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ENTREPRENEURSHIP

Adam Smith :- According to Adam Smith it is about establishing an organization for commercial purpose. It involves supplying capital and managing the business between labour and consumer.

Peter Drucker :- Entrepreneurship means application of innovation and creativity to find or create a resource for economic growth.

A.H. Cole :- It is the purposeful activity of an individual or group of people undertaken to initially maintain or earn profit by production of goods and distribution of goods and services.

Characteristics of Entrepreneur

Responsible (10) Effective Communicator

Risk Taking (11) Motivation

Creative (12) Vision

Passionate

flexible

Decision making

leader ship

Self confident

Optimistic

Motivation:- Entrepreneurs are by nature motivated after they put in long to get their aim and invest large amount of money to become what they are and despite of their hard work. They know that there is a chance that they will be chance of down fall.

Passion:- Passion is another characteristic of an entrepreneur so that they will be also motivated to their goals.

Flexibility:- An entrepreneur should be flexible and open to change according to the situation. To be on the top of business person should be equipped to embrace change in the product and service as and when needed.

Ability to take risk:- Starting any new business involves considerable amount of failure risk. An entrepreneur needs to be courageous and able to evaluate and take risk which is an essential part of being an entrepreneur.

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* Entrepreneur :- It is an individual with an exclusive idea to initiate something new and have ability of bringing a change in the world. An entrepreneur is a highly motivated and creative individual who is willing to take risk and face situation.

* Intrapreneur :- He is a person who works at a company that someone else has founded. His input in the company is that they embraced innovations and creativity.

Difference

Entrepreneur

- 1) An entrepreneur's motive is to bring change to the world.
- 2) They are innovative in nature.
- 3) Entrepreneurs are willing to take risk.
- 4) They focus on long term profit.
- 5) They face low competition for their business.
- 6) They are founders of a company.
- 7) Entrepreneurs operate activities using innovative methods.
- 8) They take high risk.
- 9) They have time boundation.

Intrapreneur

- An intrapreneur's motive is to grow a business and make it better.
- They are less innovative than entrepreneurs.
- They are less willing than entrepreneurs.
- Their goal is to get appraisal, appreciation and promotions.
- They face high competition in the market.
- They are employees of a company.
- They use entrepreneurs skills.
- They have less risk than entrepreneurs.
- They have time boundation.

* Benefits of Entrepreneur

- Ability to set their own schedule.
- Freedom to pursue passion and interest.
- Opportunities to generate unlimited income.
- Ability to create multiple schemes of income.
- Freedom to bring creative ideas to life.
- Opportunities to learn new skill and expand knowledge.
- Experience overcoming challenges and obstacles.
- Ability to make a positive impact on employees of
- Opportunities to live a fulfilling

high competition
market.

employees of

entrepreneurs

less risk than

boundaries.

Scope of Entrepreneurship

i) Global - Some of opportunities that the global market place provides for entrepreneur are

A) A larger and more diverse customers base. By entering the global market entrepreneur can tap into new segments of customers who may have different need, preferences and behavior than local market. This can increase the demand and profit ability of their product or services. For example air BNB.

B) Access to new sources of capital, talent and innovation's. A global market also offers entrepreneurs the opportunity to access new forms of financing, human resources and knowledge that can help them to grow and improve their business. For example entrepreneurs can raise funds from foreign investors, higher skilled workers from different countries and collaborate with other innovators. For example Spotify. That is originated in Sweden had raised over \$2.6 billion dollar from Europe, Asia and US and had over 4000 employees from 90 different countries.

C) Exposure to new trends, technologies, best practices etc. Another benefit of the global market

that development in different can help success of technology the right and have when it

The global market is becoming the main channel of entrepreneurs. They may have weaknesses, regulations, new advantages, streaming 190 with in India

→ with a barrier market to diff

The global market are countries base market entrepreneurs of customers need, pre form local market demand and product or

capital, talent market also offers to access new resources and them to grow for example from foreign from different in other innovation originated in 2.6 billion and US and 90 different

logies, best price global market

it that it exposes an entrepreneur to new development and changes that are happening in different parts of the world. This can help them to learn from the success and failure of others adopt new technology and tools for example uber, a ^{ride} ~~right~~ hailing company that started in US and has expanded over 60 countries and has incorporated new features like uber eats, uber health etc.

The global market also poses some challenges
 → increased competition which is one of the main challenge of the global market because of increased no. of competitors that entrepreneur have to face. These competitors may have different strategies, strength and weaknesses, may have different rules and regulations. This makes it harder for entrepreneur to gain and maintain a competitive advantage. for example Netflix a video streaming services that operates in over 190 countries and region has to compete with local players such as Hotstar, in India, Jo cinema, JioTV in India, Hulu in US.

→ ~~full~~ cultural and language difference and barrier. Another challenge of the global market is that it exposes entrepreneurs to different culture and language norms

and expectations that may affect their business operations and outcomes.

- logistic and operational challenge. A third challenge of global market is that it introduces same logistic and operational difficulties for entrepreneurs who want to deliver their products or services to their customers or services in different location.

★ Scope of Entrepreneur of local market-

- Locational advantage
- Diversification in allied and non-allied activities. (वैविध्य में वृद्धि)
- Government policies & benefits.
- Understanding local traditions, Convention & practices.

★ Setting up of a new Enterprise

- Generation of idea. प्रस्ताव
- Conduct market research. अनुसंधान
- Write your business plan. योजना
- Find your business location. स्थान
- Pick your business location — Simple
- Choose a business structure — Registered
Partnership / Proprietorship / Private Ltd

affect their
comes.

A third
is that it
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Convention 8

Enterprise

and

Simge
Registration
/ process

- Choose your business name
- Register your business
- Get federal and state tax id.
(Employer identification No. [EIN])
- Apply for license and permits.
- Marketing and advertisement.

* Traits of Success - Entrepreneurs

- i) Initiative :- The ability to turn ideas into action through creativity, innovation and risk taking as well as to plan and manage projects.
- ii) Independent :- An entrepreneur is independent to make their own decision for their business without any input or approval of others.
- iii) Decision function :- To be successful an entrepreneur has to make difficult decision and stand by them. As a leader they are responsible for guiding the employees of their business, including funding and strategy for sale and services.
- iv) Team work :- Team work in entrepreneur is important when a group of people

work together to achieve a common goal such as developing new products or services.

v) Persistence:- The ability to keep pursuing a business or continue positive maintenance of motivation and new ideas for the betterment of their business to achieve the required business goal.

vi) Persuasion:- It is the ability to convince others to join your company support your ideas and help you to reach your goals. It is a powerful tool for entrepreneurs which means the key to success.

vii) Information Seeking:- The process where entrepreneurs actively identify, search for and acquire relevant business information to guide their decision making strategy and operation within their business.

viii) Commitment to network:- This is a formal agreement which include within a business partnership, founder agreement, customer & seller agreement. The keeping of an

entrepreneur work or promise. An entrepreneur keeps his promise of changing affordable price and selling good quality products.

CT

★ SWOT Analysis

- ↳ Strength
- ↳ Weakness
- ↳ Opportunity
- ↳ Threats

SWOT Analysis:- It is a strategic planning tool used to identify and evaluate the strength, weakness, opportunity and threats associated with a business or a project. A SWOT analysis chart visually organizes these elements making it easier to analyse the current situation and plan for the future.

Components of SWOT:-

- 1) **Strength:-** Strength can be the super powers that your company owns and the areas where it has truly excelled. Strength helps your company to grow continuously. Identifying these strengths is similar to recognizing the extra ordinary abilities that set your business apart from the

Competition.

2) Weakness

Weaknesses are the areas where your business experiences or faces challenges. Weaknesses may be due to outdated equipment, scarcity of skilled labour or human resource, inefficient procedures or areas where improvement is essential.

3) Opportunities:-

Opportunities open up like wide doors for your business. They represent external chances for growth and enhancement. These opportunities offend or arise from developments in the external environment such as emerging market, innovative technologies, evolving customer preferences or shift in industrial trends.

4) Threats:-

They are external factors that have the potential to harm your business. These are increased competition, economic downturn, changing regulations or shift in consumer behavior that could negatively impact your operation.

A Opportunities in entrepreneurship development

i) Digital transformation:-

One of the most significant trends in entrepreneurship development is digital transformation of various industries and sectors.

Digital transformation refers to the adoption of digital technologies and processes to improve efficiency, customer experience and competition.

ii) Social Entrepreneurship:-

Social entrepreneurship aims to create positive social change and impact through their ventures while also generating financial support. For example micro finance, renewable energy, education, health etc.

iii) Circular Economy:-

The circular economy is a system that aims to reduce waste, reuse resources and generate natural capital. The circular economy challenges the traditional linear model of production and consumption which relies on extracting, using and disposing of material.

iv) Collaborative Innovation:-

It is the process of co-creating, co-developing and co-delivering solution with multiple stakeholders such as customers, suppliers

partners, Competitors and Community.

v) Sustainable entrepreneurs:-

It is the integration of environmental, social and economy dimension into the entrepreneurs process and out come. They seek to create value not only for them self but for the entire country & society.

Definition of Motivation:-

Motivation is the process of stimulating people to action to accomplish desired goals. Motivation depends on satisfying the need of people.

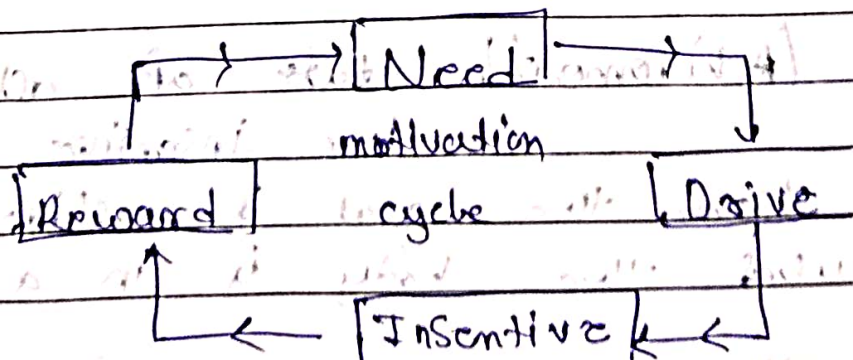
Motive:- A motive is an inner state that activates our moves and directs behaviour towards goal. Motive arises out of need of individual.

Realization of a motive causes restlessness in the individual which prompts some action to reduce it.

Motivation cycle:-

A circular movement of an individual to achieve his or her desired or goal's is called motivation cycle. Phases of motivation cycle are:

- i) Need
- ii) Drive
- iii) Incentive
- iv) Achievement / Reward



i) Need:- It is a product of physical and physiological elements in the body. A 'need' is a state of physical deficit distribution that causes tension within an organism which tends to organize the field of an organism with respect to sustain goals. The need is the absence of some essential that causes tension within an organism.

ii) Drive:- An aroused motivation state created by the need is called drive. Motivation to fill the desire of the motivated behavior. The concept of drive is used to mean that the organism is particularly sensitive to certain activities. This can produce more than one response.

iii) Incentive:- It motivates or encourages someone to do something. Appropriate object and situation towards goal is called incentive. It can provide satisfaction of the aroused drive. The drive is the state of tension leading to restless activity and behavior.

iv) Reward (Achievement):- A state of achievement of a goal with incentive is called reward. When the goal is achieved the need is reduced the body is in a balanced state.

Condition and tension is reduced. The person is again ready for other goal directed activities. This motivation cycle means that behaviours goals in a sequence.

Purpose of Motivation Cycle

- Initiation of the action.
- Goal Setting.
- Sustaining efforts.
- Overcoming challenges.
- Self regulation or control.
- Achievement and Satisfaction.
- Personal growth and development.

Concept of need for motivation

Need for motivation theory

- To examine the internal needs that drive people to take action.
- Process theory considers the thought process that people use when deciding how to act rather than the needs that stimulate action.
- Reinforcement theory is concerned with how & what the rewards and punishment influence the behaviour.

Maslow's theory of need theory:-

This theory is governed by the fact that all people are universally motivated to satisfy a hierarchy of 5 categories of needs. These categories are as follows:-

1. ⇒ Psychological need:-

This includes the needs for elements that ensure basic survival of life like food, clothing, and housing facilities. In an enterprise or a workplace, these needs are indicated in the desire for sufficient salary and wages, breaks for rest and protection from other climatic and environment situation.

2. Safety Need:-

It is related to the need that ensure a safer and secure life that is free from harmful effects. In an enterprise these needs are treated as desired for such important element like safe working condition, job security, medical facilities and retirement benefits.

3. Social Needs:-

This need arise from a desire need for a sense of belonging and for social interaction. This includes the need for love, affection and acceptance. Actually family, relatives and friends helps in

the fact motivated to category of follows -

elements that like food, air, water, etc. are sufficient to suit and climatic and

that ensure that it free enterprises desired safe working facilities.

need for social interaction, love, etc. Actually helps in

full filling the social needs. In the work place these needs are full filled by developing friendly relationship with others.

4. Esteem Need: - These needs are related with self respect and personal recognition. In an Enterprise people try to full fill this needs through awards, promotions, and other forms of service recognition.

5. Self actualization
These includes the need to realise one's own potential, and to further develop capabilities. However these needs can never be completely satisfy as people developed their talents, the ability and desire to grow become stronger. On the job people strive to full fill these needs by participating in training programs and seminars.

* McClelland's Acquired Need theory -

This theory suggest that needs are acquired as people move through life and that some people are more oriented to certain needs than to other needs. He discuss three needs theory which deals with achievement, power and affiliation. These are discuss

below

(i) Need for achievement:-

It is the desire to reach goals, to tackle challenges and to excel. People with a high need for achievement are generally competitive, set moderate difficulty in goals and actively seek feedback about their performance for people with a high need to achieve satisfaction comes from finishing task.

(ii) Need for power:-

It is related with the desire to influence or to control others. It has two forms (1) Personal power, (2) institutional power. People who show a high need for personal power tends to seek power for its own sake. However people with high need for institutional power are more concerned with the problem of the enterprise. They also believe in discipline to achieve group goals. In practice they are more effective than people with a high need for achievement.

(iii) Need for Affiliation:-

It is the desire for friendly relationship. In this process individuals are concerned with the desire to make friends and to form personal relation with others so that they seek the approval and assurance of others and

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...they are also interested in how other people
...feel. Such type of people are likely to seek
...job where they can work with others and
...can built strong inter personal relationship

ii) Need for achievement Assessment through various
...tools

ii) Ring toss game:-

ii) TAT / 'Thematic Apperception Test':-

→ This practice is an effective method to
...learn about the mentality and imagination of
...the entrepreneur

Instruction:-

Under this method trainees are shown some
...pictures and are instructed to observe the
...picture carefully. Besides they are asked to
...right an imaginary story consisting every
...aspect of the picture. Prior to showing the
...pictures trainees are asked to consider the
...following question in order to understand the
...various aspects of the pictures and write
...a story part based on the answers to
...the following questions

1. q. What is going on in this picture?
2. q. Who are the person shown in the picture?
3. q. What difficulty is being carried out among the
...persons shown in the picture

4. q. How did the person react in this situation?
5. q. and what has happened prior to this?
5. q. What will happen further and what will he do next etc.?

After viewing the picture the basic question posed to be of a great help in writing the story. Separate answers to those questions are not required to be given in state after jointly considering point wise each aspect of the picture and is converted to a story in an orderly manner. Five minutes are allowed for writing story and each picture is shown to the trainees for 30 seconds. Total six pictures are used in this activity and about half an hour is allowed.

After the story is written the trainer evaluate the candidates within the group considering the following question.

1. q. How do you feel now?
2. q. How much do you find your self close to this story?
3. q. What did you find through such practice?
4. q. Would you like to work on your story?
5. q. More interest is created among the group to write such a story? Now the trainer express his own view regarding the each story and highlights those points that indicate

Situation?
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the level of achievement motivation in the worker
 This enables the trainees to know about
 the level of motivation for achieving success.
 Later the trainer asks the trainees
 to indicate the points in his own story that
 is their motivation. This enables the trainees
 to evaluate their own level. Finally the
 trainees are divided into the group of 3-4
 persons they are asked to exchange their
 stories and discuss over them and ~~qualit~~
 analyse.

ET

* Ringtoss Practice:-

This practice is most important and interesting.
 Through this practice entrepreneurship can be made
 to develop risk taking abilities.

Steps:-

→ First Step:-

→ First of all each trainee is called individu-
 ally and is made aware of test procedure
 by giving following instruction.

→ Trainees are given 4 rings each for throwing
 over the pegs. The distance between the
 peg and the trainee may be something
 around 10-12 feet.

→ The distance is determined the same for all
 the candidates.

→ The distance is not altered.

→ This procedure of throwing ring is started

only after the trainer is 'informed' about distance chosen by the trainee. After all the rings are thrown over the pegs the trainer tells the trainee about their performance and ask them to express their views over the following points on which basis did the trainee choose that particular distance after knowing the direct line of ring to the goal, what are their opinion and feelings and for what reason did they obtain such results.

In the ring toss test when the trainee stands at a particular place his only objective is to capture the peg for achieving this objective goal the trainee first decide upon the distance from where he may throw the ring to capture the goal.

• Second Step:-

In the Second Step the previous practice is done in the presence of entire group.

During this session all the trainees can discuss over the practice and can also encourage the participant.

In this step the trainer focuses his attention on the following points.

- i) There should be neutrality in the activeness of these 6 phase.
- ii) Ring should be thrown serial wise from the number of trainees.
- iii) The Second Step of the ring toss is slightly different from the first Step. In the

Second phase it is not necessary for a trainee to through all the rings from the same spot and trainee can change there places according to their convenience.

- * **Third Step:-**
During the 2nd step the answers to the first step question should be obtained decide it should be declared that trainees who want to participate in the ~~this~~ third step has to deposit rupee two per head the trainer lost the authority of bankers in any of the trainees. The function and responsibility of the banker is to receive the fees from all the participants issue them receipts keep on noting the result of third step proceeding and in order to encourage the trainees by rewarding them according to the ratio between success and the distance from the success. In this way trainees are encouraged to through as much as ring as possible accordingly the prizes are given.

* **Analysis of ring toss:-**

At the end of third step the trainees are again asked to answer to the question of first step and accordingly begins the analysis

of entire exercise. (D) During this phase following points should be taken into consideration

- i) Analysis should be done in desired direction
- ii) Appropriate analysis should be done for each step of the practice.
- iii) During the analysis of the third step consideration should also be given to the information of first & 2nd step.
- iv) Trained behaviour should also be evaluated.

Block Building / Tower Building:-

It is practiced in order to achieve the following objectives

- i) It provides firmness in determination of the desired goal.
- ii) It enhances the decision making efficiency.
- iii) It makes the achievement motivation effective and promotes the awareness among the entrepreneur regarding its effectiveness.
- iv) It clarifies the difference between determination of goals and conditions.
- v) It helps in taking decision under prevailing family and social condition.

★ Equipment

For the construction of pillar in the tower building practice 25 wooden cubes are used. wooden cube represents the raw material & pillar construction indicates core project.

★ Introduction :-

With the introduction of the tower building practice, trainees are instructed to get divided into the groups of 3 each. one among them shall play the role of entrepreneur and the remaining two will act as his parents. The members of each group are instructed to play their respective roles dramatically. Their family condition represent the small and cottage industries. After this practice of tower building is carried out in different stages.

Steps

→ First Step :- In the first step the trainer makes the declaration of group in the following way's. You have to play the role of the entrepreneur and his mother and father. Assuming the given wooden cubes all the raw material you have to construct the tower. The skill to be

noticed is that how much high and stable tower can you build.

* Second step :- Following announcements are made for the second step.

- i) Trainees may not talk to each other.
- ii) The person playing the role of parents themselves determine the target at how many cubes should be used to construct the tower but they should keep their views in camera.
- iii) The parents should note down the target on a paper.
- iv) The entrepreneur too should determine his goal and note it down.
- v) Parents and entrepreneur should jointly determine the goal.
- vi) Pillar is to be made in their form of straight high & stable person.

* Third step :- For tower building the entrepreneur is given only 10 minutes. Following instructions are given to him regarding his work.

- i) The entrepreneur will use only that hand which generally he does not use.
- ii) The entrepreneur has to wrap a strip around his eyes so that he can see nothing.

(ii) Parents are not allowed to touch the wooden cubes if they wish they can help their son or daughter by ^{with} speaking only.

All the above rules are noted by the trainer. Therefore he asked the parent to determine the desired goal for the entrepreneur.

* Decision making :- By observing the activity of each group member the trainer studies the best as what procedure do they follow to reach the target. Parents and the entrepreneur are giving some time to talk and decide upon the problem and it is noticed that by whom the decision is affected most and why. It is also considered whether the decision taken was individual or average and which of 3 is the most important one.

⇒ Boat making exercise:

→ Boat in entrepreneurship is a hands on activity designed to teach business principles. Creativity, problem solving, team work and innovation through the process of designing & building a boat.

Objectives

- Encourage innovation.
- Enhance problem Solving skills.
- Teach business fundamentals.
- Promote team work and leadership.
- Develop hands on skills.

Steps:-

Steps involved in boat making exercise.

i) idea generation & business planning:-

Participants brain's strong ideas based on specific criteria. Conduct market research to determine potential of customer and demand. Develop a simple business plan including cost estimation, pricing strategy & marketing approach.

ii) Resource allocation and material selection:-

- Select materials such as cardboard, wood, plastic and other suitable materials. Allot a budget for materials and ensure all effective use. Assign team members specific roles.

iii) Boat Construction

- Build a proto type of the boat using selective materials. Applied design thinking principal tools ensure stability, durability and functionality. Test the boats ability to float or function if practical.

iv) Marketing & Branding

- Create a brand name, logo and a marketing pitch for the boat. Develop a sell strategy including promotions and target audience.

v) Testing and evaluation

- Test the boat in water to check its stability and effectiveness. Receive feed back from judges or mentor. Analyse the overall process, challenges faced and lesson learned.

~~1st~~ ~~talk~~ ~~2~~

Who Am I?

- The who am i exercise in entrepreneurship is a self reflective and strategic activity design to help entrepreneurs understand their

identity, strength, weakness, motivation and vision. This exercise is crucial because entrepreneurship is not just about starting a business, it's about aligning your personal values, career, skill, and passion with your business goals.

Importance:-

1. Self-awareness
2. Clarity of purpose
3. Decision making
4. Resilience and a growth mind set
5. Brand identity

* STEPS

Step-1

Interpretation & action plan for self development

Self development in entrepreneurship refers to the continuous process of improving one's skill, mindset and knowledge to become a successful business leader. It involves enhancing critical thinking, risk taking ability, leadership skills, financial literacy and adaptability to market trends. Entrepreneur must cultivate resilience, creativity and problem solving mindset to navigate challenges effectively.

Action plan for self development in Entrepreneurship

- (i) Develop a growth mindset. -
 - Embrace failure as a learning opportunity.
 - Stay open to new ideas and feedback.
 - Cultivate resilience and persistence.
- (ii) Enhance business knowledge and skills
 - Take online courses on business strategy, finance and marketing.
 - Read books and case studies on successful entrepreneurs.
 - Stay updated with industry trends and innovation.

iii) 3 Build leadership & Communication skills

- Practice public speaking & negotiation skills.
- Learn to delegate tasks and manage team effectively.
- Network with mentors and successful entrepreneurs.

iv) Strengthen Financial Literacy

- Learn budgeting, investing and cash flow management.
- Understand business finance, pricing and profitability.
- Use financial tools and software to track expenses and revenue.

v) Improve time management and productivity

- Set ~~smart~~ SMART (Specific, measurable, Achievable, Relevant, Time bound) goals.
- Use productivity tools like Trello, Notion, or Asana.
- Prioritize tasks using the Eisenhower matrix (Urgent vs important).

vi) Develop problem-solving and decision making skills :-

communication skills
 negotiation skills
 and manage teams
 and successful entre-
 preneurship skills
 and cash flow
 pricing and profit-
 margin to build a compa-

and productivity
 for measurable, Achie-
 vable goals and
 milestones, Action, or
 Eisenhower matrix,
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CREATIVE THINKING

★ Creativity:- Creativity is the process of developing a novel idea or a new way of approaching an old idea. In the spark of innovation the transformation of creative ideas into products or process that full fill customers needs. In practice a wide variety of forces can effect change in organization but therefore forces which are responsible for exerting powerfull influence in today's economy. These are the pressure of competition, international market place, accelerated pace of technology and the rapid change in consumers value.

★ Types of Creativity

★ Abraham Maslow:- According to Maslow's notion of creativity: deals with the following aspects:-

i) Primary Creativity:- It deals with the spontaneous creation. It is done in a child and it belongs to primary creativity.

ii) Secondary Creativity:- It is more deliberate and skilled as in the application

of ideas and inside of innovation, invention.

★ Irving Taylor :-

i) Spontaneous Creativity :- It is similar to
muscle's primary
Creativity.

ii) Technical Creativity :- It involves striking
improvements in the process
that increase the level of efficiency.

iii) Inventive Creativity :- It involves for reaching
new combination of mater-
ials or ingredients. In this context we
can mention the invention of light bulb
or ball of telephone.

iv) Innovative Creativity :- It involves for reaching
application of a more
basic idea such as management application
of principle of psychology to develop a
much more effective system for motivating
staff.

★ Forms of Creativity :-
Thinking

i) Divergent Thinking!- It is a creative thinking process in which free flowing process occur that explores multiple possibilities and generates many solution to a problem.

Characteristics of Divergent thinking:-

- Encourages unique and original ideas.
- Seeks multiple solution, rather than a single correct answer.
- Ideas are generated without flinching.
- Thought process is flexible and can jump from one idea to another.
- Engages areas responsible for imagination and abstract thinking.

* Example of divergent thinking!-

- Brain storming
- Creative writing
- Product design
- Problem Solving.

ii) Convergent Thinking!- It is a logical, analytical and structured thought process used to identify the single best solution to a problem. It is associated with critical thinking, decision making.

2. problem Solving in structure involvement

Characteristics

- Focuses on reasoning and systematic analysis.
- Selects the best answer among available answer options.
- Follows a step by - step approach.
- Aims for accuracy and efficiency.

Example

- (i) Multiple choice test
- (ii) Mathematical problems
- (iii) Medical diagnosis
- (iv) Technical trouble.

Creativity Technique :-

Creativity technique is a desired aspect of entrepreneurship as it helps in generating ideas solving complex problems and developing unique product or services. There are broadly 3 techniques of creativity. (i)

1. Individual Creativity technique :-

- (i) Brainstorming :- It is a free flow

Environment

System

among available

approach

efficiency

Idea generation technique where an individual come up with as many ideas as possible without evaluating them.

PROCESS:-

- Define the problem clearly.
- Write down every idea that comes to mind.
- After generating enough ideas evaluate the best one.

ii) Mind mapping:- It is a visual representation of ideas that helps in organizing thoughts and exploring connection between different concepts.

Process:-

- Start with a central theme or problem in the middle of the page.
- Draw branches for related ideas.
- Continue branching out sub ideas to explore all possible solution.

iii) Scampers technique:-

Scampers is a systematic method of modifying existing product or service to create innovative solution. It stands for

S - Substitute
C - Combine
A - Adapt

M - magnify / minimize
 P - Put to another use
 E - Eliminate
 R - Rearrange / Reverse

iv) Lateral thinking / Thinking out of box.

→ Lateral thinking involves approaching problems from unexpected angles rather than using logic.

★ Group Creativity Thinking - Technique

i) Brain writing :- Brain writing is a variation of Brain storming wherein participants write down their ideas instead of voicing them.

Process

- each participants write ideas on a paper.
- The ideas are passed around and others build upon them.
- At the end all ideas are discussed collectively.

ii) Nominal group technique :- A structured method of idea generation where participants individually generate ideas & then rank them collectively.

IMP INNOVATION:-

Innovation refers to the process of creating new ideas, products, services, process or methods that resulting significant improvements, advancement, in various field. It involves transforming creative concepts or invention into practical solution to address needs, problem solving or capitalize on opportunity. Innovation begins with creative thinking or generation of novel ideas. This involves exploring new perspectives, Assumption and thinking out of the box.

Importance of innovation in Entrepreneurship:-

- i. The approach entrepreneurs take to innovation will give them an advantage in coming up with products that are not sold by opponents that have different business models from others.
- ii) Innovation yields entrepreneurs better understanding of customers constantly changing desires and preferences.
- iii) In business world of ~~over~~ our time the key to success lies in the entering the market in front of competitor and this is the most important way to survive. The competitor can not follow who innovation as fast as the innovation leader.
- iv) Inspiring ideas that have + its proved fruitful & can not only lead to revenue generation for new age venture but also create bill's wealth.

v) ~~Not~~ ~~at~~

Innovation not only comprise product and service but also include process optimisation innovative entrepreneurs who are quick to make in change their business management practices can cut cost, improve productivity and increase efficiency and boost profit.

~~III~~

Types of innovation:-

i) Product innovation:- Product innovation consist of developing new product with superior characteristics adding new features to the existing ones or improving the quality and functionality of the existing product.

This innovation usually incorporate research and development to introduce new brand new and appealing technological system.

ii) incremental innovation:- Incremental innovation
market = existing | technology = existing
 or improvement to an

company existing product, services, process or method. It's about improving the already existing product for productivity and competitive differentiation. It represents a low risk strategy focused on maintaining or improving a product market position by making it better rather than different.

~~III~~

iii) Destructive Innovation:- The innovation that fundamentally changed how a
market - existing | technology - new

market. Industry operates through new technology. It results in unique offering that challenge and replace traditional product, services or approach. They are of medium to high risk. These strategy targets market before moving main stream.

Ex. - Netflix
 - Uber
 - Airbnb

iv) Radical Innovation - Radical innovation is a market - new technology - new transformative force in today's business. It is characterized by its ability to fundamentally alter industries, introduce ground breaking advancement and establish market. Open innovation strategy can be very effective as they help open up complex problem to be solved in new ways by various stakeholders.

Ex. - 3D printing machine
 - Ad editing manufacturing
 - self force cloud technology

v) Architectural innovation - Architectural innovation refers to configuring existing product technologies to create new market by applying known components in a new way. This strategy involves rethinking how existing technologies can be integrated or applied differently to create new opportunity to attract customers who haven't used the current offering before. This type of

innovation could have risk of diminishing returns as there is a limited amount of value that company can derive from a existing mix of technologies.

Ex - Sony walk man

- Smart phones
- Hybrid vehicles

CT-2

* Product life cycle -

The product life cycle in entrepreneurship refers to the different stages of product growth through from its introduction into the market until its decline or discontinuation. Entrepreneurs must understand this stages to effectively manage resource, marketing strategies and business growth.

i) Introduction stage -



Growth stage



Maturity stage



Decline stage

i) Introduction stage - The first stage in product life cycle is when the product is launched in the

market. In this stage, business phase high cost due to research, development and marketing efforts. Sales are generally low and consumers awareness is limited. Entrepreneur must focus on creating brand awareness through marketing strategies, pricing and product improvement based on customers feedback. The risk of failure is high.

(ii) Growth Stage:- The growth stage is where demand increases and sales rise rapidly.

The brand becomes more recognized and customers loyalty begins to develop. Competition also increases as other business enter the market with similar offering. Entrepreneur must focus on scaling production, pricing and innovation of the product. Expanding into new distribution channels & markets can further boost revenue.

(iii) Maturity Stage:- When the product reaches its peak market sales growth slows down and the market becomes saturated with the product. Business experience intense competition with offhand leads to price and shrinking profit margins. At this point entrepreneurs must focus on customer retention through loyalty programs, product differentiation and cost reduction.

(iv) Deline Stage:- In this stage where sales begin to decline due to changing consumer preferences, technological advancement or market saturation. Profit declines and maintains

ing the product may become impossible. Entrepreneurs must decide whether to make changes in the product or phase it out completely. Reducing production cost, planning and exist strategy such as selling the product line to another company can help to minimise the loss.

* New Product Development:-

New product development is the process of bringing a new product to the market for idea generation. In entrepreneurship and **NPD** is crucial for business growth. Competitive advantage and meeting evolving customer needs. The process involves several stages to ensure the product success.

* **Idea Generation:-** This is the initial stage where entrepreneurs brainstorm and gather new product ideas. Ideas can come from customers feedback, market trends, employee suggestion for technological advancement. Entrepreneurs can use techniques like brain storming, market research and consumer survey. The key is to find and innovative valuable and feasible idea that aligns with business goal.

* **Idea Screening:-** Entrepreneurs must evaluate and filter ideas to select the most promising one. This involves

assessing feasibility, potential profit, market demand and technical requirement. The goal is to eliminate weak ideas early to save resources and focus on high potential.

★ **Concept development & testing**:- At this stage the selected idea is developed into a product concept. Entrepreneur defines product, features, target market, pricing strategy and unique selling point. Concept testing involves presenting the idea to small group of potential customers together feedback on their preference and expectation.

★ **Business Analysis**:- This is conducted to determine the product's financial state. In this production cost, expected sell volume, break even point & potential return on investment is assessed.

★ **Product Development**.

★ **Market Testing**

★ **Product Launch**

★ **Post launch evaluation & improvement**

★ New Product Development ^{THROUGH} Creativity & Innovation

Innovation and creativity are essential drivers of product development. Creativity sparks new ideas while innovation transforms these ideas into market ready solutions.

Importance of Creativity in product development

Creativity plays a crucial role in the early stages of product development.

→ Creativity helps in identifying gaps in the market and new opportunities. It helps in designing & manufacturing to make product stand out from others. It helps in solving problems to customer's main points. Creativity product contribute to a strong, recognizable brand.

★ Best of applying Creativity in product development

- By open brain storming we allowed teams to share their ideas without judgment.
- We give employees the freedom to explore unconventional solution.
- Bring together people from different background for diverse perspective.
- A problem solving approach that prioritizes

used need and innovation.

Importance of Innovation in product development

- It helps business maintain market leadership.
- It helps in continuously improving product based on consumer requirement.
- It reduces production cost and improves performance.
- It allows business pivot based on trends.
- It drives industries wide transformation.

~~Strategies~~ to drive innovation in product development

- ↳ Invest in research & development by this we can know about ongoing discoveries.
- ↳ Adopt emerging technologies.
- ↳ Encourage open innovation.
- ↳ Encourage incubators in co-creation.

Tesla

* Forms of business organization:-

A business organization is an establishment intended to carry commercial business by producing goods or services and meet the needs of customers. Most of the organization have a standard such as a special structure, goals, utilization of resources, rules & regulation.

i) Sole proprietorship :-

It is the simplest and most common form of business organization. It is owned and managed by a single individual. The owner has complete control over business decision. No legal distinction between the owner and the business. It requires minimum legal formalities to start. Profit belongs to the owner.

* Advantages:-

- Easy to establish & operate.
- Owner retains all profit.
- Simple tax structure.
- Minimum government regulation.

* Disadvantage

- Unlimited liability like personal assets may be used to pay business debts.
- Limited capital means funding is restricted.

→ Business Continuity depends on the owners lifespan.

Example: Freelancers, small retail store, individual consultants, etc.

ii) Partnership:-

→ A partnership is a business owned by two or more individuals who share in management, responsibilities & profits.

Types of Partnership:-

A) General Partnership:-

All partners actively manage the business and share unlimited liability.

B) Limited Partnership (LP)

Includes both general partners and limited partners (who only invest and have limited liability)

C) Limited liability partnership (LLP)

All partners have limited liability, protecting their personal assets.

Features of Partners

- Formed through a partnership agreement.
- Shared decision making & responsibilities.

→ Profit & losses are distributed among all partners.

★ Advantages

- More capital as multiple owners invest.
- Shared expertise and decision making.
- Tax benefits.

★ Disadvantages

- Unlimited liabilities (except in LLPs).
- Disputes between partners can affect business operation.
- Difficulty in transferring ownership.
- Each partner is liable for the action of other partners.

The first part of the paper deals with the
 history of the subject and the various
 methods which have been employed for its
 study. It is found that the most reliable
 method is the one which is based on the
 study of the original records and the
 comparison of the same with the
 results obtained from the other methods.
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Private Limited Company:-

A type of business entity that is privately held and limited by shares. It is a popular form of business structure for small and medium size enterprises due to its benefits of limited liability, legal recognition and ease of operation. The liability of share holders is limited to the amount they invested in shares. These personal assets are properly protected. Shares are not publicly traded they are held by a small group of investors often family members or business partners.

A private limited company must have at least two members and can have maximum of 200, as per company law.

The company is different from its owners meaning it can enter contracts, assets by their own name.

The company continues to exist even if share holders or director changes.

Shares can not be freely transferred in a private company they require approval from existing share holders. They follow government rules and regulation.

Steps of formation of private limited Company (Registration)

- Choose the unique Company name because it should not already in use.
- Obtain director identification number and digital signature certificate.
- Draft memorandum of association and article of association.
- Submit documents to government's Company registration office.
- Obtain pan and tax necessary for tax related documents.
- Open a business bank account.
- On Flipkart, Amazon, etc.

v) Public limited Company

- It is a type of business entity that is publicly owned and traded on a stock exchange. It has strict regulatory requirement and allow investors to buy shares freely.
- Share holders are only liable for the amount they invested in shares.
- Shares are freely traded on stock exchanges making it easy for investors to buy and sell.
- A public company must have at least 7 share holders and there is no upper limit.
- It exist independently of its owner and can own assets, sign contracts by its own.
- The company continues if share holders or

director changes.

- It must have complete financial reporting, corporate governance and disclosure norms set by regulatory bodies.

★ How to registered in public limited Company:-

- Choose a unique company name.
- Obtain director identification number and digital signature certificate.
- Draft MoA and AOA.
- Submit required document to the government corporate registry.
- File for an initial public offering (IPO) listing on a stock exchange.
- Comply with stock exchange and regulatory requirement.

→ Example:- Reliable Industry Limited
Tata Steel Limited
SBIL
Grocery

Section 8 Organization:-

A Section 8 Company is a type of non-profit organization (NPO) in India. Registered under Section 8 of the Companies Act 2013. It is formed to promote social welfare, charity, education, art, science, religion

or any other non-profit objective.

Features of Section 8 Company

- The Company must work for social welfare and can not engage in profit making activity.
- Unlike other companies, a Section 8 Company does not require a minimum paid up capital.
- The liability of members is limited to their share holding and protecting personal assets.
- Any surplus or income must be reinvested in the companies objectives and can not be distributed among members.
- A Section 8 Company has a separate legal existence from its members. It can own property, enter contracts etc.
- Eligible for ^{tax} exemption under section 12A and 80G of the income tax act.
- Compare to trust and society, a Section 8 Company is more credible and enjoys higher trust among donors and institutions.

Registration process of a Section 8 Company:-

- Name reservation
- Obtain digital signature Certificate & director identification number.
- Draft MoA & AoA
- Apply for Licence.

- After Liaison approval apply for certificate of incorporation with simply pro-forma for incorporative company electronically.
- Apply for pan & tan. (Taxes deducted & allud No.)

1. Tax exemption registration.

- Open a bank account & start operation.
- Examples:
 - ① Cry (child right and welfare)
 - ② Help age india - for elderly welfare
 - ③ Sp smile foundation for education & health
 - ④ Grooming - for social welfare and dignity

2. Limited Liability Company!

- An LLC combines the benefits of co-operation and partnership offering flexibility and liability protection.
- Owners have limited liability.
- Profits are passed through members without taxation.
- Less paper work.
- More complicated to transfer ownership than corporation.

Franchise

A franchise allows an individual to

operate a business under a larger company brand and system. It is established by brand recognition. Training and support from the franchisor is given. It requires high initial cost and it has less control over business operations. Examples: Starbucks, McDonalds, KFC, etc.

★ Institutional Support for entrepreneurship:-

1) MSME:- Micro, Small and medium Enterprise. The Indian government in the Small and medium enterprise development act 2006 classifies MSME based on investment in plant, machinery and equipment and annual turnover. It plays an important role in contributing economy, employment generation, industrial output and export.

Category	Investment limit	Annual turnover
(i) Micro	up to Rs 1 crore or	up to Rs 5 crore
(ii) Small	up to Rs 10 cr	up to Rs 50 cr.
(iii) medium	up to Rs 50 cr	up to Rs 250 cr.

Types of MSME

MSME are of two types:

i) Manufacturing Enterprise

Business enterprise that are involved in the manufacturing of goods are called manufacturing enterprise. All businesses enterprise that contribute value to the finished product by making use of plants and machinery also come under MSME.

ii) Service Enterprise

Business enterprise that provide services come under this category. Note: that individual service providers do not qualify as service enterprise.

★ Features of MSME

i) It contributes significantly towards improving the lives of their employees. They help workers to have a better quality of life by providing them with an income, social, medical benefits and loan facilities.

ii) MSME's constantly strive to bring innovation, modernization and adoption in technology & infrastructure in the sector they operate.

iii) These Enterprises are equipped to provide banking institution with credit limits.

- iv) It setups specialized manpower training centers to upgrade the skills of the individual.
- v) They are technologically driven and have quality certification.
- vi) They create job opportunities in both rural & urban areas.
- vii) They produce thousands of products which are generally less expensive.
- viii) They promote growth in khadi, village and small industries.

Recent government MSME schemes

- i) # First: - [Forum for internet, retailers, sellers & traders]
- ii) MSME innovation schemes
- iii) Aspire:

★ National small industry corporation - (NSIC)

The NSIC limited was set up in 1955 to promote and foster the growth of small scale industry in the country. It provides a wide range of promotional services to small scale industry.

Activity & function:-

Main function of NSIC are
 → Supply of machinery and equipments. These means they supply machinery & equipment from different sources to small scale industry.

- In order to ensure smooth credit flow to small enterprises across the country NSIC also provide limited finance for equipment and raw material.
- The NSIC arranged raw material in the form of supply of raw material. Import of raw material and supply of raw material from deposits, govt. credit created by NSIC.
- Small enterprises need to develop and implement suitable technology strategy in addition to financial, marketing and operational strategies.
- Information plays a vital role in the success of any business. Recognition the importance of information and its relevance to the SST.
- NSIC software technology impart facilitated small industries in setting a 100% export oriented units for software exports.

KHURD SE
PADHANA
WAS

ISIE - Khadi & village industries Commission
SIDBI - Small Industries development Bank of India

WABAD - National agricultural

National Bank of agriculture and rural development

Entrepreneurship promotion schemes of Central & State.

The Government of India has introduced various entrepreneurship promotion schemes to support start-ups, MSME, women entrepreneurs and rural businesses. This scheme provides financial assistance, skill development, market access & infrastructural support to entrepreneurs. The major entrepreneurship schemes of Central government are as follows:-

★ **Start-up India initiative**: It was launched in 2016. Its objective was to promote start-ups & innovation by providing financial and technical support. They are tax exempted for 3 years for eligible start-up. Self-certification for labour and environmental law. They fund with the investment of 1000 crore. This scheme is provided for early stage funding.

★ **Pooshkhamanti mudra Yojana (Prudy)**: It was launched in 2014. The objective was to provide collateral free loans to micro & small business. The loans are as follows

- Shiksha loan for up to 50,000 for start-ups
- Kisan loan for 50,000 to 5 lakh to growing business

- Term loan from S.L.B. to L.L. for expanding enterprises
- They are available at banks and micro finance institutions

★ Prime Minister's employment generation program

It was launched in 2008 & managed by KVIC. Its objective was to promote micro-enterprises in rural & urban areas. It provides up to 25 lakhs for small manufacturing & to take services. Government

Subsidy of 80% - 35% based on category & for first time entrepreneurs & small business owners.

★ DAIRY Entrepreneurship development scheme

It was launched in 2008. The objective was to promote dairy farming, milk production, to provide loans for cattle purchase, milk processing and storage. They encourage self employment in dairy farming.