



ORIGINAL RESEARCH PAPER

Management

A STUDY ON INNOVATION TRENDS IN ENTREPRENEURSHIP

KEY WORDS:

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ABSTRACT

The capacity and willingness to develop organize and manage a business venture along with any of its risks in order to make a profit. The most understandable example of entrepreneurship is the starting of new businesses. In economics, entrepreneurship combined with land, labor, natural resources and capital can produce profit. Entrepreneurial spirit is characterized by innovation and risk taking, and is an essential part of a nation's ability to succeed in an ever changing and increasingly competitive global market place . Several changes are going to come about in this year and young entrepreneurs will need to keep the upcoming trends in mind when they are starting their business. Keep ahead with the latest technologies: It is very important that entrepreneurs keep themselves aware of the upcoming technologies in the market

Entrepreneurship can be viewed as a creative and innovative response to the environment and an ability to recognize, initiate and exploit an economic opportunity. An entrepreneur is an innovator who introduces something new in an economy. Entrepreneurship is doing things that are generally not done in the ordinary course of business. Innovation may be in; introducing a new manufacturing process that has not yet been tested and commercially exploited, introduction of a new product with which the customers are not familiar or introducing a new quality in an existing product, locating a new source of raw material or semi finished product that was not exploited earlier, opening a new market, hitherto unexploited, where the company products were not sold earlier, developing a new combination of means of production. Innovation involves problem solving and an entrepreneur is a problem solver. An entrepreneur does things in a new and a better way. A traditional businessman working in a routine manner is not entrepreneurial. Innovation leads to the dynamics that governs the interaction between science, industry, and society. Innovative organization wants must have to prepare for renewing the offerings and its delivery process to its stakeholders to survive in today's globalised world.

INTRODUCTION:

Entrepreneurship has been one of the most popular subjects that have arouse the interest of students and young entrepreneurship in large measure. The importance of the subjects is magnified manifold in today's economic climate. Entrepreneurship has been one of the most popular subjects that have aroused the interest of students and young entrepreneurship in large measure. The importance of the subjects is magnified manifold in today's economic climate. The more subtle change is social: increase in literacy levels, greater consumer awareness, enhanced media penetration, and basic changes in family structure. Keeping with the demands for greater innovation in Indian enterprises, several have fundamentally redesigned structures. Entrepreneurship extends beyond a conventional business and economic perspective. Creativity, innovation and bringing a vision to life are as much entrepreneurial activities in a social specialty and have the same impact on society as does business entrepreneurship to the economy

WHAT IS ENTREPRENEURSHIP:

Entrepreneurship is the propensity of mind to take calculated risks with confidence to achieve a pre-determined business or industrial objectives. It is the risk taking ability of individual, broadly coupled with correct decision making. The concept of entrepreneurship was first established in the 1700s, and the meaning has evolved ever since. Many simply equate it with starting one's own business. Most economists believe it is more than that. To some economists, the entrepreneur is one who is willing to bear the risk of a new venture if there is a significant chance for profit. Others emphasize the entrepreneur's role as an innovator who markets his innovation.

CHARACTERISTICS OF ENTREPRENEURSHIP

- Entrepreneurial activities are substantially different depending on the type of organization and creativity involved.
- Entrepreneurship ranges in scale from solo projects to major undertakings creating a many job opportunities. Many high value entrepreneurial ventures seek venture capital and angel funding in order to raise capital to build the business.
- In more recent times, the term entrepreneurship has been extended to include elements not related necessarily to business formation Zactivity such as conceptualization of entrepreneurship as a specific mindset resulting in entrepreneurial initiatives in the form of social entrepreneurship,

political entrepreneurship, knowledge entrepreneurship have emerged.

INNOVATION: Although the term is broadly used, innovation generally refers to the creation of better or more effective products, processes, technologies, or ideas that are accepted by markets, governments, and society. Innovation differs from invention or renovation in that innovation generally signifies a substantial positive change as compared to incremental changes. Innovation is the specific tool of entrepreneurs, the means by which they exploit change as an opportunity for a different business or a different service. It is capable of being learned, capable of being practiced. Entrepreneurs need to search purposefully for the sources of innovation, the change and their symptoms that indicate opportunities for a successful innovation.

IMPORTANCE OF INNOVATION IN ENTREPRENEURSHIP

Entrepreneurship produces financial gain and keeps the economy afloat, which gives rise to the importance of innovation in entrepreneurship. The importance of innovation in entrepreneurship is shown by coming up with new way to produce a product or a solution. A service industry can expand with another type of service to fulfill the ever changing needs of their clients. Producers can come up with another product from the raw materials and by-products. The importance of innovation in entrepreneurship is another key value for the longevity of a business. Entrepreneurs and businesses began with a need.

SOME OF THE FAMOUS INNOVATIVE ENTREPRENEURS

BILL GATES: William Gates the III, the former CEO of Microsoft, for short period of time, had assets worth over 100 billion dollars, making him the world's first cent billionaire. Today his assets are half that but he remains, as he has for the past decade and then some, the world's wealthiest man according to Forbes. Because of their exploits of bugs in the school's second computer: a DEC PDP-10, owned by Computer Center Corporation, Gates and a number of other students, including Paul Allen- Microsoft's co-founder, were offered unlimited computer time in exchange for debugging the company's computers. After CCC went out of business, the students were hired by Sciences Inc. to write a payroll program

RATAN NAVAL TATA: Ratan Naval Tata is the present chairman of Tata sons and therefore, Tata Group. He is also the chairman of major Tata companies such as Tata steel, Tata Motors, Tata Power,

TCS, Tata Tea, Tata Chemicals, The Indian Hotel Company and Tata teleservices. Ratan Tata was adopted by Naval Tata and Soonoo Commisariat in the Tata Family a prominent family belonging to the Parsi community. He is the great-grandson of Tata group founder Jamshedji Tata.

VIJAY MALLYA

He is the Chairman of the United Breweries Group and Kingfisher Airlines, which draws its name from United Breweries Group's flagship beer brand, Kingfisher. He also co-owns the Formula One team Force India, the Indian Premier League team Bangalore Royal Challengers, and the I-League team East Bengal FC. According to Forbes.com, as of March 2011, Mallya, is worth US \$1.4 billion. He is ranked 879 in The Forbes World Billionaires Ranking (2011), and 38th in India.

RAGHAV BAHL

He is an Indian Businessman best known for his ownership of several television channels, including TV-18 India. He is responsible for directing most of the work of TV-18 and channels like CNBC-Awaaz, Nickelodeon and colors. Recently he has written a book 'Super Power?' which compares the two developing countries China and India. Raghav "earned" his 2007 Entrepreneur of the year award of Ernst and young. Around 50, he is a first generation Entrepreneur. He started Newtwork-18 as a television software house in the mid nineties.

JAWED HABIB

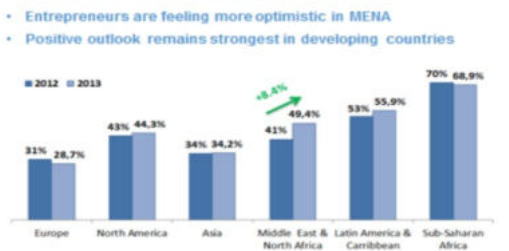
Jawed Habib who was "Entrepreneuried" into 220 Jawed Habib Salon and 42 Training Academies not just in India but across Asia, from Malaysia to Nepal and beyond. Last year he launched Hair Express outlets, offering hair cut at just Rs 99 each. Jawed, is a post Graduate in French Literature from JNU, New Delhi.

KIRAN MAZUMDAR-SHAW

"The stud lady from India" (Managing Director of Biocon Limited a biotechnology company based in Bangalore (Bangaluru), India. Kiran Mazumdar-Shaw was born on March 23, 1953 (age 58) in Bangalore, India. Kiran Mazumdar-Shaw completed her schooling from the city's Bishop Cotton Girl's High School (1968).

RECENT TRENDS IN ENTREPRENEURSHIP DEVELOPMENT:

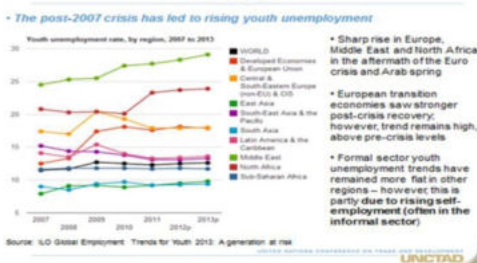
Entrepreneurship: Entrepreneurs' Sentiment Trends



Entrepreneurs positively evaluating business opportunities in next 6 months, by region, %
Source: UNCTAD analysis based on GEM Global Reports 2012, 2013

Surveys of entrepreneurs indicate a positive outlook for business in developing countries, especially in the Middle East and North Africa, where sentiment improved considerably over the past year. Overall, entrepreneurs have remained more optimistic in developing than developed countries since the global economic crisis.

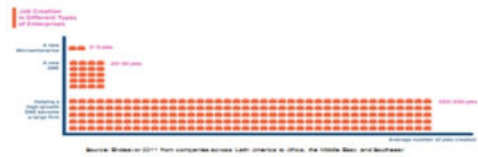
Youth Unemployment Trends



Source: ILO Global Employment Trends for youth 2012: A generation at risk

This is significant considering that, as a result of the economic crisis, youth unemployment has increased sharply in European and other high-income countries, as well as the Middle East and North Africa, with nearly 1 in 4 and 1 in 3 youth unemployed in these regions respectively. One area that could provide a solution to the employment challenge, therefore, are policies targeting youth entrepreneurship, education and training.

Entrepreneurship and new innovative firms create jobs and growth:



Empretec contributes to job creation:

- Impact assessments from the Empretec Programme confirm the factual increase in entrepreneurial development leads to job creation.
- E.g. in Brazil, entrepreneurs who benefited from the Empretec workshop generated jobs and an average employment growth of 18% per year.
- Likewise, in Bulgaria, successful employment grew by 14% in the United Republic of Tanzania.

Source: Empretec 2011 Firm comparison across Latin America in Africa, the Middle East, and Sub-Saharan Africa

The contribution of entrepreneurship and new innovative firms to job creation and growth has been emphasized by this Commission many times in recent years, and is illustrated on the slide. The creation of new business entities also generates value added, fiscal revenues and innovation. According to the latest report released by Youth Business International and the Global Entrepreneurship Monitor, the job creation potential of businesses is related to their growth orientation, which, in turn, largely depends on whether entrepreneurs operate in the informal or formal sectors.

According to UNCTAD's analysis, a significant part of entrepreneurial activity in developing countries continues to take place outside the formal sector. Official estimates put the importance of the informal sector in low-income countries at close to 40-60% of GDP, and a large part of the labour force in developing countries is engaged in informal activities.

Young people are entrepreneurially active in high growth sectors

Research shows that:

- Young entrepreneurs are especially active in high growth sectors and responsive to new economic trends;
- Young entrepreneurs create jobs and are more likely to do so on a large scale in high growth companies

Eastern Europe & Transition Economies: Actual job creation by entrepreneur's age

	18 - 34	35 - 64
0 - 2 jobs	62.7%	70.1%
2 - 5 jobs	19.7%	19.9%
6 - 19 jobs	8.0%	8.1%
20+ jobs	7.7%	1.9%

Source: GEM / YB (2013) Generation Entrepreneur: The State of Global Youth Entrepreneurship

Research shows that young entrepreneurs are especially active in high growth sectors and responsive to new economic trends. Young entrepreneurs are more likely to create jobs on a large scale in high growth companies. Young entrepreneurs, therefore, could potentially make a key contribution to global prosperity. For this reason, and others, it is imperative that public policy is oriented to harnessing the economic potential and creativity of underemployed young people rather than letting it go to waste.

CONCLUSION

Experience worldwide shows that the development of small scale industries is one of the most cost-effective ways creating employment spreading industry, catalyzing research and development and entrepreneurial talent to grow. To sustain the ever increasing demand and supply of products, right entrepreneurship skills and innovation are much more needed. Without new business ideas and technology to support it, no consumer demand will be fulfilled completely. Thus, innovation and entrepreneurship is the need of hour and needs to be adopted by one and all business enterprises. Innovation and Entrepreneurship is a good resource for categorizing and identifying

sources of innovation. Entrepreneur does an excellent job of organizing the key elements involved in innovation and there is a fair amount of real world examples that help others understand the concepts. Innovation and Entrepreneurship is more about creating a framework for innovation that can be used to compartmentalize current practices and shed light on their origins. To accurately point out, the least likely sources of innovation are from new knowledge and bright ideas. The insight into this alone, makes the concept well worth understanding.

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