



**Aum Sai Institute of Technical Education**  
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**ENTREPRENEURSHIP MANAGEMENT**

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**What is Entrepreneurship Development?**

Entrepreneurship Development is defined as a process of enhancing the skillset and knowledge of entrepreneurs regarding the development, management and organization of a business venture while keeping in mind the risks associated with it. This is carried out through training programs and sessions which are aimed at accentuating entrepreneurial acumen. Pursuing this field as a career, you will be working towards facilitating **skill development** amongst budding entrepreneurs and assisting them to tackle their struggles with building their businesses.

## Entrepreneurship Development: Process

Entrepreneurship development is a strategic process which incorporates various tools that concentrate on skill development of the individual in an array of ways. Given below is a detailed guide of creating an effective entrepreneurship development program to help you understand what it's all about:

## Entrepreneurship Development Concepts

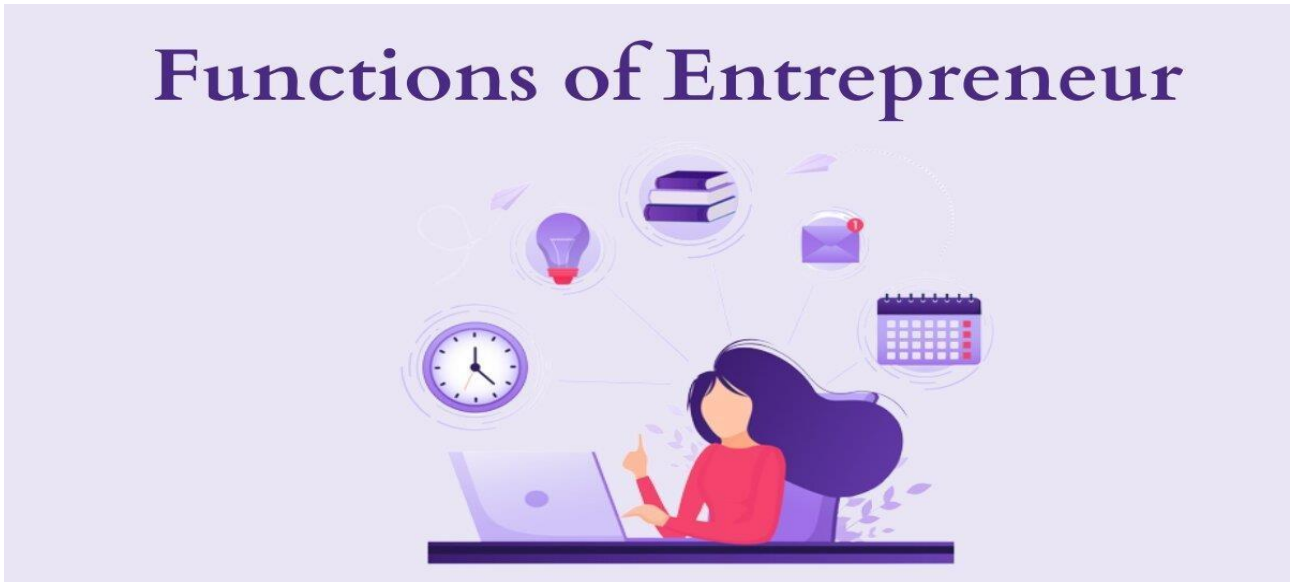
The evolution of entrepreneurship is linked to a number of major ideas. These include taking risks, innovating, being creative, and being sustainable. For businesspeople to succeed, they must understand each of these ideas.

## Objectives of Entrepreneurship Development Programme

Here is a list of the program's goals for entrepreneurship development:

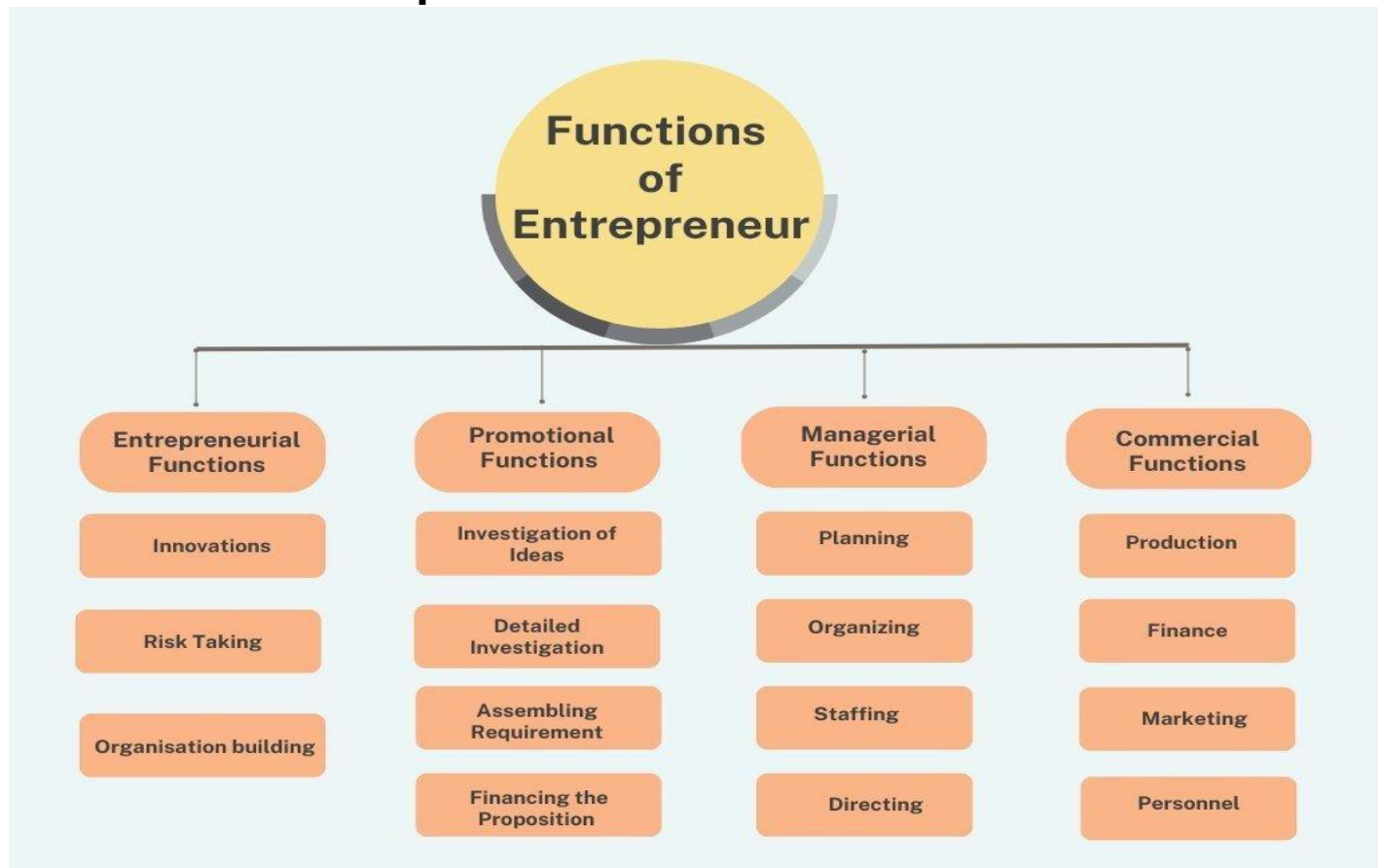
- to provide information on numerous initiatives undertaken by the different governments (federal, state, or regional governmental organisations), as well as various taxes imposed on businesses.
- to foster entrepreneurial traits and behaviours in the next generation of young people with the aid of appropriate instruction and professional guidance.
- to encourage entrepreneurship and the expansion of small enterprises to create jobs and opportunities for self-employment.
- to look for and pinpoint the top business possibilities and concepts, both present and future.
- Develop and implement a variety of programmes to promote entrepreneurship in rural communities and small towns.
- encouraging and assisting diverse people in starting their startups and new enterprises. Consequently, contributes to the economy
- to achieve risk reduction for the nation's young.
- An entrepreneur is someone who creates, launches and manages a new business, often taking on financial risks in the pursuit of innovation and profit. Their role encompasses various functions, including entrepreneurial, promotional, managerial, and commercial activities. Each is vital to the success of their venture. Let's delve into each of these functions of Entrepreneur to understand their significance in the entrepreneurial journey.

# Functions of Entrepreneur



- [Entrepreneurship](#) is a vital force that drives economic development and shapes the business landscape. Entrepreneurs are visionary individuals who identify opportunities, take calculated risks, and bring innovative ideas to life. They play a crucial role in creating and expanding businesses, generating employment opportunities, and fostering economic growth. In this article, we will explore the essential functions of entrepreneur and examine how each function contributes to the success of a business venture.

# Functions of Entrepreneur



## Barriers to Entrepreneurship

Every entrepreneur aims to follow their passionate approach and convert it into a successful business by earning more and more profits and creating goodwill in the market. But many barriers can block the path to the success of entrepreneurship. So there is no other option for an entrepreneur to be successful without solving or removing these major barriers in their respective field.



The list of some such major barriers that may arise while starting or running a new business is given below:

## 1. Managing Finances

A great barrier that arises while starting a new business is managing the finances that can make things difficult for the entrepreneurs. There are lots of ideas that come to the entrepreneurs' minds but converting those ideas into the business needs enough amount of finance. There should be a **stable and regular source of finance** to keep the production process smooth. If this first and the most critical barrier can be solved easily then the future barriers can also be tackled.

## 2. Inadequate Market Experience

One of the most common barriers that are faced by many entrepreneurs is **not having adequate knowledge** about the respective field of their business. An entrepreneur must have enough experience related to the industry by working in the required sector. So, before starting a new venture, it is required to collect enough knowledge about the **market conditions, nature of the business firm, demand and supply of that particular good or service, etc.**, instead of rushing into the business by seeing the success of others.

## 3. Human Resource Problem

A person can't perform all the tasks by himself/herself even if he/she has enough knowledge. In the same manner, an entrepreneur can't do all the jobs alone to run the organization. A business needs to have a strong base of **skilled and knowledgeable human resources or employees**. Employees are the most important **assets** for an organization. They help in the growth of the business. The organizations may have similar fixed and current assets but these are the human assets that make the organization different from its competitors. But for this purpose, the employees must be enough experienced and dedicated to the organization so that top-level **productivity and efficiency** can be achieved.



An entrepreneur has a large set of applicants who can do a particular job but choosing the best from them is not an easy task. Other than this, the entrepreneur should also see that the candidates who are applying need to have a vision that suits them in the favor of the organization.

When a new venture is started, the management of finance is also a very herculean task because of the **limited availability of capital**. So, the entrepreneur should never pay a huge salary for the sake of an experienced employee in the beginning.

Because of all these reasons, it is ideal to remove the barrier of human resources so that the business can be run smoothly and the employees can perform their jobs adequately.

#### 4. Non-strategic Planning

Having **inadequate planning regarding strategies** can also create a great barrier in the path of success of entrepreneurship. There are lots of entrepreneurs who started a business just as a hobby without having a **long-term vision and plan**. Bad strategies and planning may lead to the failure of the business or can cause a huge loss to the business. It is the prime reason why most entrepreneurs give up in the first year of business operation.



A person should have a solid **passion and dedication** for being a successful entrepreneur and to create a strategic vision to achieve the goals.

A perfect strategic plan is based on the **target customers, market conditions, consumers' tastes, and preferences, proper use of human, financial, and other resources, future goals, etc.** All these things are required in the perfect combination for a business to be successful.

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#### 5. Lack of Capacity

Many entrepreneurs can't use the opportunities perfectly because of their limited capacity. It can be a major hurdle in the success of entrepreneurship. This hurdle can be arising due to the lack of education, knowledge,

willingness, and other important aspects. In simple terms, the **absence of zeal and motivation** may lead to the failure of most of the new ventures.

Apart from knowing the issues related to market risks and competitions, tons of hard work and passion is also what a business demands to deal with different problems and circumstances that arise in the organization. This is very useful in the growth and development of the business and in increasing the company's **turnover and goodwill**.

## 6. Political Barriers

The politics of a country or region can also become a barrier to the success of entrepreneurship. So an entrepreneur should check out the **policies** of the government and the **incentives** offered by the government to the entrepreneurs. This is because every government does not provide **socio-economic facilities** to entrepreneurs. Other than this, it is also required to take the interest in economic development seriously.

Some governments provide special security to the new ventures to protect them from the market competition and so that they can survive in the market. Hence, an entrepreneur must evaluate the political factors carefully before set-up the business firm. It is very helpful in the **long-term survival and growth** of the business.

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## 7. Lack of Practical knowledge

Many youngsters believe that an entrepreneur must have an adequate educational background to make the business successful, but the reality is completely different. Most of the schools and colleges focus on bookish knowledge instead of providing **practical knowledge** to the students. Every entrepreneur may have the same bookish knowledge but it is their practical knowledge that makes them unique in this highly competitive market. Lack of this practical knowledge can also become a barrier in the path to the success of a business.



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Entrepreneurship is an art that is more based on practical knowledge instead of theoretical. So, every entrepreneur must gain enough practical knowledge of the market conditions and other relevant things before trying their hands in the business.

## 8. Not Having the Right Team

Business is not the work of an individual. It is **teamwork** in which every person has different skills and jobs which are based on those skills. So, it can be said that a business is run by the contribution of all the individuals. The right team or teammates or can say employees are the most important aspect for the success of a business. It is one of the biggest barriers for a start-up to find good employees. It is often seen that most of the new ventures work on a small scale which makes it more difficult for them to get **experienced, skilled, and good employees**. To solve this problem, an entrepreneur should make the required measures so that he/she can assign the jobs to those employees who can boost the business by their effective and efficient performance.

## 9. Corrupt Business Problems

One of the most common problems with a business especially with new ventures is the **corrupt environment**. If the environment of the country is corrupt then it does not inspire the young employees and entrepreneurs. In many countries or regions, the unhealthy and non-supportive government creates lots of issues. That's why it is suggested to check out the **regulations and stringent compliance** before starting a new venture. This corruption of the government can become a major hurdle in the success of a business on a pretty higher level. So, an entrepreneur needs to take things seriously.