



THE DEVELOPMENT OF ENTREPRENEURSHIP RESEARCH

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ABSTRACT : The concept of entrepreneurial development involves equipping a person the required information and knowledge used for enterprise building and polishing his entrepreneurial skills. In these days,

entrepreneurial development programmes are treated as an important tool of industrialisation, and a solution of unemployment problem of India. In the present paper an attempt has been made to study the entrepreneurship development (ED) process in India and the role of entrepreneurship development programme in the economic growth of a nation. The data used for the purpose of study are mainly from secondary source.

KEYWORDS; Entrepreneurship development ,Entrepreneurship development programmes, Economic growth.

INTRODUCTION

Entrepreneurs shape economic destiny of nations by creating wealth and employment, offering products and services and generating taxes for government because of which entrepreneurship has closely been linked to economic growth of a country. Entrepreneurs convert ideas into economic opportunities through innovations which are considered to be major source of competitiveness in an increasingly globalizing world economy. Therefore, most governments in the world strive to augment supply of competent and globally competitive entrepreneurs in their respective countries. Entrepreneurial development is a systematic and an organized development of a person to an entrepreneur. The development of an entrepreneur refers to inculcate the entrepreneurial skills into a common person, providing the needed knowledge, developing the technical, financial, marketing and managerial skills, and building the entrepreneurial attitude. Entrepreneurial development programmes may be defined as a programme designed to help an individual in strengthening his entrepreneurial motive and in acquiring skills and capabilities necessary for playing his entrepreneurial role effectively.





METHODOLOGY OF THE STUDY:

The data for the purpose of the study has been collected through secondary sources, which mainly include websites.

The origins in economics

For many years entrepreneurship studies have been conducted within the context of economics: entrepreneurship has been considered as the heart of economic development and the unit of analysis of studies on it has basically been the individual. The first definition of Entrepreneur has been given by Cantillon in 1755 in his “Essai sur la nature du commerce en general” and even Smith dealt with the issue in 1776 in his “An inquiry into the wealth of nations”. What firstly appeared as a link between the economic activity and the role of the entrepreneur was his inclination to risk and his ability to manage situations of uncertainty.

According to Cantillon, in fact, the entrepreneur is a speculator in search for profit from arbitrage, from buying at a certain price and selling at an uncertain price. Therefore the entrepreneur is different from the rentier, the other subject of the economic system identified by Cantillon, as his income cannot be predicted.

Entrepreneurship and organization

The entrepreneurship field as conceived nowadays was born when Vesper organized a special entrepreneurship interest group of the Academy of Management's Business Policy Division in 1974. Entrepreneurship research progressively moved from the study of the individual traits to the features of the entrepreneurial organization, conceiving entrepreneurship as a managerial style (Morris & Kuratko, 2002). For many years entrepreneurship and organizations seemed to have no contacts with reference to their area of research: organizations are “typically slow to change and tend to be risk averse” (Stevenson and Gumpert, 1985), while entrepreneurship is about change and could arise from situation of uncertainties. Until recent years the relationship between the entrepreneur and the firm has never been clear: entrepreneurial theories has in fact failed for a long time in distinguishing the two concepts (Casson, 1982).



Austrian economists, in fact, entirely fudged this issue, while those scholars who indicate supervision as the entrepreneurial function implicitly conceive the firm as an organization that could be governed just by one individual. Another problem in the literature was the tendency to suppose the presence of just one entrepreneur for each firm (Casson, 1982). All these visions seem to be incomplete looking at the emergence of large scale integrated companies and multinationals, where operations become complex and not controllable by just one individual. However, recent literature starts offering possible integrative conceptualization in order to entail both entrepreneurship and organization. There is a dichotomy in the literature within this issue: entrepreneurship is seen alternatively as a behavioral aspect of individuals or as a quality of the organization (Lynskey, 2002).

Entrepreneurship and management

Since the work of Schumpeter, managers were described as individuals different from entrepreneurs. “We have seen that, normally, the modern businessman, whether entrepreneur or mere managing administrator, is of the executive type. From the logic of his position he acquires something of the psychology of the salaried employee working in a bureaucratic organization” (Schumpeter, 1942). Chandler made as well a clear distinction between the two roles: “The executives who actually allocate available resources are then the key men in any enterprise. Because of their critical role in the modern economy, they will be defined in this study as entrepreneurs. In contrast, those who coordinate, appraise, and plan within the means allocated to them will be termed managers. So entrepreneurial decisions and actions will refer to those which affect the allocation or reallocation of resources for the enterprise as a whole, and operating decisions and actions will refer to those which are carried out by using the resources already allocated” (Chandler, 1962). On the bases of these differences, many studies have been carried out with the aim of clarifying the psychological aspects that distinguish the two categories. Beside a different level of risk aversion (McGrath *et al*, 1992; Amihud and Lev, 1981), social behavioural aspects have been taken into considerations (Pettigrew, 1973; Shapero, 1975; Ginsberg and Buchholtz, 1989). After all these analysis, however, psychological differences are nowadays considered minor or nonexistent (Brockhaus and Horwitz, 1986; Low and MacMillan, 1988). Notwithstanding these evidences risk-taking propensity is still considered fundamental in understanding entrepreneurial processes (Lynskey, 2002).



Building a framework for entrepreneurship studies

Despite a strong common attention in entrepreneurship, the academic legitimacy of the field is still modest (Low, 2001). This could be due first of all to a lack of a clear and unique definition of the term entrepreneurship itself. Several analyses of the entrepreneurship literature reveal that researchers have too often developed their own definition of the concept without building on the work of the others, so that “entrepreneurship” became a wide label under which broad array of research efforts are housed (Shane and Venkatamaran, 2000). The term has been used for more than two centuries, but scholars continue to extend, reinterpret and revise the definition. (Bull and Willard, 1993; 1995). Such a variety of definitions is due on one hand to the complex nature of the phenomenon, and on the other hand to the fact that they have been provided by researchers operating in heterogeneous fields (economics, sociology, finance, history, psychology, anthropology) with divergent terms of reference and purposes. Here you find some of the most contributing definitions arisen in the last 2 decades:

"An act of innovation that involves endowing existing resources with new wealth producing capacity"(Drucker, 1985)

"The emergence of new organizations" (Gartner, 1988)

"A process by which individuals pursue opportunities without regard to the resource they currently control" (Stevenson & Jarillo, 1990)

"The process through which individuals and teams create value by bringing together unique packages of resource inputs to exploit opportunities in the environment"(Morris, 1998).

Main issues in future research

The evolution of the field is very complex. It was shown how entrepreneurship was conceived in many different ways and under many perspectives. Nowadays, while the discipline is moving toward academic legitimization, it is time to check the advancements of the studies. After having removed the entrepreneurial paradox and found a clear definition, it has been possible to identify



all the themes relevant to the field. Are therefore important the analysis made by Ucbasaran, Westhead and Wright (2001). The scholars identify the main issues in entrepreneurship and call for research on the definition of the processes occurring between them. Important issues emphasized are:

1. theoretical antecedents;
2. types of entrepreneurs;
3. the entrepreneurial process;
4. types of organizations;
5. external environment for entrepreneurship;
6. outcomes.

CONCLUSION

The entrepreneur with his vision and ability to bear risk can transform the economic scene of the country. They play a vital role in initiating and sustaining the process of economic development of a nation. The overall aim of an entrepreneurial development programme is to stimulate a person for adopting entrepreneurship as a career and to make him able to identify and exploit the opportunities successfully for new venture.

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