

Entrepreneurship

LCM B7004



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CONTENTS

1. Introduction	1
2. Definition	1
3. Theories of Entrepreneurship	2
3.1 Economic's Theory	
3.2 Socciological Theory	
3.3 Innovation Theory	
4. Characteristic of Entrepreneur	3
4.1 Motivation	
4.2 Passion	
4.3 Confidence	
4.4 Open Vision	
5. Profit and no Profit organizations Linking with intreprenuer	4
6. Conclusion	5
7. Bibliography References	6

Introduction

Before I will process to get start on the main idea of this Assestemnt I will describe firstly, as is logical, I will give a broad definition of what represents the individual (entrepreneur) linked to a general vision of the concept in itself from which the entrepreneur derives, then I will detail the different theories surrounding the entrepreneur from which I will obtain the characteristics or key points that every individual as an entrepreneur must maintain to be brilliant and obtain a successful results, and finally I will close up the report by a brief resume of everything and adding my own point of view.

Definition

To begin our examination of the subject matter, I must start from a general overview and then focus on the person or individual who undertakes or founds the business with the intention of bringing about a change in society or filling a need that no one has considered before and which will make him or her a new point of view for the next generation.

On this basis, let us proceed to the definition of the activity called entrepreneurship, over this general term are a lot of theories that tried to get the meaning of entrepreneurship but they are all different as they are attempts from different perspectives that I will describe later on, but as there is an author who unique definition by answering the main questions that any definition needs to answer as What, where and how, from the answer of this question Stevenson[Definition of Entrepreneur] has answered them to the following definition as the activity where the entrepreneur create a new business by taking all the risk to make it successful or failure.

And to end up this chapter and clarify who is the entrepreneur I can define it as the person who carries out, as I have said before, the initiative of a business with all that this entails, i.e. the risks and benefits obtained from his or her business.

Theories Of Entrepreneurship

After a deeply introduction and definition the mainly matters that I am analysing let's bring different theories that will help me to improve the knowledge of entrepreneurship and then to create a clear vision of the entrepreneur, this is the reason to study the different points of view that the authors have of entrepreneurship.

Economic's Theory

This one is it was the first time that the term entrepreneur appeared, this theory was promoted by [Economic Theory] from whom the definition of entrepreneur was derived, for him society was divided into two groups, on the one hand there were those people who had a fixed salary and earnings with insurance against risk on the other hand there were those he called entrepreneurs in which their economic position was not fixed as it depended on the results of the activities they developed, which placed them in a place of uncomfortable risk.

From this theory we have taken as an innovation within Adam Smith's theory of economics the idea that Cantillon has embodied in his theory that by grouping together entrepreneurship, entrepreneurial risk-taking and creativity can be taken as the driving forces of the economy which in turn increase productivity.

Sociological Theory

Over this theory is included all the factors around the environment of the entrepreneur that can be influenced to those roles as entrepreneur, those factors can be categorized into 4 different perspectives; first, the contextual perspective is focused on how the material and cultural environment can influence your entrepreneurship, secondly the behavioral perspective which examines the structure and the process of entrepreneurial activity, third the constructive perspective which addresses the effects of entrepreneur decisions have to the organizational start up, an industry a community as a whole, finally the ecological perspective that delivery the direct impact of the material and cultural environment on economic and institutional development, considered apart from the actions of individual entrepreneurs.

Innovation Theory

The Schumpeter's Theory [Innovation Theory] is a relevant theory that has started get relevant by the 20 century with the most important contributions to the economy by the definition of the term innovation for Schumpeter is something unusual that include few aspects that any entrepreneur need to cover to make the innovation a real way to make a profitable business that is why the innovation should include any of the following elements:

- Launch a new product or new species of know product
- Application of the new method of production or sales
- Acquiring of new sources of supply of raw material
- Opening of Newmarket
- New industry structure as creation or destruction of a monopoly position.

Characteristic of Entrepreneur

Every single successful entrepreneur or anyone new that is trying to achieve a new business needs to has a mindset[Characteristic Entrepreneur] that will approach their ideas to a profitable business to live by, following this idea and continuing the previous all the entrepreneur need to cover valor or characteristics to make their dreams come to the reality, in other words, to make possible their goals then I will describe all the most relevant characteristic to make a clear idea how the entrepreneur needs to be successful.

There are much good quality or Characteristic that anyone as a human being can have with them or can be developed for your own goals but as an entrepreneur, only a few characteristics are basics to grown up into the business that is why I will describe those are priority to make your way and a deeply analysis that in my vision will make the difference between a successful entrepreneur and unsuccessful entrepreneur.

- **Motivation:** Into this Covepts It is the main idea of your business as cover the ting that you will put many effort and hours to make your dream come to reality in other to make a business profitable, that is why at

the beginning all the entrepreneurs need to eliminate all the distraction around them to make their outline tactics to achieve their goals, in this point the keyword makes daily goal instead of Long term goals.

- **Passion.** At the beginning of any single entrepreneurship activities, you will have to find something that you have an appreciation for it, which means you must love what are you doing which will help you out to be determined and perseveres through all the ups and down that all the business need to go during the way until a successful journey where you will have to keep working to satisfied all the expectation that your customers expect from you.

- **Confidence** By confident I am including two principal in one hand I will include the main one which beliefs in you and then secondly as an entrepreneur you always has to know that your products, service or whatever activity that you are involved with is the best that you can do It means you will no compare with other as your idea is the best of you.

- **Open Vision** Into this characteristic will have to include different points of view to make possible different ways to improve your current systems and processes by integrated all the views that everyone has regarding regards to achieve the immediate goals.

Profit and Non profit Linking to the Entrepreneur

Any entrepreneur that decides to step up a new organization needs to decide if It will be a non-profit organization or contrary they decide to generate a profitable company, both business visions can enter or adjust within the concept of entrepreneurship with the main difference that in the profit ones the entrepreneur what they look for is to generate an economic benefit which is their main goals, however in the non-profit ones the entrepreneur what they look for is to help the society without any economic objective or targets.

Following general definitions of Profit and non-profit organizations for now on I will break them out and linking them with entrepreneurship since the theory of Schumpeter they are a lot authors that are given new ideas of entrepreneur and making the distinction between the social entrepreneur who are connecting to no-profit organizations and the business entrepreneur whose are unique to the profit side of the organization, respect to the economic side the meaning of entrepreneur is being defined with the unique goal that to make a benefit or product it but recently other authors have introduced to it the new idea of Social responsibility entrepreneur that force the business to make a compromise with the society. On the other side of the entrepreneur, there is the social entrepreneur where the authors do not have a consensus or same idea to share, but there is a point where more of them coincident that's the

innovation idea where the business and social entrepreneur share the same vision but with a different end, by different end I mean the idea that Masseti [Non Profit] did introduced which is how the interpreneur use the economic benefit which are coming from his activity, in one side the bussines enterpreneur will use them to make riches their owner or accionist and then the social enterprener that use it for a social cause.

At this point to make more clear different between a non profit and profit bussines, In one hand there the ONG or organization no governamental which are doing differents activities with the unique socials goals that is help the people around the worl who more need help and then on the hand there the firm who are being create to generate profit in the form of money which in most companies goes to the owner or shareholders, but as in the case of inditex, which donates every year to health services in order to contribute to the fight against certain diseases.

Changing the point of view that I was describing previously I will emphasize one of the characters that all the entrepreneur needs to have to set up a new business idea which is the motivation where the literature is distinguished two kind of entrepreneur, in one side there is the opportunity entrepreneur who starts the business because they find out a way into the market where they can make it successful and in the other hand the needs entrepreneur who does not other options to survive so they need to jump into the something to make a way to live however at the social entrepreneur there no two groups of entrepreneurs but I can dividend between the ones who do his activity to create new valor for the society and the other who get involved as a way to fit their own needs.

Conclusion

Putting all the work that I have done together I will get a recommendation to conclude and close the assessment or report, from the definition of the two main words (Entrepreneurship and entrepreneur) that I have treated, I have got the idea that anyone who wants to make a change on his/her life needs to set up few things on your mind that approaches your thoughts to a successful business, in other words, every single individual entrepreneur needs first to make a deep research to get the best information and knowledge that will bring to your future goals It means as much work you have done at the beginning will make a establish basic that will help to build your business and growth it to a healthy and successful future, another element or tips that will make a difference is to have a business plan where you should plan which steps will be next to provide enough investment to make it a reality.

However and following the line that features in the assessment anyone who is planning to become an entrepreneur from my point of view need to have a clear idea of the business which is going to run and responsibly from the day that he or she decides to start up and make part of their personality as it will be the main thing to carry but always within the positive thing to be successful but never leaving away the idea to fail which can be the key for the future venture that the entrepreneur will do until the time when he or she will make it a successful business.

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