

Entrepreneurship

Entrepreneurship and creative response
to the society' problems and at work

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1. Meaning of Entrepreneurship

Entrepreneurship is the process of identifying opportunities, organizing resources, taking risks, and creating value by starting and managing a business or enterprise.

An **entrepreneur** is a person who:

- Identifies a business opportunity
- Takes initiative and risk
- Introduces innovation
- Organizes factors of production

Definitions:

- **Joseph Schumpeter:** An entrepreneur is an innovator who introduces new combinations in production.
- **Peter Drucker:** Entrepreneurship is the practice of innovation.

2. Nature and Characteristics of Entrepreneurship

- **Risk-taking** – Entrepreneurs bear financial and business risks
- **Innovation** – Introduction of new ideas, products, or methods
- **Profit-oriented** – Main objective is earning profit
- **Dynamic process** – Continuous and adaptable to change
- **Organizing ability** – Combines land, labor, capital, and technology
- **Decision-making** – Takes timely and effective decisions

3. Importance of Entrepreneurship

a) Economic Development

- Promotes industrial growth
- Increases national income
- Encourages balanced regional development

b) Employment Generation

- Creates self-employment
- Generates jobs for others

c) Innovation and Technology

- Introduces new products and services
- Improves quality of life

d) Social Development

- Reduces poverty and inequality
- Solves social and environmental problems

4. Creative Response : Meaning

The concept of Creative Response was given by **Joseph Schumpeter**.

A creative response refers to the ability of entrepreneurs to:

- ⇒ Respond innovatively to challenges
- ⇒ Create new solutions rather than following traditional methods.
- ⇒ Transform problems into opportunities

Creative Response vs Adaptive Response

Creative Response	Adaptive Response
Introduces innovation	Follows existing practices
Leads to change	Maintains status quo
Entrepreneurial	Managerial

5. Creative Response to Society's Problems

Entrepreneurs play a vital role in solving social problems through **social entrepreneurship** and innovation.

Major Social Problems and Entrepreneurial Responses

1. Unemployment

- Start-ups and MSMEs create jobs
- Skill-based enterprises and self-employment

2. Poverty

- Affordable products and services
- Microfinance and small-scale industries

3. Environmental Problems

- Green businesses
- Renewable energy, recycling, eco-friendly products

4. Education and Health

- Low-cost educational platforms
- Affordable healthcare services

5. Rural Development

- Agro-based industries
- Handicrafts and village industries

6. Social Entrepreneurship

Social Entrepreneurship focuses on solving social issues while earning sustainable income.

Features:

- Social mission
- Innovation for public welfare
- Financial sustainability
- Measurable social impact

Examples:

- Low-cost sanitary products
- Clean water initiatives
- Rural employment ventures

7. Creative Response at Work (Workplace Innovation)

Creative response at work means applying innovative ideas to improve:

- Productivity
- Efficiency
- Employee satisfaction
- **Areas of Creative Response at Work**

1. Process Innovation

- New methods of production
- Use of automation and technology

2. Product Innovation

- Improved quality
- New designs and features

3. Organizational Innovation

- Flexible work culture
- Team-based structures

4. Problem-Solving

- Innovative solutions to operational issues
- Cost reduction and waste control

8. Role of Creativity and Innovation in Entrepreneurship

Creativity

- Ability to generate new ideas
- Thinking beyond conventional methods

Innovation

- Practical implementation of creative ideas
- **Creativity + Innovation = Successful Entrepreneurship**

9. Qualities of a Creative Entrepreneur

- Visionary thinking
- Problem-solving ability
- Risk tolerance
- Leadership skills
- Adaptability
- Social responsibility

10. Challenges in Creative Response

- Lack of finance
- Resistance to change
- Lack of skills and training
- Government regulations
- Market competition

11. Government Support for Entrepreneurship (Brief)

- Startup India
- MSME schemes
- Skill development programs
- Financial and technical assistance

12. Conclusion

Entrepreneurship is not only about earning profits but also about **creating value for society**. Through **creative responses**, entrepreneurs can effectively solve social and workplace problems, promote innovation, and contribute to sustainable economic and social development.