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Assessment 1- Entrepreneurship

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1. Introduction

Entrepreneurship is a process and an ability of an individual to organise, develop and run a business enterprise by managing the uncertainty in order to make profit. This particular concept helps to pursue relevant opportunities that can provide possible ways to start a new business. Taking the important aspect of entrepreneurship into consideration, focus will be made on one of the famous British business magnates and commercial astronauts along with the founder of ***Virgin Group, Richard Branson.*** Followed by this, application will be made to relevant theoretical sources for critically evaluating the trait, characteristics, attributes and motivation of enterprise for managing businesses in a successful way. Moreover, a comparative view will be provided for profit and non-profit organisation by application of relevant examples and incorporating ideas on social entrepreneurship.

Figure 1: Richard Branson: A Timeline Of Virgin & The Man Behind The Brand

(Source: billionsuccess.com, n.d.)

1.1 Definition of enterprise and entrepreneurship

Enterprise indicates organisations or business institutions which are commonly associated with entrepreneurial ventures. Based on the views of Freebairn (2022), enterprises are small and unincorporated business organisations. The authorities of these business organisations are sole proprietors. Therefore, the main objective of enterprises is generating the profit and maximise it. Another important feature of an enterprise is that it requires business planning. In addition,

the basic functions of an enterprise are sales, marketing, human resources, finance and strategy. After a certain period of time, the enterprise can become a large enterprise with an effective marketing strategy and increased sales (Tien *et al.* 2021). Business enterprises, organisations play an important role in economic development through creating jobs as well as investment opportunities.

On the other hand, entrepreneurship defines as the process of creating or developing organisation, an enterprise. Furthermore, the individual who develops the enterprise by controlling risks, and implementing marketing strategies and management practices is known as an entrepreneur and their behavioural style is defined as entrepreneurship. In other words, "Entrepreneurship is the art of turning an idea into a business" (*Chapter 1 Introduction to Entrepreneurship, slide 6*). The main activities conducted under entrepreneurship are to gather money and people as well as other integrated resources of establishing a new venture. In the next step, the business leader or entrepreneur uses an effective business model regarding marketing and management to allocate the resources in an effective manner.

Conceptual foundation for enterprise and entrepreneurship with examples

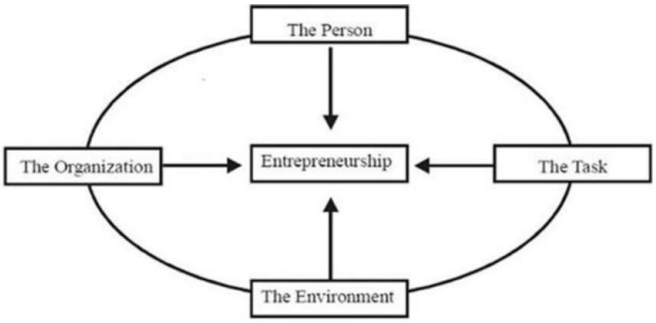

Figure 2: Conceptual foundation model for Enterprise

(Source: Influenced by Kruger and Steyn, 2021)

The conceptual foundation refers to the procedures by which a business leader or entrepreneur influenced business development. Based on the views of Kruger and Steyn (2021), the conceptual foundation model of entrepreneurship development includes the concepts such as entrepreneur skills, behaviour, knowledge and ability to implement a strategic system. The conceptual foundation model for enterprise and entrepreneurship has been highlighted in Figure 2. The main purpose of a conceptual foundation is to create a structural flow of a new venture or enterprise. Here, the entrepreneur needs to focus on the four components such as organisation, tasks, people and organisation. The community members get their position in the organisational development by using the conceptual model. For instance, CBE or "community-based enterprise" has taken great initiatives of sustainability for vehicle manufacturing

(Pradhan and Samanta, 2022). The framework conceptual foundation helps this business organisation in to engage the right people in the right tasks. The early life of a business venture, there requires funding or financing and the entrepreneur is required to identify the exact situation for funding (*Chapter 10, Getting Financing or Funding, slide 4*). Thus, the conceptual foundation model for entrepreneurship assists in identifying the critical business situation and making action plans accordingly.

2. Analysis and critical evaluation of concepts of enterprise and entrepreneurship from the perspective of an entrepreneur with literature backup

Entrepreneurship indicates the procedures of executing the business plan or project in real environment. As per the views of Nor-Aishah *et al.* (2020), positive perspective and critical thinking with the ability of future production is important in the way of entrepreneurship. However, some entrepreneur invests in only findings and avoids the context of gathering people or managing a community. Thus, the new venture or enterprise faces the issues of man forces in the way of executing the plan.

The relevant concepts and knowledge about enterprise and entrepreneurship can be considered from a range of perspectives such as a support provider or a policy maker in context to both entrepreneur and intrepreneur. As per the ideas of Henry *et al*. (2023), in order to know the importance of entrepreneurship for running a business, it is essential to focus on their attributes, characteristics and traits along with motivations. In this case, theoretical sources such as Trait theory, Economic Theory, Social Behavioural approach and many such can be taken into consideration (Week 2 Lecture 3 -Social Psychological Influence). The theories related to entrepreneurship can help to manage the dark side of entrepreneurship. Therefore, those seem to be related with lack of support, isolation and difficult reliance and the inability to control and motivate a particular situation or a workforce.

One the one hand, Trait Theory is one of the important concepts of successful entrepreneurship that deals with certain innate personality traits such as need for achievement and independence along with making enhancement to personal characteristics. The application of this theory can be done by practising to enhance one's own traits so that both professional and personal development can take place (Ahmed *et al*. 2020). The Economic Theory of entrepreneurship is all about being a risk taker of an entrepreneur by doing creativity and organising relevant resources so that accurate opportunities can be spotted (Week 3-Social Psychological Influence). The practical application of this entrepreneurship theory will help the small business owners as well as the famous founder of Virgin Group to take professional risks so that rejuvenate changes and transformation base solutions can be attained. Moreover the social

behaviour approach in relation to the idea of entrepreneurship helps to showcase the education background of the entrepreneur along with the background position with employment capability (Week 3-Social Psychological Influence). The core implementation of the social behavioural approach will help to complement the social entrepreneurship skills within small business owners and also in Richard Branson. Hence, the incorporation of relevant theories might turn out beneficial for the entrepreneur in starting or managing a business in a professional way so that in future competitive advantage can be gained.

3. Conceptual foundation to personality traits theories with examples

Trait theory is one of the popular theoretical concepts for social intensity and strengths. Another important trait is personality traits and entrepreneurs faced personal risks while in organisational development. Therefore, the personality characteristics of entrepreneurs regarding personality traits are independence, flexibility, ambiguity, energy, motivation and resilience (*Week 3, Social & Psychological Influences, slide 3*). Several personality traits theories are "Allport's trait theory", "Cattell's 16-factor personality model", "Eysenck's three-dimensional model", and "the five-factor model of personality". Therefore, entrepreneurs of both profit and non-profit can use the framework of the conceptual foundation for choosing the specific personality trait theory. For instance, resilience is one of the important components of personal traits that indicate the adaptively of leaders (*Week 3, Social & Psychological Influences, slide 8*). The theories of personality traits help entrepreneurs to find areas of improvement and design action plan accordingly.

Focusing on the core ideas of the theories related to entrepreneurship can help the chosen entrepreneur Richard Branson to compliment the core characteristics, attributes, motivation and traits of the general idea of entrepreneurship. This can help the founder of Virgin Group Richard Branson to manage characteristics, motivations, attributes and traits in an accurate way by providing ideas to small business owners. As per the ideas of De Silva (2010), in today's business organisation, entrepreneurs get motivated by the combination of push and pull motives at the start-up of business. However, it provides a desired outcome followed by some observed patterns and complementing growth stages. The practical application of the theories might help to manage start-up business of new business owners along with providing ideas to renowned entrepreneurs regarding the process of managing business operations effectively (Aldianto *et al*. 2021). Followed by the theoretical frameworks, the traits, characteristics, attributes and motivations of Richard Branson will be put to focus as an essential part of Virgin Group. In general, entrepreneurs' traits include having an effective leadership approach along with creativity and resilience that can help to make accurate decisions through fruitful

communication. Besides this, the characteristics of an entrepreneur is all about having social skills by remaining open-mindness so that risk taking ability can be showcased along with relevant knowledge (Rosado-Cubero *et al*. 2022). Moreover, the attributes of an entrepreneur include being innovative and working hard by remaining passionate that further complements their motivation aspects. However, those motivations include relevant factors such as freedom, impact and control that stimulate their desires and activate enthusiasm. Hence, in order to become a successful entrepreneur, it is important to rely on some effective traits, characteristics, attributes and motivational aspects.

Figure 3: Big Five Personality Traits: The 5-Factor Model Of Personality

(Source: Lim, 2023)

4. Critical evaluation of traits, characteristics, attributes and motivation of entrepreneurs

4.1 Traits

The traits of the entrepreneur of Virgin Group, Richard Branson are directly related to leadership skills. Some important traits of this entrepreneur are **the ability to critical thinking, diligence, close losing ability, positive mind-set, detailed exploration approach**, and willingness to succeed (Entrepreneur.com, 2017). Based on the case analysis method of Virgin Group, the traits of Richard Branson is always being negotiable and giving importance to action over hope by developing people and remaining creative. The most important trait is **innovative** and **risk taking.** On the other hand, the characteristics of this famous entrepreneur include

remaining original, having daredevil ideas and willingness to buck norms and persistence (Cnbc.com, 2017).

4.2 Characteristics

In the context of characteristics of the CEO of Virgin Group, Richard Branson is **self-confidence, motivation, authenticity, Innovative mind-set locus of control, and openness. Besides facing** various kinds of **failures**, he is known for his luck, **speed** and **hard work** that made him reach towards a renowned position compared to other entrepreneurs. This can be done by the incorporation of both external and internal resources or through strategic alliance so that effective growth to the business and towards the skills and competencies of the entrepreneur can be made.

4.3 Attributes

This particular entrepreneur is known for his **locus of control, openness, authenticity and motivation**. All these can be taken as the core attributes of Richard Branson. Moreover, the motivation of the founder of Virgin Group is all about having the **desire to never stop learning** and creating products that can make a real difference to the world and in people (Blog.iqmatrix.com, 2023). Adaptability and learning agility is crucial; **Branson has ability to shift smoothly across different business.** However, Richard Branson has also taken the wrong turn in this entrepreneur journey and has also made miscalculations that have made him suffer from pandemic situations (Entrepreneur.com, 2017).

4.4 Motivation

All the identified characteristics, attributes, motivation and trait factors of a famous entrepreneur can be related to the entrepreneurs of small business owners which can be possible by making practical application of the identified theories. With projects like the **Virgin Earth** Challenge, Branson has demonstrated a **dedication to social impact** that goes beyond just financial benefit it shows motivation to impact society positively. According to the views of Mishra and Zachary (2015), the theories of entrepreneurship mainly deals **with value-creation theory** that helps entrepreneurs to formulate ventures in an accurate way that develops the desire for entrepreneurship based rewards process. Hence, drawing on theoretical sources a critical evaluation has been made to the characteristics, attributes, motivation and traits of Richard Branson that can help to provide relevant knowledge and concepts related to business owners and enterprises.

4.5 Conceptual

Branson's enterprises epitomize an innovation ecosystem, characterized by the fusion of risk-taking, adaptability, and ingenuity. **Innovative ecosystem** prominently cultivates disruptive thinking, enabling entrepreneurs to venture into uncharted domains, as evident in Virgin's diverse initiatives spanning music and space travel. Complementing this, Branson's **value-centric approach** underscores the paramountcy of consumer value. Virgin's commitment to exceptional customer experiences underscores the creation of value that transcends products alone, underscoring the indispensable role of customer-centricity in nurturing entrepreneurial success.

5 Conceptual foundation for for-profit and non-profit small organisations with examples

The conceptual foundation framework or model states the requirements of business leaders or entrepreneurs including depth perception and views. Based on the views of Awan and Sroufe (2022), the model of a conceptual foundation regarding management involves the concepts like organising, planning, and monitoring business problems. Therefore, the main aim of a for-profit business small organisation is to generate profit. The conceptual foundation for "for-profit" business organisations indicates the area of funding. In addition, this model helps the for-profit business organisation in observing the trends.

For instance, **Fourex is a for-profit** small self-service currency exchange business organisation in the UK that can use the model of the conceptual foundation for findings the currency trends (Eu-startups.com, 2023).

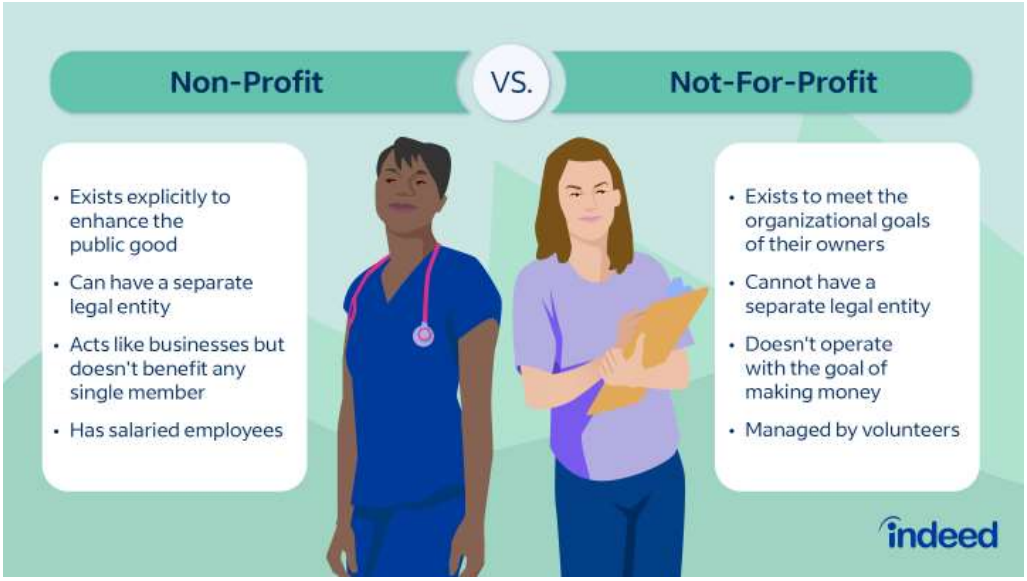

Figure 4: For-Profit vs. Non-Profit Organizations: Key Differences

(Source: Indeed, 2023)

On the other hand, the main aim of a non-profit business organisation is to serve society and invests in creating a peaceful community in future. The conceptual foundation supports non-profit business organisations to increase funding by gathering more people.

For instance, **NSPCC is a non-profit** business organisation that works for protecting the children of the UK (Nspcc.org.uk, 2023). Hence, by using the conceptual foundation, this NGO can promote the flow of intervention. They emphasis on social impact rather than financial profits.

6 Critical analysis of entrepreneurial values and beliefs in "for-profit" and "not-for-profit" small organisations with application

Social entrepreneurship is all about the application of relevant principles and guidelines that are mainly used by start-up founders or entrepreneurs. However, this can be done by applying social entrepreneurship based factors to their businesses that can generate social change and can have an impact on social causes.

For instance, Richard Branson is highly known for managing his product based organisation; however, it is also connected with non-profit business that showcases his contribution to social wellbeing. As per the ideas of Kannampuzha and Hockerts (2019), the traits, characteristics, attributes and motivations of social entrepreneurs differ as per profit and non-profit based organisation. In this case, Virgin Group can be taken as a part of a profit organisation, whereas organisations like NGO based are taken to be non-profit organisations. Therefore, both are different in terms of business operations and management of resources along the financial infrastructure that further highlights the different approaches of leaders belonging to profit and non-profit organisation in a respective way.

The differentiation of profit and non-profit organisation is all about profit-based organisation aims to make direct and indirect profit by selling the goods and services to the potential customers. On the other hand, non-profit organisation targets to sell their products and services mainly through donation, subscription and membership fees and does not include any kind of personal based profit making (Tripathi, 2023). In this case, any kind of NGO or charity based organisation is taken to be a part of a non-profit organisation, whereas Virgin Group can be considered to be a part of a profit based firm. According to the views of Lukes and Stephan (2012), there is a huge difference between leaders of non-profit organisations and profit organisations followed by different entrepreneur based motives and traits. The leaders of non-

profit organisations are known for creating and discovering along with exploiting opportunities in order to gain social and economic benefits. For instance, non-profit organisations such as Virgin Unite, is one of the known non-profit foundations that was created by Richard Branson in 2004. He has contributed to this particular non-profit organisation along with 35 charities and also supported 28 causes such as gender equality, LBTQ rights, climate change and environmental conservation (Marketrealist.com, 2021). This kind of contribution of the chosen entrepreneur showcased that Richard Branson has contributed half of his fortune to charity and many such numerous organisations through a high amount of donations. It is taken to be an ethical and innovative initiation of the chosen entrepreneur that compliments his roles and responsibilities of being a part of both non-profit and profit organisations at a time. Hence, in order to be an efficient leader, it is important to think of external wellbeing rather than own profit and success that seems to further complement the capabilities and skills of an entrepreneur.

Followed by the differentiation between profit and non-profit small organisations, a comparative view point has also been found regarding the differentiation between leaders.

Both these kinds of organisations complement the modern fashion aspects of entrepreneurship by meeting the social and environmental needs. However, in order to be a part of the competitive market and to hold on to the efficient position of an entrepreneur, it is important to take care of both the profit and non-profit organisations. It is because contributions to own success as well as towards the social and environmental are taken to be the ethical approach of today's business world (Kamila and Jasrotia, 2023). This kind of initiation highlights the skills, competency and knowledge of an entrepreneur that further complements the motivational aspects as well as the attributes of an entrepreneur. For instance, the non-profit organisation of Richard Branson is highly been known for the donations and contribution that it does towards the society and environment. This kind of step as an entrepreneur might help Richard Branson to become one of the best global business leaders. However, for this, it is essential to take the support of experts or else ineffective results can take place. Besides this, the leaders of profit based organisations aim to deliver effective services and results for which various kinds of challenges seem to be faced by them (Cortellazzo *et al. 2019*). On the other hand, the leaders of non-profit organisations aim to develop the society and environment as their primary goals. In this case, the incorporation of relevant leadership approaches can be taken into consideration by implementation of the core aspects of social entrepreneurship so that the values and beliefs of an entrepreneur can be complemented well.

7 Conclusion

Followed by the above discussion, it can be summed up by saying that in order to be an efficient leader in this era of globalisation, it is essential to rely on some entrepreneur based theories and frameworks along with strategies and techniques. This kind of initiation may help entrepreneurship new and small businesses along with Richard Branson to make effective innovations in their business organisation so that success and competitive advantage can be gained. This can be done by making practical applications of the identified theories of entrepreneurship that will provide ideas regarding the core concepts and knowledge of entrepreneurship. In this case, the characteristics, attributes, motivations and traits of entrepreneurs were found to be discussed along with focusing on one of the famous global business leaders or entrepreneurs named Richard Branson.

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