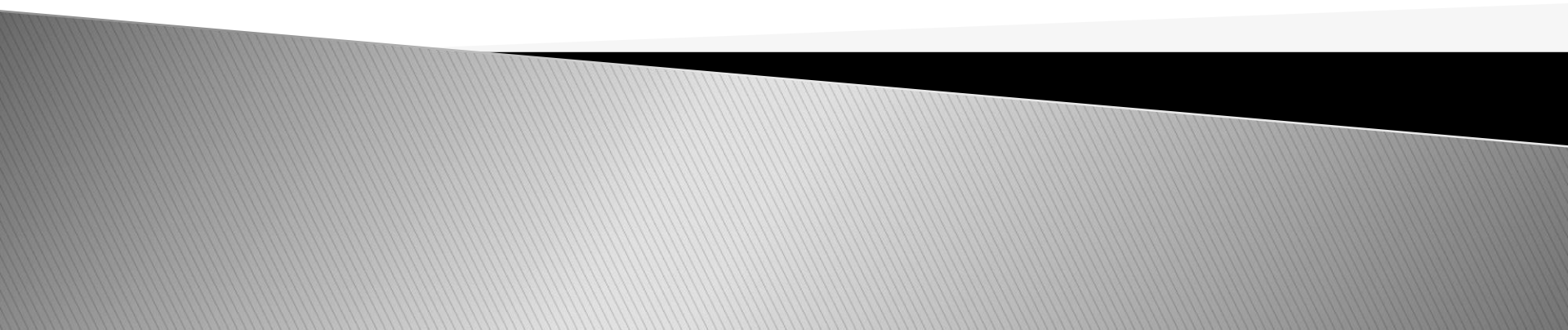


Entrepreneurial ventures in food industry

# Entrepreneurship as a process



# What is entrepreneurship?

- ▶ **Entrepreneurship** is the process of designing, launching and running a new business, which is often initially a small business. The people who create these businesses are called **entrepreneurs**.
- ▶ One who creates a new business in the face of risk and uncertainty for the purpose of achieving profit and growth by identifying and assembling the necessary resources to capitalize on them.

# Concept

- ▶ The word “entrepreneur” is derived from the French verb *entreprendre*, which means ‘to undertake’. This refers to those who “undertake” the risk of new enterprises. An enterprise is created by an entrepreneur. The process of creation is called “entrepreneurship”.
- ▶ Entrepreneurship is a process of actions of an entrepreneur who is a person always in search of something new and exploits such ideas into gainful opportunities by accepting the risk and uncertainty with the enterprise.
- ▶ There are 3 concepts in entrepreneurship: innovation, risk taking, vision, organisation.

▶ Innovation

An entrepreneur is the key source of innovation and variation in an economy. It is actually one of the most important tools of an entrepreneurs success. They use innovation to exploit opportunities available in the market and overcome any threats.

▶ Risk taking

Entrepreneurship and risk-taking go hand in hand. One of the most important features of entrepreneurship is that the whole business is run and managed by one person. So there is no one to share the risks with.

## ▶ Vision

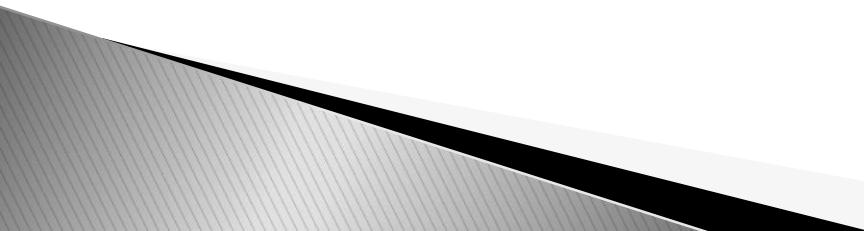
Vision or foresight is one of the main driving forces behind any entrepreneur. It is the energy that drives the business forward by using the foresight of the entrepreneur. It is what gives the business an outline for the future – the tasks to complete, the risks to take, the culture to establish, etc.

## ▶ Organisation

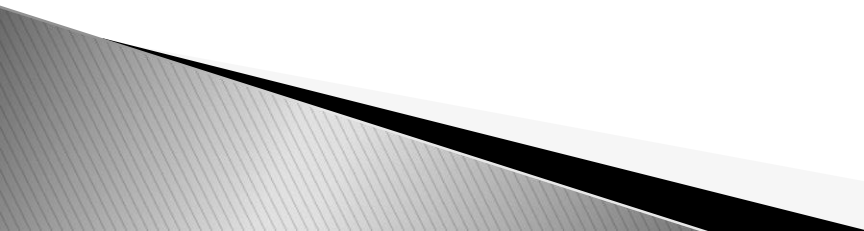
In entrepreneurship, it is essentially a one-man show. The entrepreneur bears all the risks and enjoys all the rewards. And sure he has the help of employees and middle-level management, yet he must be the one in ultimate control. This requires a lot of organization and impeccable organizational skills.

# Features

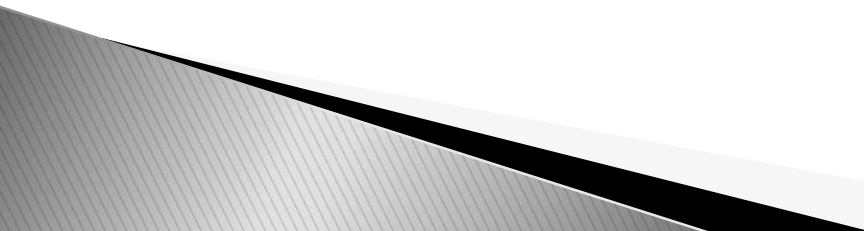
- ▶ Economic and dynamic activity: Entrepreneurship is an economic activity because it involves the creation and operation of an enterprise with a view to creating value or wealth by ensuring optimum utilisation of scarce resources. Since this value creation activity is performed continuously in the midst of uncertain business environment, therefore, entrepreneurship is regarded as a dynamic force.
- ▶ Related to innovation: Entrepreneurship involves a continuous search for new ideas. Entrepreneurship compels an individual to continuously evaluate the existing modes of business operations so that more efficient and effective systems can be evolved and adopted

- ▶ Profit potential: Without profit potential, the efforts of entrepreneurs would remain only an abstract and a theoretical leisure activity.
  - ▶ Risk bearing: The essence of entrepreneurship is the 'willingness to assume risk' arising out of the creation and implementation of new ideas. New ideas are always tentative and their results may not be instantaneous and positive
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# Importance

- ▶ Development of managerial capabilities: The biggest significance of entrepreneurship lies in the fact that it helps in identifying and developing managerial capabilities of entrepreneurs. An entrepreneur studies a problem, identifies its alternatives, compares the alternatives in terms of cost and benefits implications, and finally chooses the best alternative.
  - ▶ Creation of organisations: Entrepreneurship results into creation of organisations when entrepreneurs assemble and coordinate physical, human and financial resources and direct them towards achievement of objectives through managerial skills.
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- ▶ Improving standards of living: By creating productive organisations, entrepreneurship helps in making a wide variety of goods and services available to the society which results into higher standards of living for the people.
  - ▶ Means of economic development: Entrepreneurship involves creation and use of innovative ideas, maximisation of output from given resources, development of managerial skills, etc., and all these factors are so essential for the economic development of a country
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# Differences between an entrepreneur, manager and business owner

- ▶ Entrepreneur: an entrepreneur is a one-man show that runs entrepreneurship. However, such a person usually has some unique attributes that allow him to be successful in his endeavours. He is essentially an initiator and a leader. He brings business ideas to fruition thus starting off his venture.
- ▶ Manager : A manager, on the other hand, is not an owner of an enterprise. Instead, he is the one that is responsible for the management and administration of a group of people or a department of the organization. His day to day job is to manage his employees and ensure the organization runs smoothly.

- ▶ **Business owner:** A business owner is the legal proprietor of a business. An individual or group that owns the assets of a firm and profits from them.

# Problems in growth of entrepreneurship

- ▶ Cash flow management: Cash flow is essential to small business survival, yet many entrepreneurs struggle to pay the bills (let alone themselves) while they're waiting for checks to arrive. Part of the problem stems from delayed invoicing, which is common in the entrepreneurial world.
- ▶ Marketing strategy: Positioning your product/service in such a way that you will maximize on the returns is proving to be a challenge to many entrepreneurs. This is because some entrepreneurs are venturing into their projects completely ignorant of the Dos and Don'ts. It is therefore recommended that you contact a proper research and if possible have a hands-on case study. Don't just invest blindly.

- ▶ **Capital:**You want to start or grow your business, but you have little capital to do it with. Here, patience and proper discipline is required when it comes to cash management. It is always estimated that your business won't pick up in the first three to four months. Therefore, a little patience is required.
  - ▶ **Self-doubt:**As a young entrepreneur, you will find that not everyone will take you seriously. They will tell you that you are too young to build a successful business. They will be quick to tell you just what they think you are doing wrong. At times, the criticism and the self-doubt it fosters might get to you.
  - ▶ **Finding customers:**Even if you offer the best-quality product or service available in the market today, your chances of failure will be high if you don't find loyal customers.
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Thank you.