (Autonomous), Department of Management Studies, Tirupattur, Tirupattur, Tamil Nadu, India

Received: 14 Sep 2023 **Accepted:** 20 Sep 2023 **Published:** 28 Sep 2023

ABSTRACT

The researchers analyze the impact of Artificial Intelligence (AI) in Entrepreneurship Development in this article. The impact of AI in various fields identified and presented and it leads us to think how Peter Ducker's seven sources of innovation and opportunity is enabling to learn from unexpected events, to capitalize the contradictions, to process the various needs, to benefit from the market changes, and to utilize demographics shifts, perception changes and new information for the entrepreneurship development. The findings reveal how AI is transforming the various industry sectors and other sectors. The important aspects such as understanding user needs, data analysis, customer service, decision making , product development, entrepreneurship education and research, performance of the entrepreneurs, changing the traditional structure, addressing the various issues of a country, how ChatGpt is increasing the entrepreneurial performance , etc are concrete evidence that innovation and opportunity centre around AI and its tools in the current scenario.

KEYWORDS: *Innovation, Opportunity, Artificial Intelligence, Entrepreneurship Development*

INTRODUCTION

Many people worry that the rise of AI would stifle human innovation and hinder entrepreneurial endeavors, eventually leading to a market dominated by computers. Others, on the other hand, think that AI may boost entrepreneurial creative thinking and deliver up new paths for innovation. Unexpected events, paradoxes, process requirements, and market and industry adaptations were recognized by Peter Drucker as four potential growth prospects for innovation. These chances might develop as a result of factors such as demographic shifts, psychological alterations, and new information. Peter Drucker's theory is still relevant in the context of the rise of Artificial Intelligence (AI). Unexpected success and failures are a source of innovation, demanding changes in a company's business definition. The Incongruities between the current state and the ideal state indicate chances for reform and innovation. Process Needs center on enhancing existing processes or revamping and using new information. Industry and market changes can destabilize stable structures, opening up new avenues for innovation. Demographic shift perception change and new information all provide opportunities for innovation, with knowledge-based innovation having the greatest lead time. The literature review from Google Scholar

finds its relevance with Peter Drucker's seven sources of innovation and opportunity. They throw insights on the significance of AI and its impact on entrepreneurship development.

OBJECTIVES

- To explore into the impact of AI through reviewed articles and identify the various areas AI is venturing into and creating entrepreneurship opportunities.
- To critically analyze the relevance of Peter Drucker's seven sources of Innovation and Opportunity.

METHODOLOGY

The Researchers used literature review method for analyzing the impact of AI on entrepreneurship development. This article consists of four parts. First part is introduction, the second part is on findings from the Review of literature. The third part is on critical analysis of Peter Drucker's seven sources of innovation and opportunity in line with the findings. Fourth part is on discussion and conclusion. There are 14 articles selected from Google scholar on the impact of Artificial Intelligence (AI) in entrepreneurship development. Peter Drucker's seven sources of Innovation and Opportunity is taken for critical analysis.

FINDINGS FROM THE REVIEW OF LITERATURE

01. Recognize the User's Requirements

Li, Xueling, et al examine the enormous influence of AI on user entrepreneurs. AI plays a critical role in data collecting and analysis, allowing entrepreneurs to make data-driven decisions. It assists entrepreneurs in better understanding user wants and gathering demand information, which is critical for product enhancement. AI broadens user data sources, resulting in a larger audience and more targeted product development. It also reshapes the product development process and alters traditional entrepreneurial models by incorporating periodic qualities. AI is a valuable tool for modern entrepreneurs, altering decision-making, user comprehension, data utilization, and entrepreneurial processes.

02. Enhances the Entrepreneurial Success

0Khalid, Nadeem's research at Kazakhstan's KIMEP University investigates the relationship between artificial intelligence (AI) learning in Malaysian higher education and entrepreneurial performance among university students. The study analyzes how AI learning may encourage entrepreneurship and tackles the absence of AI learning activities in Malaysian universities. It investigates the impact of government funding and attitudes toward entrepreneurship while taking into account aspects such as entrepreneurial orientation and strategic entrepreneurship. Khalid conducted a survey of Malaysian universities, issued 500 questionnaires to teaching staff, and analyzed the results using Partial Least Squares-Structural Equation Modeling (PLS-SEM). According to the study, AI learning improves entrepreneurial success dramatically, with entrepreneurial orientation, strategic entrepreneurship, government support, and a favorable attitude toward entrepreneurship all playing important roles in this dynamic.

03. Significant Role In new Opportunities and Decision Making

Giuggioli, Guglielmo, and Massimiliano Matteo Pellegrini present a thorough evaluation of the literature on entrepreneurship and artificial intelligence (AI) The study, which looked at 60 articles, discovered four important ways AI

benefits entrepreneurship: finding new opportunities, boosting decision-making, improving venture performance, and advancing education and research. This study provides a framework for understanding AI's impact on entrepreneurship, assisting researchers, entrepreneurs, and corporate innovators. It also lays out a plan for future research, taking into account evolving technologies and challenges. Despite methodological constraints it emphasizes AI's position in business as an improvement, not a replacement. It allows for task automation, allowing entrepreneurs to focus on creativity and invention, Leading In a Disruptive Era.

04. Investigates Leveraging the Feeling Economy

According to Shepherd, Dean A., and Ann Majchrzakharnessing the feeling economy entails recognizing the growing relevance of emotional connections, experiences, and how products or services make customers feel. The article illustrates potential commercial opportunities by providing examples of AI applications in several sectors such as customer service, banking, healthcare, and education. It investigates possibilities such as capitalizing on the "feeling economy," redefining work skills, developing new governance systems, incorporating humans in AI decision-making, and expanding human involvement in AI development.

05. Broad Range of Applications across Industries

Sundararajan and Shanmugam begin with a brief historical backdrop, outlining the evolution of AI since its inception in the 1950s. It differentiates between broad AI, which aims to emulate human intellect, and narrow AI, which focuses on specific real-world challenges, particularly in business situations. The article demonstrates AI's broad range of applications across industries, such as healthcare analytics, voice recognition (e.g., Siri), Google's machine learning algorithms, agricultural and service robotics, and more. It emphasizes how artificial intelligence assists organizations by improving customer service, automating tasks, enabling predictive maintenance, aiding data analysis, optimizing marketing, and streamlining logistics.

06. Give Entrepreneurs Decision-Making Authority

Amoako, George, et al investigate the impact of Artificial Intelligence (AI) on entrepreneurial decision-making, with a focus on the mediation of factors such as consumer choice and industry benchmarks. It undertakes a non-empirical literature assessment and proposes a conceptual model based on 25 articles that were chosen at random. According to the findings, AI improves entrepreneurial decision-making, with employees acting as a moderator. Furthermore, client preferences and industry benchmarks can mitigate AI's influence on decision-making. In practice, it suggests that combining AI with criteria such as customer desire, benchmarking, and employee involvement might help entrepreneurs make better decisions. It emphasizes ethical AI use to avoid harmful societal repercussions, and its conceptual framework greatly contributes to AI-driven entrepreneurial development.

07. Identifies Factors Improving Entrepreneurship Development

Anupam, Sharma outline the significance of entrepreneurship for economic development, emphasizing its role in fostering innovation and growth. It classifies entrepreneurs and investigates the factors that hinder entrepreneurship in India, as well as the incentives that drive entrepreneurs and their impact on the economy and jobs. This article also emphasizes the substantial impact of technology and Artificial Intelligence (AI) on entrepreneurial activity. It examines elements that can boost entrepreneurship, such as encouraging social entrepreneurship, improving institutional conditions, and getting

assistance from international organizations. Practical consequences for encouraging a country's progress are discussed, including improving institutional development, fostering social entrepreneurship and security, and building a conducive business climate through e-commerce.

08. Implementing AI-CRM

Chatterjee, Sheshadri, et al study the factors influencing digital entrepreneurship in India's small and medium enterprises (SMEs), with a focus on the moderating roles of AI-CRM capacity and strategic planning The research identifies that characteristics such as perceived utility, ease of use, and readiness to change have a substantial influence on corporate digital entrepreneurship among Indian SMEs using a conceptual model validated with 315 respondents. Further, the study finds that implementing AI-CRM capacity and strategic planning has a significant moderating effect on these correlations. Finally, this research provides significant insights for SME entrepreneurs in emerging nations, assisting them in improving their digital entrepreneurial practices and contributing to the field's unique expertise.

09. Provides Entrepreneurial Education

Bell, Robin, and Heather address the rapid development and implementation of generative artificial intelligence (AI) in a variety of disciplines, including entrepreneurship and education. It underlines the growing importance of using generative AI into entrepreneurship education in order to better prepare students for future business prospects. This integration has the potential to change the way entrepreneurship is taught by affecting pedagogical approaches and instructional methods. It does, however, raise questions and concerns about how educators can effectively train students to use generative AI while also adjusting to prospective changes in teaching approaches. The purpose of this study is to fill this vacuum by investigating the potential implications of generative AI in entrepreneurial education, emphasizing the importance of controlled adoption, encouraging critical thinking, and analyzing the impact on teaching and evaluation methodologies.

10. Chat GPT 4.0 in the Field of Entrepreneurship Research

Davidsson, Per, and Muhammad Sufyan investigate the role of AI, specifically ChatGPT 4.0, in entrepreneurship research. It highlights that AI supplements rather than replaces existing frameworks such as the External Enabler (EE) framework. External enablers including as networks, government policy, and technology, among others, can play an important role in facilitating the start-up, growth, and success of entrepreneurial initiatives. AI's vast knowledge and capabilities augment domain-specific studies, providing new viewpoints. It emphasizes AI's importance in theory building, as a quick and cost-effective way to test and enhance ideas. The article continues by recognizing AI as a critical entrepreneurial facilitator, delivering useful insights and assisting with ideation, evaluation, and decision-making. It foresees a time when AI-enhanced theory will flourish.

11. Transforming India's Various Industry Sectors

Dhanabalan, T., and A. Sathish address the critical role of artificial intelligence (AI) and robots in revolutionizing many sectors in India as part of Industry 4.0 It emphasizes the rapid breakthroughs in AI and machine learning technology, as well as their potential impact on industries such as agriculture, banking, transportation, and defense. The Indian government's aggressive investment in AI and robotics research and development is acknowledged, with the aims of supporting economic growth and creativity driving the expenditure. As efforts to attract corporations to construct R&D centers in India, initiatives such as "Make in India" and "Digital India" are noted. Furthermore, the passage emphasizes

AI's ability to assist differently-abled people while also contributing to overall economic advancement.

12. Entrepreneurship in Tribal Communities

Meena, Pooja, Ankita Chaturvedi, and Sachin Gupta explain the significance of entrepreneurship in the contemporary digital world, with a specific focus on the impact of Artificial Intelligence (AI). It highlights AI as the second wave of the digital revolution, reshaping businesses across diverse industries. AI's ability to efficiently process vast amounts of data has driven advancements in various aspects of business, from generating ideas to developing products and solving problems. The primary goal of this article is to delve into the entrepreneurial process based on knowledge and activity. This process encompasses identifying opportunities, developing them, fostering growth, and capitalizing on them. The passage emphasizes AI's pivotal role in entrepreneurship, not only in developed regions but also in tribal areas, as a crucial determinant of a country's economic well-being. The article aims to assess the current state of entrepreneurship and AI in tribal areas while advocating for AI education and awareness to boost entrepreneurship in developing nations like India, including its tribal regions.

13. Aids in Overcoming Traditional Obstacles and Challenges

Given India's large population, Kalyanakrishnan, Shivaram, et alemphasize the critical significance of Artificial Intelligence (AI) in defining its future. AI is viewed as a potent instrument that can help overcome traditional constraints such as poor infrastructure and bureaucratic challenges, hence boosting the country's advancement. However, it recognizes the possible long-term societal consequences connected with AI and urges caution. This article addresses various AI prospects in India, including resolving language diversity and exploiting public data, particularly in sectors such as healthcare. It emphasizes that barriers to AI adoption in India arise from existing social circumstances, such as caste and gender inequities and emphasizes the importance of navigating this transformational phase skillfully.

14. The Transformative Role of Technology

Kumar, Rahul, Navneet Raj, and Ashima Mehta investigate the impact of technology on entrepreneurship, noting benefits such as streamlined operations, cost savings, and enhanced information availability while also acknowledging problems such as keeping up with quick developments and ethical implications. It emphasizes entrepreneurship's critical role in economic development, emphasizing its potential to promote innovation, create jobs, and stimulate growth. It also examines the impact of technology on economic development through enhanced information availability, scalability, innovation, and entrepreneurship accessible. In essence, it highlights the transformative role of technology in entrepreneurship as well as its broader contributions to economic and social growth when used properly.

03. CRITICAL ANALYSIS OF PETER DRUCKER'S SEVEN SOURCE OF INNOVATIONAND OPPORTUNITY

Drucker, Peter F. gives his framework which is relevant today at this present scenario when AI is transforming the various industry sectors and initiatives for entrepreneurship development. The above findings reveal that the seven sources of Innovation and Opportunity is reinforced and get aligned with emergence of generative AI. The table-1 shows how AI is enabling the entrepreneurial activities with respect to Peter Drucker's framework.

Table: 1 Impact of Ai and the Framework of Peter drucker's Innovation and Opportunity

Seven Sources of Innovation and Opportunity	Analysis of the Findings
01. Unexpected Events: unexpected occurrences are a source of innovation	AI's ability to reveal previously unknown market trends or client preferences through data analysis, hence supporting creative corporate tactics.
02. Incongruities: contradictions in existing procedures might drive innovation.	AI identifies inconsistencies and offer changes, thereby reinforcing the concept of contradictions fostering creativity.
03. Process Requirements: process or workflow adjustments can lead to innovation.	AI's role in improving or restructuring processes based on new knowledge, which aligns with the concept of process requirements driving innovation.
04. Market and Industry shifts: leads to innovation.	AI helps firms react to market and industry shifts by providing predictive insights.
05. Demographic Shifts, **06. Psychological Changes,** **07. New Information**	In the context of AI-driven entrepreneurship, the findings agree, emphasizing AI's role in leveraging demographic trends, changing attitudes, and harnessing new knowledge.

Source: Secondary Data

04. DISCUSSION AND CONCLUSIONS

Finally, the several sections examined the substantial impact of Artificial Intelligence (AI) on entrepreneurship, as well as its role in defining modern enterprises and education. They emphasized how AI has the ability to transform decision-making, user comprehension, data use, and entrepreneurial processes. AI also improves entrepreneurial success and encourages student entrepreneurship through AI learning. It is critical in identifying new opportunities, improving decision-making, boosting venture performance, and expanding entrepreneurship education and research. AI's impact extends to exploiting the emotional economy and altering industries ranging from agriculture to finance. It helps entrepreneurs by giving useful insights, automating tasks, and encouraging creativity. This article has its own limitations in identifying the impact of AI in various industry sectors without elaborating the facts with recent advancements and references. However, the use of AI raises issues such as ethical concerns, socioeconomic inequities, and the necessity for responsible AI use.

REFERENCES

1. *Amoako, George, et al. "Conceptual framework—artificial intelligence and better entrepreneurial decision-making: the influence of customer preference, industry benchmark, and employee involvement in an emerging market." Journal of Risk and Financial Management 14.12 (2021): 604.*
2. *Bell, Robin, and Heather Bell. "Entrepreneurship education in the era of generative artificial intelligence." Entrepreneurship Education (2023): 1-16.*
3. *Chatterjee, Sheshadri, et al. "Digital transformation and entrepreneurship process in SMEs of India: a moderating role of adoption of AI-CRM capability and strategic planning." Journal of Strategy and Management 15.3 (2022): 416-433.*
4. *Davidsson, Per, and Muhammad Sufyan. "What does AI think of AI as an external enabler (EE) of entrepreneurship? An assessment through and of the EE framework." Journal of Business Venturing Insights 20 (2023): e00413.*

5. *Dhanabalan, T., and A. Sathish. "Transforming Indian industries through artificial intelligence and robotics in industry 4.0." International Journal of Mechanical Engineering and Technology 9.10 (2018): 835-845.*
6. *Drucker, Peter F. "Principles of successful innovation." Research management 28.5 (1985): 10-12.*
7. *Giuggioli, Guglielmo, and Massimiliano Matteo Pellegrini. "Artificial intelligence as an enabler for entrepreneurs: a systematic literature review and an agenda for future research." International Journal of Entrepreneurial Behavior & Research 29.4 (2023): 816-837.*
8. *Kalyanakrishnan, Shivaram, et al. "Opportunities and challenges for artificial intelligence in India." Proceedings of the 2018 AAAI/ACM conference on AI, Ethics, and Society. 2018.*
9. *Khalid, Nadeem. "Artificial intelligence learning and entrepreneurial performance among university students: evidence from malaysian higher educational institutions." Journal of Intelligent & Fuzzy Systems 39.4 (2020): 5417-5435.*
10. *Kumar, Rahul, Navneet Raj, and Ashima Mehta. "Impact of Digital Technology on Entrepreneurship." intelligence 3.8 (2023).*
11. *Li, Xueling, et al. "The impact of artificial intelligence on users' entrepreneurial activities." Systems Research and Behavioral Science 39.3 (2022): 597-608.*
12. *Meena, Pooja, Ankita Chaturvedi, and Sachin Gupta. "Impact of Artificial Intelligence on Development and Growth of Entrepreneurship." Impact of Artificial Intelligence on Organizational Transformation (2022): 131-146.*
13. *Sharma, Anupam. "Entrepreneurship and role of AI." Proceedings of the 2019 2nd International Conference on Signal Processing and Machine Learning. 2019.*
14. *Shepherd, Dean A., and Ann Majchrzak. "Machines augmenting entrepreneurs: Opportunities (and threats) at the Nexus of artificial intelligence and entrepreneurship." Journal of Business Venturing 37.4 (2022): 106227.*
15. *Sundararajan, Shanmugam. "Artificial Intelligence's Role in the Growth of Entrepreneurship Development." KristuJayanti Journal of Management Sciences (KJMS) (2022): 38-48.*
16. *Tatiana Veinbender "Reforming Extra-Budgetary Funds in the Russian Federation" Reforma de losfondosextrapresupuestariosen la Federación de RusiaRecibido: 05/07/2017 Aprobado: 28/06/2017.*
17. *Tadtayeva Valida Valerievna "Improving the mechanism for financing education" the topic of the dissertation and abstract on the Higher Attestation Commission of the Russian Federation 08.00.10, candidate of economic sciences.*
18. *Folorunso, O. O., A. J. Adewale, and S. M. Abodunde. "Exploring the effect of organizational commitment dimensions on employees performance: An empirical evidence from Academic Staff of Oyo State Owned Tertiary Institutions, Nigeria." International Journal of Academic Research in Business and Social Sciences 4.8 (2014): 275.*