

Entrepreneurship LCMB7004

ASSESSMENT 1

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Introduction

Entrepreneurship is the process of developing, organising and running a new business for generating a profit by avoiding financial risks. Entrepreneurs focus on finding new opportunities for business besides taking advantage of those opportunities for making a profit. The current assignment has focused on identifying the differences between enterprise and entrepreneurship from different perspectives such as entrepreneur, support provider, entrepreneur or policy maker. Moreover, an analysis of entrepreneurial traits and characteristics has been performed to understand the decision-making procedures of entrepreneurs. A critical examination of entrepreneurial motivation factors has been performed along with the identification of entrepreneurial attributes. Finally, a distinction between ‘for profit’ and ‘not for profit’ small organisations has been performed considering entrepreneurship values and beliefs.

Enterprise and entrepreneurship distinctions: multiple perspectives

Enterprise	Entrepreneurship
• An enterprise is an organisation that is established in order to generate profit	• Entrepreneurship is the creation of new ventures considering the market opportunities
• Enterprise can be of large, small or medium in size	• Entrepreneurship can take a variety of forms starting from a small organisation
• Such organisations can operate in different industries such as finance, manufacturing, retail and technology (Fernández-Laviada <i>et al.</i> 2020)	• Entrepreneurship mainly focuses on innovation and creativity
• Relatively lower risk	• Entrepreneurs take up more risks compared to enterprises (Putniņš and Sauka, 2020)

• Predictable growth	• Growth is unpredictable
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Table 1: Distinction between enterprise and entrepreneurship

The above table has presented different distinctions between enterprise and entrepreneurship that include factors like risk, growth, size of organisations and innovation capabilities. A detailed description of these factors is as follows:

Risk: Entrepreneurs tend to take a greater level of risks as compared to enterprise owners as they are responsible for funding their business (Putniņš and Sauka, 2020). On the other hand, the financial foundation is stable for enterprises with the availability of investors in the marketplace.

Size: Enterprises are more established and stable as compared to entrepreneurial businesses as they possess more resources. Moreover, proper infrastructure is present for such companies while entrepreneurs need to start their business from scratch with just a few employees. Entrepreneurial businesses grow gradually over time by developing infrastructures.

Innovation and control: Entrepreneurial firms are often driven by a desire to make a product innovative or develop a brand-new product to attract a new base of consumers. On the contrary, enterprises focus on optimising their existing system and process (Dey *et al.* 2019). In addition to this, enterprises have lesser control over the business processes as compared to entrepreneurs. This is because entrepreneurs make all the decisions for business and have better flexibility in making decisions compared to enterprises, where different people are involved in making decisions. The enterprise owners need to answer stakeholders about a single decision and for this reason, they need to adhere to an established procedure and process of making decisions.

Growth: The prediction of growth is easier for enterprises as they can use the available resources and customer base to achieve growth (Fernández-Laviada *et al.* 2020). Contrary to this, the growth of entrepreneurship is unpredictable and they may experience either rapid growth or even failure as they can seek to establish their business in the competitive marketplace.

Critical evaluation of entrepreneurial characteristics

Entrepreneurs have various characteristics which have been responsible for developing the overall business. Entrepreneurial characteristics have been responsible for an entrepreneur to become successful in the market. Discipline has been one of the effective entrepreneurial characteristics as the self-discipline of an entrepreneur has been responsible for becoming successful. As opined by Essel *et al.* (2019), entrepreneurs with low human capital have been

able to be improved through training and human capital can be developed through entrepreneurship training. Curiosity and creativity have been also effective characteristics which have been responsible for the success of entrepreneurs. Entrepreneurs have mainly focused on taking risks in the business as that can be helpful for developing their business more than to their competitors. Entrepreneurs mainly always have a plan which has been one of their effective characteristics. The motivation giving and confidence of entrepreneurs have been effective as that helped to develop their businesses of them. As argued by de Macedo Couto and Brandespim (2020), the evolution and adaption of pathogens prevention have been able to receive enhancing attention from policy-makers. Communication has been one of the effective characteristics of policy-makers which helped them to become successful and wide and varied knowledge has been also an effective characteristic of policy-makers.

Honesty and willingness for trying new and innovative things have been effective entrepreneurial characteristics which have been responsible for developing the business of the entrepreneurs. Vision and passion for starting a new business have been also effective characteristics which have been responsible for developing the overall business of the company. Entrepreneurship and policy-makers have been able to communicate properly and they have the skills to accept criticism which has become an effective characteristic of them. They have been competitive and ask for help willingness and empathy among them become effective. Entrepreneurs who mainly have been committed to the first promising route leave the start-ups mainly vulnerable to competitors (Hbr.org, 2023). Good-decision making ability of the entrepreneurs has been responsible for developing their all-new businesses of them. For example, Sam Walton has been a successful business management and he has mainly known for founding retailers such as Walmart and Sam's Club.

Analysis of entrepreneurial traits

Entrepreneurial traits have been considered as one of the practices that consider characteristics, though patterns and abilities of an entrepreneur in order to achieve all success. Some of the entrepreneurs have been born with these traits and some have been developing these traits by gaining more knowledge and experience. Successful leadership has been one of the effective traits of entrepreneurs as successful leaders have been made not born. Strong leadership qualities have been responsible for developing the new start-up business and entrepreneurs can be able to lead workers through their effective leadership qualities. For example, Mojhed Alfred has born

as a poor Syrian Bedouin and then he buys a Dutch rival for enhancing the business size and become the French entrepreneur of the year (Bbc.com, 2023). High-self motivation has been also an effective trait of entrepreneurs as motivating their own challenges can be easily addressed by them and they can be focused on solving the challenges. Self-motivation also has been responsible for giving an entrepreneur confidence and performance can be easily developed by it. A strong sense of basic ethics have been responsible for entrepreneurs for becoming successful and it has been one of the important traits as by following ethics entrepreneurs can be able to win people's heart.

Motivation is an important trait of entrepreneurs and this is helpful for supporting the inaugural business. This skill helps the investors to take risks and the managers to start a new business. In this regard, the confidence of the entrepreneurs is helpful in supporting the policy-making process. The challenges of entrepreneurship are mitigated by innovative approaches (Nambisan *et al.* 2019). The high confidence of the entrepreneurs provides support to business and this makes an organisation resilient. This resilience trait also reduces the recovery time of an organisation and helps to maintain business continuity. Innovation is also an important trait of entrepreneurs; this helps them to select strategies for the expansion of the business and the identification and creation of the potential workforce for supporting the business effectively.

Critical examination of entrepreneurial motivation factors

Few of the entrepreneurial motivation factors can be counteracted as achievement, learning and independence with respect to autonomy, financial success and word recognition. In the case of ***achievement and learning***, both the entrepreneur and entrepreneurs are with different attributes. While an entrepreneur may be motivated by solving the challenges in their business, the entrepreneur may be motivated by providing the resources and putting in the desired input for making the business successful. For example, under the entrepreneurship of Roger Enrico to bring up new product ideas, the entrepreneur, Richard Montañez provided the idea for Cheetos with a chilli flavour touch, which earned success. Here it can be related that the motivation for the entrepreneur was related to raising his businesses through new product development while the challenge for an entrepreneur was to provide his ideas and uplift the business idea for growth (Latimes.com, 2021).

Another motivating factor can be counted as ***recognition and status***, which holds different definitions for entrepreneurs against an entrepreneur and other business owners. In the case of an

entrepreneur, the recognition factor comes into play during their search for opportunities within the existing market for growing their business or start-up. On the other hand, motivation for the entrepreneur stands as the support received from the entrepreneur to continue the projects set for targets. A barrier-free work environment with leverage to being offered incentives and rewards can trigger motivational attributes. Similar instances can be seen in the case of small business owners and policy-makers as well when they are provided with the desired recognition thus driving their urge to support the enterprise in concern.

In another direction, **community and social motivation factors** also come into play for entrepreneurs and small business owners besides policymakers as well. For example, small business owner Karen Williams from Buddy bag foundation earns motivation through doing charity by donating luggage to children under emergency care (buddy bag foundation.co.uk, 2023). On the other hand, entrepreneur Cemal Ezel, founder of Change Please tackles homelessness issues via their coffee brand. Thus, it justifies the entrepreneurs and small business owners to be satisfied with the support gained from society by their deeds, driving their motivational factor. Furthermore, the motivation directly links to their success, providing them with the optimal opportunity to stand out amidst the market and showcase their skillets, while gaining the desired recognition.

Thus, overall as an entrepreneur, it can be counteracted that achievement and learning in turn drive entrepreneurial motivation in various formats. In turn, societal support in return for favouring their activities and contributions motivates them to sustain their work as well as grow on an appreciable scale within the market dominated by competitors as well. Irrespective of entrepreneurs or other business owners, the motivational drive works out through leveraging their work satisfaction within the working fields.

Identification of entrepreneurial attributes

The entrepreneur has been one of personality with a passion for creating something new with more new and creative ideas. For effective entrepreneurial leadership, there have been some attributes or characteristics that have been required. **Innovation** has been considered one of the most important attributes of entrepreneurial leadership. It has been an important aspect for every individual human being to differentiate each other and successfully differentiate from other personalities has helped to become one of the most successful entrepreneurs (Cui *et al.* 2019). Bill Gates, one of the most successful entrepreneurs in the world, has been offering new products

with a new version or with new upgrades which eventually makes Microsoft one of the most successful companies in the world. One of the most important entrepreneurial attributes ***is not being afraid to take chances*** with new and innovative approaches.

All the most successful entrepreneurs in the world have been achieving success by taking more chances with their innovative and creative approaches. Henry Ford is one of the biggest examples of being a risk taker and achieving all success (Bbc.com, 2023). There have been many market-leading automobile companies operating in the market when Ford entered. With its ***risk-taking ability***, it has now become one of the most successful and leading automobile companies globally. In order to make the business successful, ***managing the team and each team member*** has been one of the most important attributes (Nogueira *et al.* 2019). A good, effective and productive team has been considered one of the success factors for a company. An entrepreneur has come up with many innovative and creative ideas in the world, although it will not help the company to become successful until the ideas have been implemented with effectiveness. Innovation and risk-taking ability have been important entrepreneurial attributes when both components have been met with ***passion***.

A passionate soul has been considered the most successful personality. ***Passion has acted as a foundation of a successful business*** and most of the most successful entrepreneur business leaders have been passionate enough to achieve everything and make their companies one of the top businesses in the world.

Distinction between “not for profit” and “for profit” organisations

The below-attached table highlights the key points of differentiation between not-for-profit and for-profit small organisations.

For-profit	Not-for-Profit
• The generation of high revenue is the motto of the entrepreneurship	• The objective of entrepreneurship is aligned with the benefits of the society
• Personal desires and organisational objectives are prioritised	• The concern for society and social development is prioritised
• Service is offered to individual groups	• Service is offered to the community and

and targeted customers	overall society
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Table 2: Differentiation between for-profit and not-for-profit organisations

(Source: Self-created)

The extent of the entrepreneurship and the objectives of the entrepreneurs are identified with the differentiation of these organisations of the above-mentioned category. It can be identified that the interest of the entrepreneurs is linked with revenue generation regarding for-profit organisations. On the other hand, entrepreneurs prioritise social needs and development perspectives in investing towards the not-for-profit organisations. For example, providing support to amateur musicians, developing music and the creativity of society are addressed with the entrepreneurship associated with a non-profit organisation in the UK such as Finzi Trust (Geraldfinzi.org, 2023). The positive extent of the leadership of entrepreneurs is massively relevant in managing for-profit organisations in the competitive environment. For example, the entrepreneurship of Steve Jobs has been effective in the enhancement of the business done by Apple in the global platform (Hbr.org, 2023). The exceptional ability of policy making by the entrepreneurs and the effectiveness of the decision-making are the relevant factors success of an organisation.

The belief of the entrepreneurs is an essential factor for success in the business. The self-belief of the entrepreneurs helps to increase the motivation of the workers and this helps in attaining the organisational objectives effectively. As mentioned by Wang *et al.* (2022), entrepreneurship is essential for supporting the business environment and this also ensures the enhancement of the extent of the business. The ethical values of the entrepreneurs motivate them to focus on the enhancement of the non-profit business. In this regard, safety to society and the avoidance of harmful aspects of the outcomes of business are the basic characteristics of entrepreneurs regarding investment in the non-profit sector. This depicts the high morale value of entrepreneurship not for generating organisational benefits but also to make the consumers benefit effectively.

Conclusion

From the above report, it can be concluded that entrepreneurship has been one of the most important processes and practices for companies to become successful. This study has been identifying the different perspectives between enterprise and entrepreneurship by evaluating all

the major aspects and components of enterprise and entrepreneurship. It has been concluded that enterprise has been one of the practices of a company in order to gain more profit and entrepreneurship has been in practice that brings many new market opportunities for a company through identifying the market risk. It also has been concluded that entrepreneurship has some of its attribute's innovation and passion have been two of them.

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