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INTRODUCTION: India is fast emerging an important economic player in Asia as well as in the world. Substantial volume of transformation would not have been possible without adequate, effective and timely development of entrepreneurship and entrepreneurs. The fruits of development which we see around have been the outcome of timely initiative, proper guidance and effective controlling by the entrepreneurs. The dynamic role of entrepreneurs in undertaking of risks and new ventures, entering new markets and introducing new technology are of crucial importance in shaping the pattern of industrial growth in a country. It is, therefore, mainly the role of entrepreneurs that determines the pattern of growth of an economy. Following are the main schools of thought on the concept, role and functions of an entrepreneur and entrepreneurship.

ENTREPRENEUR IN HISTORICAL PERSPECTIVE

1. CLASSICAL VIEWS:
   Early French Thinking: The word entrepreneur has an interesting history and it appeared first in French long before the emergence of any general concept of the entrepreneurial function. In the early sixteenth century, men engaged in leading military expeditions were referred to as entrepreneurs. Around 1700 A.D. the term was used for contractors of the public work. The term was further extended to cover civil engineering activities such as construction of Roads, Bridges, Dams, Harbor
and Fortification contracts. The same term was latter applied to the Architects. Quiescent recognised a rich farmer as an entrepreneur who manages and makes his business profitable by his intelligence and wealth. Turgot differentiated ownership of capital as a separate economic function in business. For Ricard Cantillon, any body engaged in economic activity was Entrepreneur. To J.B. Say the entrepreneur was a person endowed with the qualities of the judgment, preservance and knowledge of the world as well as of business. Thus, in course of time, the French tradition regarded an entrepreneur as a person translating a profitable idea into a productive activity. However, he was regarded as one of the four factors of production but not the first and foremost. Because of its emphasis on assembling of productive facilities and bearing risk the concept was regarded as static. He again emphasises that "An entrepreneur is the economic agent who unites all means of production; the labor force of the one and the capital or land of the others and who finds in the value of the products which results from their employment, the reconstitution of the entire capital that he utilises and the value of the wages, the interest and the rent which he pays as well as profit belonging to himself. He points out the functions of coordination, organisation and supervision further, it can be said that the entrepreneur is an organizer and speculator of business enterprise.

**Early British Thinking** : British Economists, on the other hand, assumed the framework of perfect competition. All units of a
product being identical and supply always being equal to demand, the organiser of the productive activity was considered no more a risk taker but just a capitalist. This provided no scope for entrepreneurial activity and no word, as J.S. Mill lamented, to personify entrepreneur was found in British literature. Nasseau Senior classify factors of production in a new way, tried to break through, but could not succeed much. The classical Economist made no distinction between income from ownership and income from management and regarded returns accruing to the capitalist employer as profit. This neglect of distinction between the entrepreneurs and capitalist was more than an Analytical oversight. Risk bearing and coordination part was totally neglected. In Ricardo and Ricardians one misses the emphatic presence of entrepreneur. Nothing like the business leader as agent of change was conceived in his treatment of Economic Principles. The Younger Mill rightly separated the two, regarding profit as the reward of entrepreneur.

OXFORD ENGLISH DICTIONARY (1987) defined entrepreneurs as the Director or Manager of a Public Musical Institutions, one who 'gets up' entertainments, especially the musical performance. Not until its supplement appeared in 1933 did the dictionary recognise that the word had a place in business and would mean "one who undertakes an enterprise especially a contractor acting as intermediary between capital and labor." The concise Oxford Dictionary defines entrepreneurship as "readiness, initiative and daring for an undertaking".
Early American Thinking: The Revolutionary transformation in business structure brought to the surface inadequacies of the then prevailing economic explanation of the term entrepreneur. Francis A. Walker distinguished functions of an entrepreneur from those of a capitalist and maintained that profit was not synonymous with interest. J.B. Clark stated that entrepreneurial profit directly depended upon "successful introduction into the economic process technological, commercial and organisational improvements.

A sharp exposure to the 'entrepreneur' is found in the writings of Schumpeter. The introduction of a new good, of a new method of production, the opening of a new market, the conquest of a new source of supply of raw material or half manufactured goods and the carrying out of the new organisation of the industry are the changes introduced by an entrepreneur. Rather, one who introduces these changes, called 'innovations', is an entrepreneur. Introduction of such innovations disrupts the economy and takes it to a higher level. Economic development is self-propelling since the beginning. "The carrying out of new combinations we call 'enterprise' and the individual whose function it is to carry them out we call 'entrepreneur'.

Schumpeter’s concept of entrepreneur was superior and realistic. It imbied initiative, authority, foresight of the person relegating his image as a risk-bearer. Till Schumpeter’s time entrepreneur was personality superimposed on the frame of economic activity. It was Schumpeter who treated entrepreneur as
an integral part of economic growth.

Marx recognised pure type of entrepreneurial return- a return that accrues to a businessman when he introduce novel improvements. It is a product of certain specific historical conjecture and of social inequality and therefore, can not claim to have any social functionality. He is a contradictory product of a contradictory society. Marx regarded entrepreneur as a social parasite.

2. NEO-CLASSICAL VIEWS: Entrepreneurial thoughts of this category developed largely on the times of the older generation. However, a distinction between entrepreneur and capitalist was facilitated clearly during this period. Changing methods of business finance produced an increasing number of instances in which capitalists were not entrepreneurs and entrepreneurs were not the capitalist. Of course, in some cases, both the capitalists and entrepreneur were carrying out the same functions.

Walras defined entrepreneur as an agent who buys raw materials from other entrepreneurs, hires land from landowners, personal aptitudes from workman, capitalist goods from capitalists and sell the product that results from this cooperation and combination of these services for his account. According to Gupta M.C. an analysis of walras viewpoint reveals that he recognised entrepreneur as an organiser who combines all factors of production. For the fulfillment of productive process and ignored one of the most important aspects of entrepreneurship i.e. risk bearing and working in an uncertain atmosphere, without which
it is not possible to make any significant break-through in the course of time. The entrepreneur is a dynamic person with an avistic will. He endeavors to deviate and brings about revolutionary changes in economic system.

Alfred Marshall defined entrepreneurship in a comprehensive manner and assigned risk bearing and management as the main functions of an entrepreneur. According to him, entrepreneur is an individual who 'adventures' or 'undertakes' risks, who brings together the capital and the labor required for the work; who arranges or engineers its general plan and who superintends its minor details.

Marshall was criticised on the ground that his concept of entrepreneurship was that of a small firm where entrepreneur was an individual person while in a very big enterprise, entrepreneur along with others govern the enterprise who are not only risk takers or managers but also promoters and innovators. In modern business, an entrepreneur may be an organisation of people, trust, company or even the Government. In many countries including India, Government is also playing a considerable role in the promotion of business and industries.

All the economists right from cantillon to Marshall visualised entrepreneurship in the context of the stationary situation. It was only Joseph Schumpeter who analysed the theory of entrepreneurship from a new perspective. According to him, development is the burst of the economic Activities, when the stationary equilibrium is disturbed, development takes place. This change or disturbance comes forth in the form of
'Innovation'. For Schumpeter, the entrepreneur is an 'innovator' who is characterised by potentialities of doing new things or doing things in a new way. He is an economic leader with atavistic will to power and sets a 'creative response' to a situation and acts as a chief conducive factor in the process of economic development. He further writes that the entrepreneur is an 'economic man' who tries to maximise his profits by the innovations. Innovation involves problem solving and entrepreneur is a problem solver. Innovations according to him, occur in the following five forms:

1. The introduction of new goods that is, one with which consumers are not yet familiar or of a new quality of goods.
2. The introduction of a new method of production that is, one which is not yet tested by experience in the branch of manufacturing concerned, which need by no means be founded upon a discovery scientifically new and can also exist in a new way of handling a commodity commercially.
3. The finding of a new market, a market into which the particular branch of manufacture of the country in question has not previously entered, whether or not this market has existed before.
4. The conquest of a new source of supply of raw materials of half manufactured goods, irrespective of weather this source already exists or whether it has first to be created.
5. The carrying out of the new organisation of any industry, like other creation of a monopoly position or the breaking up of a monopoly position.
Thus, according to Schumpeter, entrepreneur is a person who foresee the opportunity and tries to exploit it by introducing a new product, a new method of production, a new market, a new source of raw materials or a new combination of factors of production. He need not be capitalist, nor manager. In Schumpeter’s words entrepreneurship is a leadership rather than a ownership.

Schumpeter makes a distinction between invention and innovation. He says that inventions and discoveries by themselves have little economic effects. They could yield fruitful results only when some one with special talent foresees their economic potentiality and brings them into implementation. An inventor thus produces the ideas and the entrepreneur implements them in the production process.

Schumpeter’s concept of entrepreneurship carries broad as well as narrow meanings. It is broad in the sense that entrepreneurs are not only those ‘Independent’ businessmen but all those who are ‘dependent’ employees in their company like managers, directors and others as they may also bring about changes in the production function and carry out new combinations. On the other hand, it is narrow in so far as it does not include all needs of firms or managers or all industrialists and employees who operate an established business. It refers only to those who actually perform innovative function. In Schumpeter’s system, Entrepreneurship being a ‘creative’ activity’, is not generally found in the ordinary course of business. It is essentially a phenomenon that comes under the wider aspect of leadership.
Schumpeter expressed his views originally in 1912 at a time when most entrepreneurial performance was in the hands of the private individual acting on their own account and when governmental and private bureaucracies still played a subordinate and limited role in the running of economically significant enterprise. Since the time, Schumpeter expressed his views, there have been remarkable changes in the industrial sphere of the world. In the industrially developed countries, the big corporations and highly structured business enterprises have emerged to perform the main entrepreneurial functions. Likewise, public officials working in the government enterprise of government controlled corporations have begun to carry these functions in the socialist countries and in many important branches of production in developing countries.

Hence the individual, "irrational", visionary entrepreneur whom Schumpeter saw as the main carrier of the economic development and progress has been replaced by a private or public "Business Leader", whose action is based largely on known and predictable principles, whose risk-taking has been greatly reduced and whose activities are supported by a large corporate or governmental bureaucracy among which many functions have been thoroughly routinised so as to make the performance of the typical entrepreneurial function stipulated by Schumpeter either impossible or superfluous.

Asim suggests that Schumpeter's conception of entrepreneurship must be modified in the light of concrete
developments in the last few decades, specially in the less advanced countries of Asia and Africa. Scarcely any of the business leaders in these countries are innovators in Schumpeter’s sense and none of them are visionaries who strike out for previously unexplored territory. All of them are imitators, adapters of experiences gained in the economically more advanced countries to the conditions of their own. The technology they apply is usually borrowed from abroad, the legal and marketing practices they employ are adaptations of those developed in the more advanced countries, and often the commodities they produce and sell are selected because of the operations of the "Demonstration effect" through which consumption of the more advanced countries become popularised and enter general demand in developing nations.

Many other economists also criticised Schumpeter on the ground that entrepreneurship in Schumpeterian sense causes complete transformation of the economy but practically, this can be applied only to the developed countries and in very big industries where the entrepreneur are of very high level and are ready to undertake the major process of the development in an efficient manner.

Berna has aptly mentioned that "economy shaking innovators are the exceptional few who emerge at the summit of broadly based pyramid. Such men do not appear, and could not function, until a certain level of educational, social and technical progress has been achieved".
In brief, developing countries can not afford the 'Schumpeterian Entrepreneurs' whose scale of operation is not very large. Entrepreneurs of such countries can not start their ventures on a big scale from the very beginning. Apart from it, innovations, themselves involved a huge amount of money and take long time in their implementation. Developing countries, therefore, need a large number of 'imitating entrepreneurs' who can successfully import the innovations made in developed countries and implement them economically in their enterprises after making necessary adjustments therein.

Hoselitize also remarked that in an under-developed economy, imitators-entrepreneurs had more significant role to play then the Schumpeterian innovators. They provide, he feels, a Fillip to 'the process of economic growth, sometimes having as strong or perhaps even stronger an impact on economic growth as real or alleged innovations even the multiplicity of entrepreneurs, lacking in creative genius of inventors, but possessing all other characteristics of successful entrepreneurs, is desirable for under developed countries or economies.

3. Advanced Thinking: Arther H. Cole, considering innovation as a 'Purposeful activity' stated, "Entrepreneurial activity proceeds in relationship to the situation internal to the unit itself, to the social group that really constitutes the unit and to the economic, political and social circumstances-institutions, practices and ideas which surround the units.

Though references to 'social climate being conducive to
entrepreneurial innovations' are found in Schumpeter. It was Max Weber who discussed social aspects of entrepreneurship. He maintained that the driving entrepreneurial energies were generated by exogenously supplied religious belief. Max Weber and Schumpeter both being influenced by Marx, presented theories of development in post capitalist period. To both, entrepreneur was the force that made advancement possible. But Weber saw in him an 'Ideal type' of the protestant worldly ascetic, while Schumpeter regarded him as a 'Supernormal' person. Schumpeter's was an analytical advance because it was more plausible to postulate appearance of super normal ability as causes of change than to postulate the appearance of Calvin or some charismatic leader.

In recent years, penetrating studies of the enterprising personality by David C. Mc Chelland and his Associates have led to a much clear understanding of the characteristics of entrepreneurs, their findings are summarised below.

Clelland who shifted the focus from socio-economic factors to socio-psychological factors. 'Achievement Motivation' (Need for Achievement-N-ach in short) was the most distinguishing feature of an entrepreneurial personality. In developed countries people were evaluated in terms of 'Achieved Status' rather than in terms of 'ascribed status'. 'N-ach' was traced to childrearing practices and to parent child relation. The estimates of 'N-ch' were found to have a significant positive correlation with Economic Growth. This theory is based on the following principles and characteristics.
1. **The Need for Achievement**: Prime among the psychological drives that motivate the entrepreneurs is a high need for achievement, usually identified as N-ach.

   This need can be defined as a want or drive within the person that motivates behavior toward accomplishment. Accomplishment, defined in an entrepreneurial context, is the fulfillment of a goal embodying a reasonable challenge to the individual's competence. A task seen as easy carries no challenge and is therefore, not motivating.

2. **Desire for Responsibility**: Entrepreneurs desire personal responsibility for accomplishment. They prefer to use their own resources in their own fashion in working toward goals and to be accountable personally for results. They will, however, perform well in a group as long as they can personally influence the results in some specific way.

3. **Preference for Moderate Risks**: Entrepreneurs are not gamblers. They prefer to set goals that require a high level of performance, a level that they believe will demand exertion but that they are confident they can meet.

4. **Perception of Probability of Success**: Confidence in ability to achieve success is a significant quality of entrepreneurial personalities. They study the facts that can be gathered and form judgments on them. When facts are not fully available they fall back on their high level of self confidence and proceed with the tasks.

5. **Stimulation by Feedback**: Entrepreneurs want to know how they are doing, whether the feedback is good or bad. They are
stimulated to higher levels of performance by learning how
effective their efforts are as the task progresses.

6. **Energetic Activity**: Entrepreneurs exhibit a much higher level
of energy than the average person. They are active and mobile and
are engaged for a high proportion of the time, in getting task
done in novel ways. They tend to be actually aware of the passage
of time. This awareness a stimulates them to energetic engagement
with their work.

7. **Future Orientation**: Optimistically oriented toward the future,
entrepreneurs plan and think ahead. They search for an anticipate
possibilities that lie beyond the present.

8. **Skill in Organising**: Entrepreneurs show unusual skill in
organising both work and people for achieving goals. They are
highly objective in choosing individuals for specific tasks. They
will choose the expert over a friend for the sake of getting a job
done more efficiently.

9. **Attitude Toward Money**: For entrepreneurs, financial gain is
second in importance to achievement. They value money, but not
for itself. They view it rather as a concrete symbol of a
challenging objective accomplished-A testimony to their
competence.

Hagen putforth a personality theory to show that, people who
had enjoyed social standing at some stage in their histories, fall
into a ‘retreatist’ phases with an urge to regain that lost status
emerge as entrepreneurial personality. Hagen calls this ‘law of
Cochran tried to theories that entrepreneurs were a model personality in the society. They represented certain ascertainable levels of education, social status and types of cultural conditioning that produced roughly definable model personality. The individual’s performance as a businessman is influenced by three factors:

(1) His own attitude towards occupation, (2) The role expectations held by sanctioning group and (3) Operational requirements of the job.

Society’s values are the most important determinants of the two factors.

Young’s theory of supply of entrepreneurship was a group theory. A group of sub-group experiencing low status recognition of denial of access to important social network and being in possession of a greater range of institutional resources than other groups in the society, becomes reactive to improve its symbolic position. Such reactivity brings a change in the economy. Such a change is the essence of development and the change agent is the entrepreneur.

Kunkel’s as a behaviouristic model. Individuals perform various activities of which some are accepted by the society while others not. The accepted are rewarded. The rewards act as reinforcing stimulus increasing the probability of repeating that behavior pattern. This pattern of social behavior is entrepreneurial behavior.

Hoselitze mentioned that marginal men or groups enjoying an
ambiguous culture and social position having no bandage of tradition to inhibit them from thrashing an untrodden path could make adjustments in situations of change and become good entrepreneurs. Epstein stated in the same vein that aliens were the greatest source of the entrepreneurial supply. According to Dussembery, supply of entrepreneurship depended upon values attached to the occupational achievement.

As scientific organisational knowledge came to be scientifically and systematically applied to industrial activity. The average size of the firm grew considerably. Consequently, individual entrepreneur has been increasingly replaced by a body of decision makers. Whom Galbraith calls 'Technocrats'. With a giant like structure of the firm, the study of the organisation got importance. J.K. Galbraith 'The new Industrial state' is a good example. There in, he has distinguished between entrepreneurial corporation and mature corporation. In the former, age, size and implicit of operations still accord power to an individual who has control over capital. In the latter, technocrats have become the key figure. Galbraith dismissed the idea of treating owner-manager as synonymous of entrepreneur.

Simon, the nobel laureate, emphasised that the 'conservative values' of the entrepreneur were derived from the size and the growth of the organisation. All these thoughts have made the study of the entrepreneur multi-disciplinary but not inter-disciplinary. Alexander has rightly remarked, "Although this material has contributed to an
increased understanding of an entrepreneur and his activities in different areas, no single conceptual framework, no one unifying theme has emerged. Entrepreneur is a human being living in an ever changing society pursuing simultaneously economic, social and psychological goal. Therefore, unless a theory of entrepreneurship is woven into a sociological and psychological fiber it can not give sense of economic web.

Knight defined entrepreneur on similar lines. He described entrepreneur as a person who takes the decisions under the conditions of 'risk' and 'uncertainty. He meets those risks which are incalculable. Knight made a distinction between ordinary risk and uncertainty. A risk which can be covered through insurance is an ordinary risk. On the other hand, uncertainty is a risk which can neither be evaluated nor insured. In the words of Prof. Knight, entrepreneur is the economic functionary, who undertakes such responsibility as by its very nature can not be insured, nor capitalised, nor salaried; he also guarantees specified sums to others in return for assignments made to them.

Entrepreneurship appears in the writings of Adam Smith also but not explicitly. For him, an entrepreneur is the undertaken, the master of the merchant. To Smith, accumulation of capital was the essential function of the undertaker, the master or the merchant. He accumulates capital and with this capital acquires command over land and then hires labor to work on hand, by initiating this round about process of production, he takes risks. But beyond this, all he does, is to supervise and manage his
concern in a way to yield the maximum gain to himself. Here we get into the difficulty of distinguishing the entrepreneur from the affluent capitalist or the efficient Manager.

Mill was influenced by the thoughts of J.B. Say, whose entrepreneur combines various factors of production and produces a social valuable product. He emphasised that the role of a capitalist is to finance the enterprise whereas an entrepreneur is an organiser and speculator of a business enterprise, Say put the entrepreneur into the centre of both the productive and distributive theory which first adumbrated the analytical structure that became fully articulate in the hands of Wairas, Marshall, Wicksell, Clark and, Austrians.

Mill, in the analysis of the entrepreneurial function, he laid much emphasis on "superintendence", 'control' and 'direction'. An entrepreneur, according to him, should possess 'no ordinary skills' to discharge these functions efficiently. But this definition simply defines the functions of management and administration and his entrepreneur is simply and merely a manager. A reason why he did not use this term was possibly that managers are frequently salaried employees and they do not necessarily share in business risks, whereas J.S. Mill, like many other authors of that period, wished to make risk-bearing an important entrepreneurial function along-side of "direction".

Kunkel's behavioral model is concerned with the overtly expressed activities of individuals and their relations to the previously and presently surrounding social structures and
physical conditions. The determinants of an individual activities are to be found largely in the conditioning procedures both deliberate and accidental to which he has been subject in the past and in the sets of reinforcing and discriminating stimuli which have become part of his behavioral chains and are part of the present social context. The selected elements of societal environment are open to change.

Stockes, in an explanation of how economically transitional societies produce industrial entrepreneurs, considers social and cultural values which channel economic action to be important. He sees it as a direct product of the way in which the entrepreneurial role is defined and comes to be defined, by collectivities which are meaningful to the prospective entrepreneurs. Why persons with strong needs to achieve, should seek to act out these needs in economic activity is a function of cultural values and not of psychological disposition per se. He, therefore, suggests that personal and societal opportunity and the presence of the requisite psychological dispositions may be seen as conditions for an individual's movement into industrial entrepreneurship, but it is the group generated value matrix that channels him away from or toward such activity.

4. **MODERN VIEWS**: The various definitions of entrepreneurs in past came from the academicians of developed countries and at a time, when the problem of the third world had not received so much attention. These definitions were formulated keeping in view the entrepreneurs of the developed nations whose scale of operations
was large and who were expected to perform only limited entrepreneurial tasks. The theoreticians took a very restricted view of entrepreneurial functions and thought that these would not change for time and scale of operations.

Modern Scholars have adopted a practical approach in understanding the concept of entrepreneurship. They have taken into consideration the existing conditions of developing countries. The entrepreneurs in developing countries often face problems like imperfect competition and shortage of skilled labor and capital etc. The entrepreneurs of such countries can not afford to have large scale operations at the inception level, nor can they restrict themselves to any one or two of the entrepreneurial tasks instead. The entrepreneurs of developing nations have to perform multiple functions to run enterprise successfully. Tondon has aptly defined entrepreneur as "an especially talented and motivated person who undertakes the risks of a business by arranging and combining the factors to establish it and who sees and visualises opportunities for introducing and accepting the new idea with regard to production techniques, nature of products, form of organisation, acquisition of new managerial personnel, changes in the new administrative organisation and new sources of the plans for the expansion of the enterprise. He need not be a person who employs his own capital he need not be a scientist who produces machines. But he is a person who knows the art of changing the production function for using the economic potentials of various factors of production."
Even say that entrepreneurs are the persons who initiate, organise and control the affairs of the business units and combines factors of production to supply goods and services whether the business pertains to the industry, trade or profession. According to Singh there is another school of thought emphasising the importance of management aspect. The emphasis here is on perception of the market opportunities as well as operational skills to run an enterprise.

An extensive sketch of the potential scope of the entrepreneurial tasks in an underdeveloped economy has been recently provided by Kilby. He envisages that the entrepreneurs himself might have to perform the following kinds of the activities for the successful operation of his enterprise.


Some of the activities in Kilby's list are such as can be parceled out to competent subordinates, but that will depend upon
the scale of production, the degree of the development of the high level manpower market, social factors governing the amount of responsibility with which hired personnel will perform and the entrepreneur's comparative efficiency in utilizing high cost managerial employees. It is a known fact that a vast majority of the firms, in under developed countries, are of small and medium size and factor input markets are also under developed. Therefore, the demands placed upon the entrepreneurial units are considerably more extensive in low-income as compared to high income economies. Thus, the entrepreneurial roles may encompass all activities from the perception of economic opportunity to the external advancement of the firm in all its aspects. Certain tasks demand the entrepreneur's critical attention, whereas other call for little and can be safely delegated to subordinates.

Thus, as observed earlier, every theorist has looked at the problem on the basis of his speciality and therefore, can at best provide only a limited view of entrepreneurial phenomenon. No view is right or wrong, or more or less useful. As so many explanations have been put forward, they speak of their inadequacy independently. In fact, the various factors which cause emergence of entrepreneurs are integral and not additive. They are inter looking, mutually dependent and mutually reinforcing.

Some factors which are sociological or psychological in nature take a sufficiently long time to change, whereas others (like economic, political and legal factors) can be quickly manipulated to render an environment conducive to emergence of
entrepreneurship. It may, therefore, concluded that given a degree of ambition and ability not uncommon to many individuals, certain kinds of experiences and situational conditions are the major determinants of whether or not an individual becomes an entrepreneur. At the beginning when the people make the decisions to start an entrepreneurial career, they are in most respects. Very much like many other ambitious, striving individuals. But the entrepreneurial interest for those who select that path are more a function of external differences than the internal one—more the result of practical readiness and cost/income constraints than of individual psychology or personality. This does not mean that starting a successful company is a game that any one can play. It, however, means that for more people could become entrepreneurs than over do, and that the inclination of people to move in this direction could be increased by an increased awareness and recognition of this as a career alternative. Efforts will be made in the thesis to examine the process of the making of an entrepreneur and the stages through which an individual normally posses to become an entrepreneur, so that there is a better understanding of the subject. This understanding can be utilised for vocational guidance for augmenting the supply of the entrepreneurs so vitally needed for rapid economic development and reduction of unemployment in the country. Bhanushali, in his book entitled "entrepreneurship development (An Interdisciplinary Approach)" says "Entrepreneur is a human being living in an ever-changing society pursuing simultaneously economic, social and psychological goals" he further adds that in sum, the foregoing
description of the functions of an entrepreneur presents the
profile of a functionary. Economists' such as Peter Kilbyin,
1755, Cantillon, J.B. say in 1803 and walker in 1870, point of
view present him (entrepreneur) as perceiver of otherwise
unnoticed opportunity, organisation builder, adapter of new
profitable activity and beneficiary thereof. Sociological
analysis (Weber, Chochran and Young) presents him to be a
personality molded by various practices of social enforcement and
values imbibed in him. Psychologically entrepreneurship (J.A.
Schumpeter,McClelland, Hagen and Kunkel etc.) is a vigorous
applications of the person's energies towards the goals cherished
for long.
Herbertan, in his article "The Entrepreneur and Economic
that "The spirit of enterprise makes man an entrepreneur. Such a
spirit transformed him from a normal to a cattle rarer to a
settled agriculturist, to a trader and to an industrialist. Thus
entrepreneurs are persons who initiate, organise, manage and
control the affairs of a business unit that combine the factors of
production to supply goods an services, whether the business
pertains to Agriculture, Industry, Trade or Profession".

Baig and Asif in their book entitled "entrepreneurship and
Business Environment" define entrepreneur as "an Individual
bearing risk in the establishment, management and growth of the
enterprise". Sharma in his book "Entrepreneurial performance in
Indian Industry" is of the view that "Entrepreneur is the one who
detects and evaluates the new situation in his environment and
directs the making of such adjustments in the economic systems as
he deems necessary. He conceives an industrial enterprise for the
purpose, displays considerable initiative, grit and determination
in bringing his project into fruition and in this process,
performs one or more of the following functions:
1. Perceives opportunities for profitable investments,
2. Explores the prospects of starting such a manufacturing
3. Obtains necessary industrial licenses.
4. Negotiates with the foreign collaborators
5. Arranges initial capital
6. Provides personal guarantee to the financial institutions.
7. Promises to meet the short falls in the capital and
8. Supplies technical know-how.

From the above discussion it can be observed, in brief, that
an entrepreneur is the person who tries to create something new,
organises uncertainty and who undertakes risks and handle economic
uncertainty and who undertakes risks and handle economic
uncertainty. He is a potential and enterprising individual,
edowed with special ability to innovate or imitate and for
decision making, interested in advancing technology and willing to
assume the risk involving in it

Thus entrepreneur is more than a 'businessman' in the sense
that it not only connotes the innovativeness, initiativeness,
intuition and a capacity to endure risks but also one who is
susceptible to the external environment such as competition,
economy technology, etc. - core ingredient for the development and
growth.
In a rapidly changing environment with unpredictable outcomes, an entrepreneur may find it necessary to more one step ahead at a time with flexible approach to decision making along with an underlying sense of direction towards a systematic plan of growth-they must foresee opportunities that are inherent or when they arise in a given situation and at times they must be in a given situation and at times they must be in a position even to make opportunities out of a given situation.

Collin and Moore argue that entrepreneurs differ significantly from managers and executives. While Guesbrecht concludes that entrepreneurs are a special breed; They behave differently and have different motives, backgrounds and origins than managers. Whatever the definition, the term entrepreneur seems to describe a special type of businessman, one who is generally the owner and initiator of businessman and who may not be a manager in it as well.

Gupta says "entrepreneurship in small industry sector involves a whole range of aptitudes like the capacity to bear risks, ability to organise and manage the various factors of production and confidence of competence to meet the unforeseen and adverse situation. In this small scale industry sector, entrepreneurship is co-extensive with starting of a small unit". He further, says "that An entrepreneur is the person who promotes a new venture, raises the where withall for it, assembles the factors of production, handles various managerial affairs and sets the business growing profitability."
An entrepreneur is an economic leader who possess the ability to recognise opportunities for the successful introduction of new commodities, new techniques, new sources of supply and to assemble the necessary plant and equipment, management and labor force, and recognise them into a running concern.

The individual who takes the initiative to establish a business and work for themselves or those who own a business or enterprise is known as an entrepreneur. He recognises the need for a product or a service and is the key figure in economic development and growth, visualises a business, takes bold steps to establish undertaking, coordinates various factors of production, and gives it a start.

According to Desai "The definition of the entrepreneur is one of the most crucial and difficult aspects of the theory. There are two main approaches to defining any thing: (1) The functional approach and the (2) indicative approach. In the context of entrepreneur Casson says quite simply that "An entrepreneur is what an entrepreneur does. It specifies a certain function and deems any one who performs this function to be an entrepreneur. The indicative approach provides a description of the entrepreneur by which he may be recognised. Unlike a functional definition, which may be quite abstract, an indicative definition is down-to-earth. It describes an entrepreneur in terms of his position in society, and so on. The entire structure of the theory developed rests upon the following definition "An entrepreneur is some one who specialises in taking judge mental decisions" about the
coordination of scarce resources. In principle, the entrepreneur could be a planner in a socialist economy, or even a priest or king in a traditional society. In practice through, entrepreneurship is closely identified with private enterprise in a market economy."

Entrepreneurs, in the modern sense are the self starters and does who have organised and built successful enterprises since the industrial revolution. Those who wish to start their own business can benefit from studying the characteristics of entrepreneurship understanding the psychological profile of the entrepreneur, they can judge whether they fit the pattern and have a reasonable chance for success in starting a business of their own.

After going through the various definitions of the term entrepreneur propounded by various economists, sociologists and psychologists of all the 3 periods i.e. classical, neo-classical and modern days, I define the term as "The entrepreneur is an enterprising person or an association of such persons who are full of enthusiasm and zeal to see the new opportunities, arrange combine and coordinate various factors of production e.g. land, labor, capital, organisation and management, try to meet risk and uncertainty involved in a systematic and scientific way so as to get the desired and pre-determined objectives of creating something new achieved more effectively, efficiently, economically, profitably and in a better way."

A micro level analysis of the above mentioned definition reveals that the entrepreneur has got the following characteristics and features.
1. Enterprising and daring
2. Individual as well as a group effort
3. Zeal and enthusiasm
4. shrewd and opportunist
5. Risk-bearing
6. Goal and future oriented
7. Manager and co-ordinator of different factors of production
8. Generalist rather than specialist
9. Innovator and imitator
10. Change Agent
11. Effective and efficient user of resources
12. Profit motive
13. Optimistic and hopeful
14. Catalyst of development and growth
15. Far sighted and employer
16. Economic leader

An "act" performed by the person or an association of such persons who possess the aforesaid qualities is termed as "entrepreneurship". And such an act may be in the field of business, industry, trade, commerce, agriculture, horticulture, floriculture or profession etc.

**Entrepreneurship: A Conceptual Approach**

Before the latter half of the 19th century, industrial development in India was practically at a standstill. The main reason for this was the colonial rule whose sole interest lay in exploiting the local market to its own advantage. Some restricted opportunities of economic development did open out during the British rule, but whatever social and economic modernisation was initiated by it, was done with an eye to the politico-economic interest of the imperialist rule. Economic growth in the real sense of the term began in India in the latter half of the 20th century, especially after the attainment of the political independence in 1947. Since India has opted for a mixed economy,
the responsibility for ensuring a steady rate of economic
development rests on the shoulders of both public and private
enterprises. It may be pointed out that the spirit of the mixed
economy that we have opted for is not to encourage capitalism
alongside of socialism but to ensure a healthy growth of
entrepreneurship through the development of the entrepreneurial
spirit in keeping with the essential freedom of the individual
innovator alongside of the public control of the economy.

The concept of entrepreneurship and its theory have evolved
over more than two centuries. But the concept of entrepreneurship
did not find any place in the early English economic thoughts.
From Adam Smith to Marshall, the economists made no efforts to
define or conclude entrepreneurship in their economic literature.
They did not use the word entrepreneur or entrepreneurship at all.
Instead, they used the word employer, the master, the merchant and
the undertaker.

In Schumpeter's system entrepreneurship is essentially a
'creative activity'. It consists in doing such things that are
generally not done in an ordinary course of business. It is
essentially a phenomenon that comes under the wider aspect of
leadership.

In the words of Cole, entrepreneurship is "the purposeful
activity of an individual or a group of associated individuals,
undertaken to initiate, maintain or aggrandise a profit oriented
business unit for the production or the distribution of economic
goods and services.

Hostilities highlighted the fact the entrepreneurship
depends partly upon the appearance of persons with a certain psychological make up favorable for entrepreneurial activity and partly upon the social and economic environment in which individuals with requisite personal will find it attractive to apply themselves to the pursuit of the appropriate economic ends.

Young has not come out with any new definition of entrepreneurship. He advocates the definition of Schumpeter. He says that entrepreneurial activity is generated by the particular family backgrounds, experiences and the alignment with certain groups.

According to Fredrick Heybson entrepreneurship means "The skill to build an organisation.

Mc Clelland describes the innovative characteristics of entrepreneurial role. Entrepreneurial role by definition involves doing things in a new and better way. A businessman, who simply behaves in a traditional way is not an entrepreneur.

Moreover, entrepreneurial role calls for a decision making under uncertainty. If there is no significant uncertainty and the action involves applying known and predictable results, then entrepreneurship is not at all involved.

Mc Clelland, like others identified two characteristics of entrepreneurship. First doing things in a new and better way. This is synonymous with the innovative characteristics given by Schumpeter, and secondly decision making under uncertainty i.e. risk as identified by cantillon. Mc Clelland, more explicitly emphasised the need for achievement or achievement orientation as
the most directly relevant factor for explaining economic behavior. This motive is defined as a tendency to strive for success in situations involved an of one's performance in relation to same standard of excellence.

Singh Shoebahal says that entrepreneurship involves a sufficient volume of risk and adventure in the business under perusal bears ultimate authority of making decisions and formulating policies regarding the business. He further, says that entrepreneurship is an economic activity in which an individual, motivated by economic activity in which an individual, motivated by economic gains, invests capital borrowed or his own in order to get a return.

Stepanek writes that the "entrepreneurship is the capacity to take risks, ability to organise and desire to diversify and make innovations in the enterprise."

According to Higgens, entrepreneurship is meant for the function of seeing investment and production opportunity, organising in enterprise to undertake a new production process, raising capital, hiring labor, arranging the supply of raw material, finding sites, introducing a new technique and commodities, discovering new source of raw materials and selecting top managers for day to day operations of the enterprise.

According to Pathak "entrepreneurship involves a wide range of areas on which series of decision are required, which can be grouped broadly in to 3 categories viz., relating to (1) perception of an opportunity (ii) organising an industrial unit
Kilby envisages that entrepreneurship in an underdeveloped economy, involves a wide range of activities which include, amongst others, perception of market opportunities, combining and managing factors of production and introducing of production techniques and products. He writes that it is a known fact that a vast majority of the firms, in underdeveloped countries are also underdeveloped. Therefore the demand placed before an entrepreneurial unit are considerably more extensive in low-income as compared to high income economies. Thus, the entrepreneurial roles may encompass all activities from the perception of economic opportunity to external advancements of the firms in all its aspects. Certain tasks demand the entrepreneur's critical attention, whereas others call for little and can be safely delegated to subordinates.

According to Khanka "entrepreneurship is meant to be the function of creating something new, organising, coordinating and supervising and undertaking risks and handling economic uncertainty."

Desai entrepreneurship appears as a personal quality which enables certain individuals to make decisions with far-reaching consequences.

According to Singh entrepreneurship can be defined and described as a creative and innovative response to the environment. Such response can take place in any field of social endeavor Business, Agriculture, Education, Social Work and the like. Doing new things or doing things that are already being
done, in a new way is, therefore, a simple definition of entrepreneurship."

Patnaik and Swadeep opine that "entrepreneurship is closely associated with the following:

1. Initiative in establishing a business
2. Risks bearing
3. Coordination of different factors or production
4. Introduction of innovations

The traditional concept of entrepreneurship i.e. combining land, labor and capital into new productive activities, is found to be a limited one today. Modern entrepreneurship is involved with anticipating the future requirements of society and successfully meeting these requirements with new, creative and imaginative combinations of resources. To the classical resources, land, labor and capital, a new set of resources may be added. They are talented and professionally trained people, use an advanced information system, appropriate time and above all, create a superior organisation.

Gupta argues that "entrepreneurship involves a whole range of aptitudes and capabilities of an enterprising person like the capacity to bear risks, to forecast prospects of an enterprise, to organise various factors of production, to manage different affairs of the business, to innovate or imitate new things, confidence and competence to meet unforeseen and adverse situation etc."

Khairoowala observes that "entrepreneurship means the
function of creation something new organising and coordinating and undertaking risks and handling economic uncertainty. "He further says that "entrepreneurship implies a commitment to expand and grow which is one of the major determinants of industrial development particularly for a developing country like India."

Agarwal in his book "Initiative, Enterprise and Economic choices in India" quoted Huge Aitken who says that "In the most general terms, entrepreneurship is one of the aspect of all organisation. In its conventionally specific or technical sense, it refers to the degree and modalities of organisation found in business forms. entrepreneurship is not a matter of 'all or nothing'. It is a matter of 'more or less'. The characteristics conventionally associated with entrepreneurship-leadership, innovation, risk-bearing and so on are so associated precisely because, in a highly-commercialised culture such as ours, they are essential features of effective business organisation. By the same logic, in a differently oriented culture, the typical characteristics of entrepreneurship differ.

Gupta in a paper presented at all India commerce conference, defines entrepreneurship as "entrepreneurship is meant the function of seeing investment production opportunity, organising an enterprise to undertake a new productive process, raising capital, hiring labor, arranging the supply of raw materials, finding site, introducing a new technique and commodities, discovering new source of raw materials and selecting top managers for day today operations of the enterprise."
Bajpai in his paper entitled "Human Resource Development as an aid to entrepreneurship Development in India" presented at all India conference on entrepreneurship says that "entrepreneurship is nothing but aptitude of a person to undertake an enterprise with chance of profit for livelihood. This aptitude may be in born or may be developed through orientation and training. Entrepreneurship is largely a concoction of social environment which includes, inter-alia, quality and type of education, research and training facilities; facilities of communication and transportation; size and distribution of income and finally vocational pattern of existing population. Social environment, therefore, need to be controlled for entrepreneurial development."

Saxenas in their paper entitled "Strategy for Developing entrepreneurship" submitted in the annuals all India Commerce Conference in 1990 on entrepreneurship concluded that "entrepreneurship constitutes an important input in the process of economic development. Economic growth draws its vital nourishment from a stream of fresh ideas, inventions and innovations. Without entrepreneurial function development would be in conceivable. For healthy development in Agriculture, industry or any other sphere of an economy, there must be men and women who possess drive ambition, foresight and imagination to break through traditional barriers, overcome social inertia and transform theory into practice. Individuals performing these functions are the entrepreneurs and their enterprising ability and skill can correctly be understood as entrepreneurship."
Ansari is of the view that "entrepreneurship is an innovative function which may be in the form of introduction of a new product, use of scientific as well as traditional techniques of production, exploring a new market, the conquest of a new source of supplying raw material or a new form of organisation."

Vivek in his paper entitled "entrepreneurship Development in India" submitted in all India Commerce Conference on entrepreneurship says that "entrepreneurship has been recognised as an essential ingredient of economic development. The basic concept of entrepreneurship connotes an effectiveness, an urge to take risks in the face of the uncertainties and an intuition, i.e. a capacity of showing things in a way which after wards proves to be true. Various concepts and theories propounded by researchers seems to indicate that the emergence of the entrepreneurs, in a society, depends upon closely inter-linked economic social, cultural, religious and psychological variables.

Mansoor observes that "entrepreneurship is the name given to the factor of production which performs the function of 'Enterprise', out of the five factors of production i.e. land, labor, capital, organisation and enterprise, organisation does the work of coordination of different factors and makes the production possible by taking upon itself the risk or more opportunity the uncertainty of production. That is why the entrepreneur is terms as 'uncertainty function as that of bearing'.

Samiuddin says "entrepreneurship means the function of creating something new, organising and coordinating and
undertaking risks and handling economic uncertainty". He further, concludes that "entrepreneurship implies a commitment to expand and grow which is one of the major determinants of industrial development particularly for a developing country like India."

In brief, I define the term entrepreneurship as follows: "entrepreneurship is a characteristics found in the enterprising, enthusiastic and zealous persons regarding seeing the untapped opportunities of launching either as a business, agriculture, profession or trade project and introducing something new with the view of earning profit or otherwise."

Sharma entrepreneur is one who detects and evaluates the new situation in his environment and directs the making of such adjustments in the economic system as the deems necessary. He conceives an industrial enterprise for the purpose; displays considerable initiative; grit and determination in bringing his project into fruition. But he is not a mere hired executive, though he may also be appointed as one for the promotion of his company.

Types of Entrepreneurs: After having understood the true nature and clear picture of the meaning and definitions of the terms Entrepreneur and entrepreneurship, it is worth mentioning the various kinds or types of entrepreneur. Danlof, an American Anthropologist has classified entrepreneurs in the following four categories.

1. Innovating Entrepreneurs: Innovating entrepreneur is one who introduces something new in the economy which may be a product with which consumers are not yet familiar, employs a new technique of production not yet tested in the branch of manufacturing concern, opens a new market, exploits a new source of raw
materials and above all reorganises the whole enterprise. Innovating entrepreneurs are generally aggressive in experimenting and then implementing the un-conventional methods and innovated techniques into production processes. They are always alert to find out means and ways which may increase the economic of the enterprise. Schumpeter entrepreneur was possessing such characteristics.

It is noteworthy that invention and innovation are not the same. Inventions signify the discovery of new techniques while innovation implies the practical application of that invention in the production process. Meham writes "Inventions are not necessarily critical to the process of economic development whereas innovations are the foundations of economic development. Invention invariably requires technological competence of a high cadre, whereas innovations usually require sensing of human needs and understanding of human behavior.

It is, however, observed that innovating entrepreneurs are normally found in the developed countries. In this context, Marshall used an ancient proverb 'Nature non facit Saltum', which means a country with little or no tradition can hardly produce innovators, capable of making substantial transformation in the economy because in these countries, conditions are characterised by the capital shortage, imperfect market and backward people.

2. **Imitating Entrepreneurs**: Imitating entrepreneurs are the persons who intensively watch the result of innovations inaugurated by innovating entrepreneurs and readily implement the
successful innovations in their own enterprises. They have readiness to imitate and adopt the suitable changes made by innovating entrepreneurs.

Imitating entrepreneurs too play a very significant role in economic development of a country. Developing countries are in need of generating such type of entrepreneurs as these countries cannot afford the involvement of a considerable amount of money in undertaking inventions. It is, therefore, better for them to imitate technological and other changes of the advanced countries which have proved successful there. They, however, enjoy more or less the same benefits which are enjoyed more or less the same benefits which are enjoyed by the original innovators.

3. **Fabian Entrepreneurs**: Fabian entrepreneurs are very cautious and skeptical in adopting and implementing any change. Such entrepreneurs are lazy and shy. They have neither will to introduce new things more desire to adopt new methods or techniques innovated by innovating entrepreneurs. Their dealings are determined by customs, religion, traditions, and past practices. They are interested intaking risks and try to follow the foot steps of their predecessors. Fabian entrepreneurs imitate and implement change only when it becomes clear that they would not survive without doing so. Thus, they follow innovations and imitations but very slowly and reluctantly.

4. **Drone Entrepreneurs**: Drone entrepreneurs are very insert and traditional. They refuse to adopt any new change in their production methods they are prepared even to suffer losses but do
not make changes. Instead of playing any constructive role in developing the economy. They prove to be hurdles in the way of development. Drone entrepreneurs struggle but to exist, now to grow.

Developing countries such as India and other Asian nations need imitating entrepreneurs. In these countries, capital is scarce, investors are hesitant, markets are limited because of low purchasing power and entrepreneurs are in-experienced in the Industrial fields. Such countries primarily need the imitators who can imitate the technologies and the products to the articular conditions prevailing in such countries. Such entrepreneurs are responsible for transforming the system with the limited resources they possess. Entrepreneurs of developing countries generally start with small scale operations and therefore, can hardly make innovations involving huge investments and time.

Berna writes "The importance of these humbler entrepreneurs who exploit possibilities as they present themselves and mostly on small scale must not be under estimated. In the first place, such adaptation requires no mean ability. It often involves what has aptly been called "subjective innovations" that is the ability to do things which have not been done before by the particular industrialist, even though, unknown to him, the problem may have been solved in the same way by others.

He further, writes that about his place and position in underdeveloped country "He is, perhaps, a rather pedestrian figure by western standard; an adopter and imitator much more than a true innovator; a man who has much more in common with Marshall's
organiser of the factors of production than Shumpeter’s creative disturbed but in a poor country a attempting to industrialise a patent change-producing figure nonetheless.

In nutshell, in developing countries where genially an entrepreneur starts his venture on small scale cannot restrict himself to one or two of the above mentioned entrepreneurial functions. Instead he has to make wide ranging decisions himself relating supplies, production, marketing, labor and the like. Small entrepreneur, thus, is a "generalist’ rather than a technical or economic specialist.

CIRCUMSTANCES IN WHICH ONE MAY BECOME AN ENTREPRENEUR: Man is conditioned by the circumstances. He dances according to the tune of the forces of environment. One wants to become an entrepreneur in any one or more than one of the following conditions. 1. He desires to make more money in the business than in a fixed salary job. 2. He likes to earn his livelihood in an independent profession instead of remaining as an employees of the Govt. of or a private enterprise. 3. He wants to put his plan for a new product or service into practice. 4. He finds that an existing product or service is in short supply and feels that he can fill the gap. 5. He believes that he can supply better products or services than those offered by the existing business concerns and starts a business unit of his own. 6. He has a business skill and his friends or relatives had capital for investment; and both have agreed to get together to start a business. 7. He is a fresh college or university graduate and does not find any suitable job
or i s not satisfied while being in a present job. 8. He wants to be his own boss and does not like to carry out the order of others. 9. He is an ambitious and hard working man wants to prosper very quickly. 10. He feels that his skill and talent are not fully utilised in his present job. 11. He feels that his present job is strenuous and that if he invested the same amount of time and energy in his own business. He would earn a great deal more. 12. He does not feel secure in his present job or he may believe that his employer is likely to wind up his business or become an insolvent. 13. He comes in close contact with a set of dependable customers in his present job and feels that he can himself be a source of supply to these customers, he sets up a business unit of his own. 14. He has a family business to join. 15. He feels that the infrastructural facilities and financial assistances provided by the state are more alluring than well paid white collar jobs. 16. He feels surrounded by the business and feels psychologically humiliated while being in a job. 17. He has an inner desire and wish to be a businessman.

In whatever circumstances an entrepreneur starts an enterprise, his motto should not be only profit maximisation. He has same responsibility to the society. He should develop some services motive alongwith the desire for becoming rich. First he should find out whether there is a genuine need in the society for the types of goods or services he wishes to produce. He should ensure a better quality of the goods and services. Above all, the should be aware whether his business activities, are harmful to
any section of the society.

**QUALITIES AND CHARACTERISTICS OF AN IDEAL ENTREPRENEUR:** It is needless to emphasize that the entrepreneur plays an important role in the economic development of a country. A country aspiring for quick and consistent development of its economy has to produce a large number of entrepreneurs in order to achieve this end. However, merely an increase in the number of entrepreneurs is not sufficient to bring about development. Entrepreneurs rather must possess following qualities if a country has to attain economic enhancement.

1. Psychological capacity to assume risks and the self confidence.
2. Ability to marshall resources;
3. Organisational and administrative ability;
4. Technological knowledge;
5. Willingness to accept change;
6. Alertness to new opportunities.

A true entrepreneur, besides possessing the functional qualities mentioned above, must possess the broad personality contours which help him in developing initiative and drive him to accomplish such tasks which he decides from time to time.

In his study Berna stressed following qualities of a good entrepreneur. 1. Entrepreneur, an enterprising individual, is energetic, resourceful, alert to new opportunities, able to adjust to changing conditions and willing to assume risks involved in the change. 2. He is interested in advancing technologically and in improving the quality of his product. 3. He is interested in expanding the scale of his operations and he reinvests earnings to this end.

According to Berna, success of an entrepreneur should be
evaluated in terms of above mentioned qualities. An entrepreneur, first of all, should have "spirit of enterprise". It is difficult to conceive of a first-rate industrial entrepreneur who is not adaptable to the change, anxious to grow large and improve technologically.

Tondon, has pointed out certain qualities for a successful entrepreneur which are as follow:

1. **Capacity to Assume Risk**: Business is full of risks and uncertainties. A careful forecasting of risk and uncertainties with a reasonable degree of accuracy will help the entrepreneur to assume risk. Therefore, for covering the risks, highest order of ability in an entrepreneur is required.

2. **Self Confidence**: A successful entrepreneur would be one who has tact, patience, capacity, power of observation and wisdom and ability of discrimination. He should be mentally alert, gifted with discernment, practically wise, acute-minded, shrewd and an exceptionally intelligent person. He must be a good judge of human nature and must possess the qualities of leadership.

3. **Technical Knowledge**: The entrepreneur should have keen desire to change and adopt new technology. Their success depends on their ability to adopt new goods newer technology new way of producing goods and services.

4. **Willingness to Accept Change**: Willingness to accept change is a remarkable quality of successful entrepreneur. He should be interested in discovering new combinations involving new products, new methods of production, development of new market and
utilisation of a new source of production factors and a new form of organisation.

5. **Ability to Imitate**: Entrepreneur should possess the ability of imitation. Normally people are not prepared to take risks resulting from innovations, but they should be ready to take such projects which involve less cost and risk as they are of imitating against innovating character. They should be able to harmonise new ideas of different innovations to their own organisation.

6. **Ability to Marshall Resources**: Entrepreneurs should have the ability to mobilise resource in the best possible manner for achieving the business objectives. He should be one who is able to reduce the cost of production to the minimum without reducing the quality of the product. Harbisons writes: "A dynamic organisation needs its idealman, its creative thinkers, its people who can plan and initiate changes. The organisational ability is probably the most critical skill needed for industrial development on a large scale. The organisation builder must be able to harness the new ideas of different innovators to the rest of the organisation. He must be able to select and develop persons who can properly manage and control a labor force. His task is to stimulate initiative and enthusiasm in accomplishment of the objectives of the organisation. He must be able to "multiply himself" by effectively delegating responsibilities and authorities to others. Indeed, the ability to build an organisation is perhaps the most precious of all entrepreneurial skills and thus those who can achieve success in this very
critical areas may be the ones who most nearly fulfill the role of the true entrepreneur.

7. **Ability of Organisation and Administration**: The ability of building an organisation is one of the most critical skills needed for industrial development of a country. The organism must be able to harvest the new ideas to the best in his organisation. He must be able to select and develop persons who can properly manage the affairs. The entrepreneur must have the ability of selection, training and development of the persons composing the labor force. He must have confidence to provide sufficient incentive for work. He should have the ability to raise the productivity of labor. He should know the techniques of scientific management. Even more important, he requires high level of education, experience and training among the members of the managerial organisation.

According to Patnaik and Patnaik the qualities of an ideal entrepreneur which may be deemed to be personal traits are:

1. **Initiative**: The entrepreneur should be resourceful and alert to opportunities. He should be ambitious and welcome additional tasks.

2. **Leadership**: He should possess leadership qualities: He should be forceful, commanding, inspiring confidence in others and, above all loyal.

3. **Responsibility**: He should accept and welcome responsibility without any protest and should not shirk it in any way.

4. **Industry**: The entrepreneur should be energetic and capable of working hard for long hours.

5. **Sincerity**: He should be courageous and sincere in his duties.
6. **Decisiveness**: The entrepreneur should be able to take quick and accurate decisions. Indecisive entrepreneurs always suffer. It is most important that he takes accurate and timely decisions. Quick but unsound decisions may be as harmful as sound decisions taken late.

7. **Preservance**: An ideal entrepreneur should be steadfast in purpose and should not be discouraged by obstacles. He should be persistent but not foolhardy in his efforts.

8. **Physical Energy**: Physical energy and physical fitness are a plus point in favour of a good entrepreneur.

9. **Attitude to Others**: A negative attitude is always bad. An ideal entrepreneur should have always a positive attitude, a friendly attitude and interest in people, pleasant manners, and should be polite and cooperative. He should not be of quarrelsome nature.

10. **Education and Training**: The most important thing necessary for an ideal entrepreneur is business education and training.

11. **Boldness**: An entrepreneur should be bold and even daring. He should be courageous, dynamic and ready to take risks after properly evaluating them.

12. **Responsiveness**: The entrepreneur should be responsive to the changing environment and should have, as his ultimate goal, self-expansion. The primary goal should be survival.

13. **Honesty**: Honesty is of paramount significance so far as success in business is concerned.

14. **Integrity**: An entrepreneur in order to be the successful, he
should have the concept of integrity in his mind.

15. **Coordinating Behavior**: An ideal entrepreneur is one who always thinks in terms of coordinating, synchronising and harmonising the organisation for the attainment of the pre-determined goals of the establishment.

Personal traits coupled with a congenial environment and proper motivation promote entrepreneurial activities. New entrepreneurial traits and talent should be developed and, a congenial political, social and economic environment should be created to accelerate the pace of industrialisation.

Christofer has listed out eighteen characteristic of an entrepreneur. These are:

1. Preservance and Hard Work
2. Risk Taking Ability
3. High Aspirations
4. Willingness to Learn
5. Dynamic and Creative
6. Adaptable
7. Innovative
8. Good Salesmanship
9. Ability to Win Friends and Overcome Crises
10. Initiative
11. Self Confidence
12. Will Power
13. Determination to Succeed
14. Pleasing Personality and Tactfulness
15. High Integrity
16. Responsible
17. Excellence in Work

A successful entrepreneur is, thus a person or a group of persons who have tact, patience, sagacity and powers of observation, discrimination and forecasting. He must be a good judge of human nature and possess the qualities of leadership.
All this needs a rare combination of qualities of head and heart in him. A part from it, a successful captain of industry, i.e. entrepreneur should also possess some other qualities like initiative and courage to depart from the traditional approaches and ability to justify his attitude and activities in a socio-economic framework to suit the environment in which he is to work.

Entrepreneur is "generalist" and not a technical or economic specialist. In this sense he is distinguished from the expert manager of a large private of public corporate enterprise. The latter is employed because of his specialised knowledge. But the entrepreneur in a small unit must be not only a man with some knowledge of the productive techniques employed in the unit he owns, but a person who makes the chief decisions relating to sales, supplies, production process, relations with workers and numerous other matters. Although information and skill-level are not unimportant, the small entrepreneurs must primarily display the required characteristics of personality and leadership, the willingness to take some risks and the desire to innovate and experiment in order to perform his role properly.

Vinze, has pointed the following characteristics in his studies.

1. Sense of efficacy  
2. Risk taking  
3. Learning from experiences  
4. Need for independence  
5. Hope of success  
6. Competition and collaboration  
7. Flexible authority relationship  
8. Social consciousness  
9. Dignity of labor  
10. Saving for future  
11. Creative  
12. Not to be discouraged by failures  
13. Future oriented  
14. Hard working  
15. Persistent  
16. Takes personal responsibility
17. Goal oriented 18. Derive for power
19. Self confidence 20. Ability to explicit situation
21. Person of integrity 22. Makes decisions
27. Positive attitude 28. Dreamer
29. Imaginative 30. Realistic
31. Courageous 32. Self starter
33. Innovative 34. Likes challenges
35. Takes initiative
36. Sensitive and perceptive to people and environment
37. Tolerance of ambiguities
38. Good communication with people
39. Initiative 40. Mentally Hyperactive
41. Aggressive 42. Average intelligence
43. Wants to make lot of money 44. Belief in God
45. Ability to grasp and 46. Honesty.

FUNCTIONS OF AN ENTREPRENEUR: Modern economists have observed that an entrepreneur has to perform multiple functions for successful operation of an enterprise. Prof. Robinson spoke of various types of functions which determine the nature of entrepreneurship. They include provision of capital, bearing eventual risks, strategic administration and the day to day technical management. Arthur H. Cole described an entrepreneur as a decision maker and described the following functions of an entrepreneur:

1. The determination of those objective of the enterprise and the change of these objectives as conditions required or made advantageous; 2. The development of an organisation including efficient relations with subordinates and all employees; 3. The securing of adequate financial resources, the relations with existing and potential investors; 4. The requisition of efficient technological equipment and revision of it as new machinery appeared; 5. The development of a market for the products and the
devising of new product to meet or anticipate consumers' demand; 6. The maintenance of good relations with public authorities and with society at large.

Economist like Cantillon, Knight, J.B. Say and others stressed risk-bearing as the basic function of an entrepreneur. Marshall and Associates, associated entrepreneur with the function of the coordination, organisation, supervision and management. According to the Schumpeter the main function of an entrepreneur is innovation.

In a big concern, the entrepreneur himself can not directly carry out all the managerial functions. He gets work done by qualified and competent employees. But in small concerns, the entrepreneur must perform all the functions himself. Some of the functions of an entrepreneur are given below:

1. **Study the Market**: The market opportunities and demand for goods in the market have to be studied carefully. In such a study, the purchasing capacity of the prospective customers in the market in relation to the proposed product is to be ascertained.

2. **Take Initial Steps in Establishing the Business**: The entrepreneur has to take all the initial steps to bring the business into existence.

3. **Coordination of Different Factors of Production**: The different factors of the production land, labor and capital are to be arranged for an coordinated. He must manage all the resources in the most efficient manner to get the maximum output.
4. **Provision of Capital**: A business unit can not depend on borrowed capital alone. A major portion of the required capital is to be provided by the entrepreneur himself.

5. **Marketing the Product and Responding to Competitions**: One of the most important functions of an entrepreneur is to market the produced goods and services at a reasonable price and in proper time. Production has no meaning unless goods can be sold in the market at a profitable rate within a reasonable period of time. In developed and developing countries, an entrepreneur can not hope for monopoly in the market. He has to face boldly cutthroat competition in the market.

6. **Hold the Customers**: Customers are the bedrock of any business. The success of any business depends upon its customers. The most important function of the entrepreneur, therefore, is to satisfy its customers, behave nicely with them, supply the goods to them according to their need and at a reasonable price. In other words, the entrepreneur should hold them, so that they may not think of moving over to some other supplier. The entrepreneur who seeks a reward for his labor and no more, may be said to be the ideal entrepreneur, having a highly developed sense of ethics.

7. **Production Management**: He has to supervise, control and coordinate the production process with a view to attaining optimum and quality production at low cost.

8. **Dealing with Public and Bureaucracy**: The entrepreneur has to act in accordance with the rules and regulations laid down for him. For example he has to obtain a license, register the firm,
9. **Introduction of Innovations**: The entrepreneur has to be on the look out for new markets, new and advanced production techniques and new ideas.

10. **Risk Bearing**: The most important functions of an entrepreneur is his willingness to undertake risk. It must be remembered, however, that a lot of calculation goes into this risk-taking and that the successful entrepreneur should not be confused with the haphazard gambler. He connectly interprets a risk situation and determines the policies which will minimise the risks involved in achieving his goals. Entrepreneurs set challenges to themselves but these challenges are realistic.

11. **Social Responsibility**: In modern times, the function of an entrepreneur is increased when his obligation to the society are defined. The earning of profit is not the only motive of an entrepreneur. He has to study the needs of the future society and work in such a manner so as to ensure that society in general is benefited from the operations and affairs of the business.

12. **Time Prospective**: The entrepreneurs must be able to analyst and learn from the mistakes of the past; study the present situation thoroughly; and should be able to visualise the problems and prospects of the future.

   According to Gupta The functions of an entrepreneur, whether privately or publicly owned enterprises, whether he is an individual or group of individuals, may be classified into the following categories:

1. Undertake or manage risk and handle economic uncertainty. 2.
Innovation and imitation. 3. Planning of the enterprise. 4. Coordination, administration and control. 5. Routine supervision of the organisation.

According to Sharma R.A. The functions of an entrepreneur can be classified into following categories: 1. Perceiving opportunities for the profitable investment; 2. Exploring the prospects of starting such a manufacturing enterprise; 3. Obtaining the necessary industrial licenses; 4. Negotiating with foreign collaborators; 5. Arranging the needed initial capital; 6. Providing personal guarantee to the financial institutions; 7. Promising to meet the shortfalls in the capital and 8. Supplying the technical know-how etc.

**Nature of Entrepreneurship**: In the field of business and industry, the new nature of entrepreneurship can easily be understood by knowing its different characteristics. Some of main features of entrepreneurship are as follows:

1. Risk bearing capacity
2. Ability to innovate
3. Business oriented tendency
4. Creative activity
5. Knowledge based practice
6. Entrepreneurship is behavior rather than personality trait
7. Based on principles, not on institutions
8. Result of changes
9. Essential in every activity
10. Environment oriented activity
11. Management is the vehicle of entrepreneurship
12. Low Risk
13. Creation of a resource
14. Entrepreneurship is an achieved work rather than natural
15. Process of identity transformation
16. Essential in all business and economics
17. Result oriented behavior
Types of Business Entrepreneurship: Every nation has its different socio-economic conditions besides its own pace of development and growth. Moreover, various people in their respective counties have different ideas and feelings towards business. Hence entrepreneurship also has various types. On certain basics, the types of entrepreneurship can be discussed as follows:

A. On the Basis of Capital Ownership:
   1. Private entrepreneurship
   2. Public entrepreneurship
   3. Joint Entrepreneurship
   4. Cooperative entrepreneurship

B. On the Basis of Attitude Towards Change on Development:
   1. Traditional or evolutionary entrepreneurship
   2. Modern or revolutionary entrepreneurship

C. On the Basis of Centralisation:
   1. Centralised entrepreneurship
   2. Decentralised entrepreneurship

D. On the Basis of Size:
   1. Big entrepreneurship
   2. Small entrepreneurship

E. On the Basis of Entrepreneurial Function According to Liberation:
   1. Routine entrepreneurship
   2. New-type entrepreneurship

F. On the Basis Leadership:
   1. Individualistic entrepreneurship
   2. Group entrepreneurship

G. On Regions Basis:
   1. Urban entrepreneurship
   2. Rural entrepreneurship
   3. Systematic entrepreneurship

H. On the basis of nature of job/task
1. Business/Industrial entrepreneurship
2. Agricultural/Horticultural/Floricultural entrepreneurship
3. Professional entrepreneurship

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