



Innovation and Entrepreneurship

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ABSTRACT

Innovation distinguishes between a leader and a follower was opined by Steve jobs, a hundred percent truth where in Innovation means novelty originality, newness, and it has a basic relation to entrepreneurship, as the entrepreneur has to face competition and his major input towards this challenge is innovation. Entrepreneurship is an elusive concept. "Entrepreneurship is based on purposeful and systematic innovation. It includes not only the independent businessman but also company directors and managers who actually carry out innovative functions." as "An entrepreneur is a person who in true sense is an analyst who brings in innovation, who dares and one who can create a market for his goods and service. The environment around the business scenario is dynamic and innovators are required to adapt and give solutions to the challenges arising due to change. The niche in business in the form of new product, new strategy, expansion of market, new market etc.. The researcher proposes the functions of entrepreneur, the major function an entrepreneur perform to enable him to achieve the goals and also add up to the GDP of the country. The paper attempts to understand the importance of entrepreneurship, its relation to innovation and its contribution to economic growth. India is also a country which has a population consisting of the young generation it is indeed the time not create look for big innovation but at least try the smaller and feasible so that a new life can be provided to the number of sick units all over the country.

Keywords : entrepreneur, systematic innovation. economic growth, competition

Innovation distinguishes between a leader and a follower was opined by Steve jobs, a hundred percent truth where in Innovation means novelty originality, newness, and it has a basic relation to entrepreneurship, as the entrepreneur has to face competition and his major input towards this challenge is innovation. As rightly put up leadership is one of the major quality which is now a day's sought in business. The environment around the business scenario is dynamic and innovators are required to adapt and give solutions to the challenges arising due to change. The niche in business in the form of new product, new strategy, expansion of market, new market etc. Entrepreneurship is an elusive concept. "Entrepreneurship is based on purposeful and systematic innovation. It includes not only the independent businessman but also company directors and managers who actually carry out innovative functions." as "An entrepreneur is a person who in true sense is an analyst who brings in innovation, who dares and one who can create a market for his goods and service. Entrepreneurship is composite skill, the resultant of a mix of many qualities and traits- these include tangible factors as imagination, readiness to take risks, ability to bring together and put to use other factors of production, capital, labor, land, as also tangible factors such as the ability to mobilize scientific and technological advances. Let us first discuss the persona to be an entrepreneurs, an entrepreneur is a person who dares to take a risk, one who believes in change and hence also is an innovator, the author defines it as "An entrepreneur is a person who in true sense is an analyst who brings in innovation, who dares and one who can create a market for his goods and service."

The reason we can call an entrepreneur as an analyst is that the person has to analyze the environment which includes social, political, economical, financial, and the business environment prevailing the market as well as the community. He is a researcher of a kind whom sees the nature of his business from different perspective in order to implement innovation and earn profit for him as well as the country.

The health of the society depends upon its economy and economy depends on the income generated by individual; which include entrepreneur. So it can be said that the state of the health of the society depends on the level of entrepreneurship existing in it and the innovations applied to the business. Here health means the overall attitude and entrepreneurial culture of the society. The inability of the nation to tap its entrepreneurial talents existing in the society leads to a creation of backward nation not just because of scarcity of the resources but because of not utilizing and motivate entrepreneurship. Thus entrepreneurial development is the key to economic and social development of the country.

ENTREPRENEURSHIP

Winston Churchill is reputed to **Entrepreneurship** is the act of being an entrepreneur, which is a French word meaning "one who undertakes Innovation in finance and business acumen in an effort to transform innovations into economic goods". And in recent years has been documented by scholars such as David Audretsch to be a major driver of economic growth in both the United States and Western Europe, have said, "It is rather difficult to define an elephant, but you are not in doubt when you see one!" In a way, this is true of the excellent entrepreneurship - a concept surrounded by mystique and difficult boundaries.

The most important and crucial part of entrepreneurship is it is concerned with generating wealth through the process of production of good and the services provides to the customer. The industrial development and as well as the development of individuals in the economic environment results in the upward movement of the graph showing a positive change whereby leading to the real per capita income of the country. Just as management is regarded as what managers do, entrepreneurship may be regarded as what entrepreneurs do. In other words, entrepreneurship is the act of being an entrepreneur. Entrepreneurship is a process involving various actions to be undertaken to establish an enterprise.

The researcher proposes the functions of entrepreneur: Below is some of the major function an entrepreneur performing to enable him to achieve the goals and also add up to the GDP of the country.

Idea generation and implementation
Accumulation of resources
Perceive the market
Application of innovation at all stages
Production
Marketing
Economic development
Employment generation

From a few literature review it has been seen that an entrepreneurs can contribute to economic development by facilitating the reallocation of resources from less to more productive uses (Acs and Storey 2004), by performing 'cost-discovery', 'gap-filling', and 'input-completing' functions in the economy (Leibenstein 1968; Hausmann and Rodrik 2003) and by supporting structural change (Lewis 1954; Gries and Naudé 2010). These roles have recently been the subject of a growing literature (see e.g. Minniti and Naudé 2010; Naudé 2010a, 2010b, 2010c).

It is thus, process of giving birth to a new enterprise through new technology as well as systems that are adaptive to the ever changing business scenario. Entrepreneurship is composite skill, the resultant of a mix of many qualities and traits-these include tangible factors as imagination, readiness to take risks, ability to bring together and put to use other factors of production, capital, labor, land, as also tangible factors such as the ability to mobilize scientific and technological advances. A practical approach is necessary to implement and manage a project by securing the required licenses, approvals and finance from governmental and financial agencies. The personal incentive is to make profits from the successful management of the project. A sense of cost consciousness is even more necessary for the long term success of the enterprise. However, both are different sides of the same coin.

Entrepreneurship lies more in the ability to minimize the use of resources and put them to maximum advantage. Without any awareness of quality and desire for excellence, consumer acceptance cannot be achieved and sustained. Above all, entrepreneurship today is the product of teamwork and the ability to create, build and work as a team. The entrepreneur is the maestro of the business orchestra, wielding his baton to which the band is played. Entrepreneurship provides the dynamic that drives economies, communities, and organizations especially in turbulent times Not about absolute numbers of small businesses but about entries and exits of new profit-seeking and social ventures, new business models, new products and services support the entrepreneurial dynamic, the result is not a static state there is decline over time. A system of entrepreneurship has evolved in the U. S. that has been quite successful and that may have considerable applicability to some other technologically advanced countries, such as Germany and Japan, which appear to need more economic dynamism. The system needs modification however, for underdeveloped economies like India's.

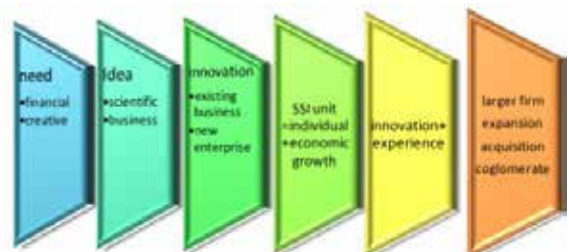
An important distinction in the innovation literature is between innovations that are new to the world, innovations that are new to the domestic market or innovations that are new to the firm (Fagerberg 2005). Innovations that are new to the world are primarily found in the advanced economies.

They are based on research and development at the frontiers of global knowledge. In developing countries far removed from the international technological frontier, innovations will

tend to be new to the market or new to the firm. Innovations new to the market in developing countries refer to the international diffusion and absorption of technology. The domestic firm introduces innovations which have already been developed elsewhere, but which are new to the market in their own country. Innovations new to the firm refer to knowledge flows within the domestic economy. The innovation is already present in the market, but is now adopted by a given firm. This last concept of innovation comes closest to the Rogerian concept of innovation (Rogers 2003).

There has been a sizzling opportunity in the corporate with very lucrative perquisite which is being driven away in case of the youth not opting for Entrepreneurship. So the entry barriers in Entrepreneurship which are becoming the bottleneck in root cause of Entrepreneurship development should be tackled and the following step can be taken to ensure positive outlook towards business.

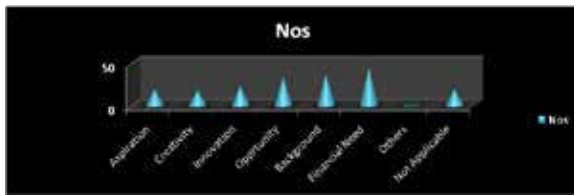
The above diagram shows how there is a relationship between entrepreneurship and innovation .The entrepreneur feels the need, he generates an idea it may be scientific or conceptually creative leading to individual as well as economic growth in form of small scale industry and then through expansion create a large firm in the economies of scale. The development of the economy depends on the planned and unrelenting business activities .The required revolution in the economy can be brought about by encouraging new enterprise vis a vis entrepreneurs. They are the force that can back such activities, The traits, talent and the initiative required for entrepreneurship is available in the human resource of the country which is snatching opportunities and organizing efforts for their commercial exploitation, They initiate changes to do ventures in a better way, to get more return from them or to impart more satisfaction to the consumers,. Entrepreneurs bring together the productive resources and act as a catalytic agent in the process of economic development. Economic growth of any nation has been attained through the commercial exploitation of inventions by utilizing its available resources-both physical and human-, especially those that are not utilized so far. Efficient innovative entrepreneurs have created the strong economy for industrially and economically developed nations not simply with their resources but through their ideas and far sightedness.



Relationship between entrepreneurship and innovation

The researcher conducted a survey and the result shows:

Drives	Nos	Percentage
Aspiration	19	10
Creativity	17	8.95
Innovation	22	11.58
Opportunity	33	17.37
Background	36	18.95
Financial Need	44	23.16
Others	0	0
Not Applicable	19	10



The drives that motivate people into Entrepreneurship and its development that financial need is the most important drive than innovation and opportunity, hence it is seen that it is followed by aspiration and creativity. There is a relationship between innovations as it is one of the reasons for economic and creative development of the individual. In order to build up a strong foundation for the generation of the young India, the Government itself has taken drastic step to encourage the empowerment of women. Today, world where in globalization, liberalization, privatization, has changed the role of business and the role of the employees have changed to large extend. In every corner of the world more and more young entrepreneurs are surfing the waves of economics opportunity and self determination through business entrepreneurship. The contribution of innovation in entrepreneurship in the development of the economy should not be ignored but their representation in gainful employment is comparatively low, which hampers their marathon towards wellbeing.

Conclusion:

The need of effective entrepreneurship is created by our developing economy. India is also a country which has a population consisting of the young generation it is indeed the time not create look for big innovation but at least try the smaller and feasible so that a new life can be provided to the number of sick units all over the country. After a study conducted by the researcher a scale of measuring the entrepreneurial intent is designed as follows:

The author has developed the following scale for measuring the entrepreneurial intent.

Properties	Yes	No
Freedom of thought and speech enjoyed by an individual should be respected		
Willingness to disagree and foster creative solutions and innovation		
Very high caliber human capital should be utilized properly		
Diversity in the true sense of the term is the key to stimulate intellectual discourse.		

Functioning capital market and venture capital sector to find new ideas is need		
Young population is more rebellious and wants to challenge the rules of the game		
Adaptation towards entry of global competitors into India threatens the status quo		
Knowledge of Customer needs and affordability of venture		
Excellent institutional infrastructure needs		
Stress on Entrepreneurship, Science and technology education.		
Awareness about Supportive legislative system.		
Analytical abilities		
Soft skills		
Total		

The diagram above shows us how the entrepreneurial career can take a kick start for e.g. one can take over a family business, or be the change agent for someone else's business or one can purchase an existing business. The thought itself is not about managing the business it is starting up ones own career as an entrepreneur. and the push for the same should be started as the an idea or a innovative thought process inculcated in the minds of our entrepreneurs. The lust for Entrepreneurship is limitless and engulfing and the act has to be enlightened so that its fruit can be reaped as early as possible. The think tank and the democracy cannot survive in our country if no livelihood through entrepreneurship can be provided to the entire population of our country. The fate and development ladder is the Entrepreneurship which today needs a new look and a good framework as well a vibrant policy for its survival and long life. Today, youth is more courageous and hardworking and carrier oriented, and can be easily transformed if proper training and knowledge in Entrepreneurship can be provided. The cultivation of the new breed is in our hands and we have to surrogate their requirements with their skill and Entrepreneurship orientation and perception enhancement for better India.

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