

ENTREPRENEURSHIP DEVELOPMENT



Centurion
UNIVERSITY

*Shaping Lives...
Empowering Communities...*

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ENTREPRENEURSHIP

The capacity and willingness to develop, organize and manage a business venture along with any of its risks in order to make a profit is known as entrepreneur. The most obvious example of **entrepreneurship** is the starting of new businesses

FACTORS AFFECTING ENTREPRENEURSHIP



PERSONAL FACTORS

Personality traits such as inner desire for control of their activities, tolerance for risk, high level of tolerance to function in adverse situations and background experiences such as the family environment, level of education, age and work history tolerance for ambiguity are important personal characteristics that affect entrepreneurship.

PERSONAL FACTORS, BECOMING CORE COMPETENCIES OF ENTREPRENEURS, INCLUDE:

- (a) Initiative (does things before being asked for)
- (b) Proactive (identification and utilization of opportunities)
- (c) Perseverance (working against all odds to overcome obstacles and never complacent with success)
- (d) Problem-solver (conceives new ideas and achieves innovative solutions)
- (e) Persuasion (to customers and financiers for patronization of his business and develops & maintains relationships)
- (f) Self-confidence (takes and sticks to his decisions)
- (g) Self-critical (learning from his mistakes and experiences of others)
- (h) A Planner (collects information, prepares a plan, and monitors performance)
- (i) Risk-taker (the basic quality).

ENVIRONMENTAL FACTORS

- These factors relate to the conditions in which an entrepreneur has to work. If the environment that an individual is working in is unsatisfactory, that is, not conducive to his growth needs, it is likely that the individual will quit his job and start his own business as an entrepreneur. Unsatisfied personal needs for growth and achievement in employment conditions results in successful entrepreneurship.

POLITICAL

- Some researchers felt that the growth of entrepreneurship cannot be explained fully unless the political set-up of a country is taken into consideration. Political stability in a country is absolutely essential for smooth economic activity. Frequent political protests, strikes, etc. hinder economic activity and entrepreneurship. Unfair trade practices, irrational monetary and fiscal policies, etc. are a roadblock to the growth of entrepreneurship

SOCIO-ECONOMIC FACTORS

- The entrepreneurial activity at any time and place is governed by varying combination of socio-economic factors. The empirical studies have identified the following socio economic factors:
- Cast/religion
- Family background
- Level of Education
- Level of perception
- Legitimacy of Entrepreneurship
- Migratory character
- Social Mobility
- Social Security
- Investment capacity
- Ambition/motivation

ECONOMIC FACTOR

- Factors such as availability of finance, labor, land, accessibility of customers, suppliers are the factors that stimulate entrepreneurship. Capital is one of the most important prerequisites to establish an enterprise. Availability of sufficient capital affects the introduction, survival and growth of a business enterprise. Capital is regarded as lubricant to the process of production. If we increase in capital investment, capital output ratio also tends to increase. This results in increase in profit, which ultimately goes to capital formation. Due to this capital supply increase, entrepreneurship also increases.

OTHER FACTORS

- **Entrepreneurial Education**
- **Impact of Services Sector**
- **Increasing Demand for Variety**
- **Impact of Ethical Value System**
- **Internal Control System**

**THANK
YOU!**