

CHAPTER 1: THE NATURE OF ENTREPRENEURSHIP

1.1 INTRODUCTION

- The word 'entrepreneur' origin from a French word, **entreprendre**
 - entrepreneur was an individual commissioned to **undertake a particular commercial project**
 - **Entrepreneurship** is then what the entrepreneur does
 - **Entrepreneurial** is an adjective describing how the entrepreneur undertakes what he or she does
 - **entrepreneurial process** the means through which new value is created as a result of the project: the entrepreneurial venture

1.2 Historical Origin of Entrepreneurship

- **During the ancient period**
 - the word entrepreneur was used to refer to **a person managing large commercial projects** through the resources provided to him
- **In 18th Century**
 - the first theory of entrepreneur has been developed by Richard Cantillon. He said that an **entrepreneur is a risk taker**
 - other development is the **differentiation of the entrepreneurial role from capital providing role**
 - capital providing role is the base for today's venture capitalist
- **In the late 19th and early 20th Century**
 - an entrepreneur was **viewed from economic perspectives**
 - The **entrepreneur organizes and operates an enterprise** for **personal gain**
- **In the middle of the 20th Century**
 - the notion of an **entrepreneur as an inventor** as established
 - The function of the entrepreneur is to **reform or revolutionize the pattern of production** by exploiting an **invention** or more generally untried technological possibility for **producing new commodities or producing an old one in a new way** or **opening a new outlet for products** by reorganizing a new industry

- the **perception of the word entrepreneur** was evolved from managing commercial project to the **application of innovation (creativity)** in the business idea

1.3 Definitions of Entrepreneurship and Entrepreneur

- Entrepreneurship is
 - the process of **identifying opportunities in the marketplace**, **arranging the resources required** to pursue these opportunities and **investing the resources to exploit the opportunities** for long term gains
 - the process of **creating something different and better with value** by devoting the necessary time and effort by assuming the **accompanying financial, psychic and social risks** and **receiving the resulting monetary reward** and personal **satisfaction**
 - Entrepreneurship is the art of identifying viable business opportunities and mobilizing resources to convert those opportunities into a successful enterprise through **creativity, innovation, risk taking** and **progressive imagination**
 - Engaging in entrepreneurship shifts people from being **“job seekers”** to **“job creators”**
 - the process of entrepreneurship includes five critical elements
 - The ability to **perceive an opportunity**
 - The ability to **commercialize the perceived opportunity** i.e. innovation
 - The ability to **pursue it on a sustainable basis**
 - The ability to **pursue it through systematic means**
 - The **acceptance of risk or failure**
- An entrepreneur is person who
 - **creates and develops a business idea** and **takes the risk** of setting up an enterprise to produce a product or service **which satisfies customer needs**
 - **discovers a business opportunity** to produce improved or new goods and services
 - has the **ability to**
 - **identify and pursue** a business opportunity

- undertakes a **business venture**
- **raises the capital** to finance it
- **gathers** the necessary **physical, financial and human resources** needed
- **sets goals** for him/herself and others, has a **dream**, has a **vision**
- **assumes** all or a **major portion of the risk**
- **create the job** not a job-seeker
- **entrepreneur from three perspectives**
 - **from economist perspectives**
 - entrepreneur is one who brings resource, labor, materials, and other assets into combination that makes their value greater than before and also one who introduces changes innovations
 - **from psychologist perspectives**
 - an entrepreneur is a person typically driven by certain forces need to obtain or attain something, to experiment, to accomplish or perhaps to escape the authority of others
 - **from capitalist philosopher perspectives**
 - an entrepreneur is one who creates wealth for others as well, who finds better way to utilize resources and reduce waste and who produce job others are glad to get

1.4 Types of Entrepreneurs

- **The individual entrepreneur**
 - **someone** who started; acquired or franchised **his/her own independent organization**
- **Intrapreneur**
 - a person who does entrepreneurial work **within large organization**
 - The **process by which an intrapreneur affects change** is called **Intrapreneurship**
 - The **Intrapreneur's context** is often **large and bureaucratic organization**
- **The Entrepreneurial Organization**

- An organization that create an environment in which **all of its members can contribute in some function to the entrepreneurial function**

1.5 Role of Entrepreneurs in Economic Development

- The objectives of **industrial development**, **balanced regional growth**, and **generation of employment opportunities** are achievable through entrepreneurial development
- entrepreneurs serve as a key in the following ways
 - **Improvement in per capita Income/Wealth Generation**
 - Entrepreneurs play a **vital** in the **economic development of a region**
 - **Generation of Employment Opportunities**
 - **Inspire others Towards Entrepreneurship**
 - An existing venture provides a number of entrepreneurial opportunities **through forward and backward linkages**, to these **employees even to become entrepreneurs themselves**
 - **Balanced Regional Development**
 - **remove regional disparities** in economic development
 - **Enhance the Number of Enterprise**
 - an increase in the number of firms **enhance the competition for new ideas**
 - greater competition across firms facilitates the entry of **new firms specializing in a particular new product or service**
 - **Provide Diversity in Firms**
 - it is this diversity in firms which **fosters economic development and growth rather than homogeneity**
 - **Economic Independence**
 - Entrepreneurs create industries that **manufacture indigenous substitutes**, thereby **reducing the dependence on imports**
 - Also, the **goods are exported to other countries to earn foreign exchange**
 - **Combine Economic factors**

- All the products bought and sold in an economy are a mix of **three primary economic factors**
 - raw materials
 - nature offers up the **physical and mental labor** people provide
 - **capital (money)**
- **Value is created by combining these three things together in a way which satisfies human needs**
- **Provide Market efficiency**
 - **Efficient means resources are distributed in an optimal way that is the satisfaction that people can gain from them is maximized**
 - An economic system can only **reach this state if there is competition between different suppliers**
- **Accepting Risk**
 - Risk is the potential variation in terms of future outcomes. We do not know exactly what the future will bring. This lack of knowledge creates uncertainty
 - No matter how we plan there is always a possibility of adverse deviation from what we expect or hoped for
 - the **primary function of the entrepreneur is to accept risk on behalf of other people**
- **Maximize Investor's Return**
 - Entrepreneurs create and run **organizations which maximize long-term profit on behalf of the investors** which in turn **generates overall economic efficiency**

1.6 Entrepreneurial Competence and Environment

1.6.1 Entrepreneurial Mindset

1.6.1.1 Who Becomes an entrepreneur?

Anyone with the following characteristics can be an entrepreneur

- **The Young Professional**

- young highly educated people often with entrepreneurial qualifications are moving directly to work on establishing their own ventures
- **The Inventor**
 - **inventor** is someone who has developed an innovation and who has decided to make a career out of presenting that innovation to the market
- **The Excluded**
 - Some people turn to an entrepreneurial career because nothing is open to them
 - **Displaced communities and ethnic and religious minorities** have not been invited to join the wider economic community, as a result they may form their own internal networks, trading among themselves and, perhaps, with their ancestral countries

1.6.1.2 Qualities of an Entrepreneur

In order to be successful, an entrepreneur should have the following qualities

- **Opportunity-seeking**
 - opportunity is a favorable set of circumstances that creates a need for a new product, service or business
 - entrepreneur always identifies opportunities and converts it into a realistic and achievable goal or plan
- **Persevering**
 - An entrepreneur perseveres and is **undeterred** by uncertainties, risks, obstacles, or difficulties
- **Risk Taking**
 - best entrepreneurs tend to set their own objectives where there is moderate risk of failure and **take calculated risks**
 - Gain satisfaction from completing a job well, not be afraid of public opinion, skepticism
 - take responsibility for their own actions
 - Importance of Risk-taking
 - Build self confidence
 - Create a feeling of leadership

- Create strong motivation to complete a job well
- **Demanding for efficiency and quality**
 - Being **efficient means producing results with little wasted effort**
 - Quality refers to
 - The **ongoing process** of education, communication, evaluation and constant improvement of goods/services to meet the customer's need **in a way that exceeds the customer's expectations**
 - The **importance of quality management** in entrepreneurship is **reflected in the income statement of the business**
 - **Quality** plays an important role in this new era of globalization because it **confers certain benefits which include**
 - **Reduction of waste**
 - examining all processes that contribute to the creation of a product, to **remove non-productive processes and waste**
 - quality products/services **ensure that they will not be returned**
 - **Cost-effectiveness**
 - **costs of re-doing work or changing the product after it has been sold** are **greatly reduced**
 - **An increase in market share**
 - Customers prefer to buy the same product again and again if they are satisfied with the quality and **they will also recommend it to their friends**. As a result, this contributes to an increase in the company's market share
 - **Better profitability**
 - Better quality of product satisfies customers. **Increased customers means increase sales**, increased shares in market **and consequently increased profits**
 - **Social responsibility**

- By providing quality products and services, a company is more likely to be able to **fulfill its responsibility to the community** and **meet standards set by government**
 - **Reputation**
 - Quality of goods and services improves the reputation of the business for competition in the market and growth
- **Information-seeking**
 - Successful entrepreneurs spend time **collecting information about their customers, competitors, suppliers, relevant technology and markets**
 - Gathering relevant information is important to ensure that the entrepreneur **makes well informed decisions**
- **Goal Setting**
 - **A Goal**
 - a **general direction**, or **long-term aim** that you want to accomplish
 - **not specific** enough to be measured
 - **large in scope**, **not necessarily time-bound**
 - **Objectives**
 - are **specific** and **measurable**
 - **concise** and **specific**
 - An entrepreneur must have a goal and an objective which is (S.M.A.R.T)
 - **Specific**
 - **well-defined** and **focused**
 - **Measurable**
 - Numbers are an essential part of business. Put **concrete numbers in your goals** to know if you're on track
 - **Attainable**
 - keep one foot firmly **based in reality**
 - **Relevant**
 - Achievable business goals are **based on the current conditions and realities of the business climate**
 - **Time-Based**

- it is important to choose a **time-frame** to accomplish your goal
- **Planning**
 - Planning is **making a decision** about the future in terms of **what to do, when to do, where to do, how to do, by whom to do** and **using what resources**
- **Persuasion and networking**
 - **Persuasion**
 - a way of **convincing** someone to get something or make a **decision in your favor**
 - inducing or taking a course of action or embracing a point of view by means of **argument, reasoning, or entreaty**
 - **Importance of Persuasion in Business**
 - We **purchase** goods from people
 - We **sell** goods to people
 - We need **support** from people
 - We **work** with people

Without people, be they are suppliers, workers, and most importantly customers, **there is no business**
 - **Networking**
 - an **extended group of people with similar interests or concerns** who **interact** and remain in informal contact **for mutual assistance or support**
 - In a business environment where we network with customers, suppliers, competitors, various firms, different organizations, government offices and family
 - **Factors that Affect Persuasion and Networking**
 - **Socio-cultural background and perceptions**
 - **Communication skills** (both verbal and non-verbal)
 - **Negotiation skills**
- **Building self-confidence**
 - **Self-confidence** is the state of being certain that a chosen course of action is the best or most effective given the circumstances

- Self-confidence is **having confidence in oneself when considering a capability**
- **Overconfidence** is having unmerited confidence-believing something or someone is capable when they are not
- **Characteristics of a Self-confident Person**
 - **Risk-taking**
 - **Independent** - be their own masters and want to be responsible for their own decisions
 - **Perseverance** - Ability to endure and survive setbacks and continue to build confidence in whatever you do in your business
 - **Able to learn to live with failure** - learn from these mistakes and then move on
 - **Ability to find happiness and contentment in work**
 - **Doing what you believe to be right**, even if others mock or criticize you for it
 - **Admitting mistakes and learning from them**
- **Listening to others**
 - **listens to other people** in their sphere of influence, **analyses their input** in line with his/her own thinking and **makes an informed decision**
- **Demonstrating leadership**
 - **gets things done through others**
 - **inspire, encourage** and **lead others to undertake the given duties in time**

1.6.1.3 Entrepreneurial Skills

- A **skill** is **simply knowledge which is demonstrated by action**
- An entrepreneur is someone who has a good business idea and can turn that idea into reality. Turning an idea into reality calls upon two sorts of skills, these are:
 - **General Management Skills**
 - skills required **to organize** the physical and financial resources needed to run the venture
 - most important general management business skills are

- **Strategy Skills**
 - ability to consider the business as a whole
 - to understand how it fits within its market place
 - how it can organize itself to deliver value to its customers
 - the ways in which it does this better than its competitors
- **Planning Skills**
 - ability to consider what the future might offer
 - how it will impact on the business
 - what needs to be done to prepare for it now
- **Marketing Skills**
 - ability to see past the firm's offerings and their features
 - to be able to see how they satisfy the customer's needs and why the customer finds them attractive
- **Financial Skills**
 - ability to manage money
 - to be able to keep track of expenditure and to monitor cash-flow
 - an ability to assess investments in terms of their potential and their risks
- **Project Management Skills**
 - ability to organize projects, to set specific objectives, to set schedules and to ensure that the necessary resources are in the right place at the right time
- **Time Management Skills**
 - ability to use time productively, to be able to prioritize important jobs and to get things done to schedule
- **People Management Skills**

- A business can only be successful if the peoples who make it up are properly directed and are committed to make an effort on its behalf
- To be effective, an entrepreneur needs to demonstrative a wide variety of skills in the way he/she deals with other peoples
- Some of the more important skills
 - **Communication Skills**
 - **Leadership Skills**
 - **Motivation Skills**
 - An ability to **enthuse people** and get them to give their full commitment to the tasks in hand
 - **Delegation Skills**
 - ability to **allocate** tasks to **different people**
 - **Negotiation Skills**
 - ability to understand what is wanted from a situations, what is motivating others in that situation and recognize the possibilities of maximizing the outcomes for all parties

1.6.1.4 The Entrepreneurial Tasks

- **Owning Organizations**
 - if an entrepreneur actually owns the business then he is in fact undertaking two roles at the same time that of an investor and that of a manager
 - we can recognize many people as entrepreneur even if they do not own the venture they are managing
- **Founding New Organizations**
 - entrepreneur bringing together the different elements of the organization (people, property, productive resource, etc.) and give them a separate legal entity
- **Bringing Innovations to Market**
 - Innovation can mean
 - a new product or service

- a new way of delivering an existing product or service
- new methods of informing the consumer about the product
- new ways of organizing the company
- **Identification of Market Opportunity**
 - New opportunities exist all the time but they do not necessarily present themselves. If they are to be exploited they must be actively sought out
 - Note that opportunity always takes priority over innovation
- **Application of Expertise**
 - entrepreneurs have a special ability in deciding how to allocate scarce resources in situations where information is limited. It is their expertise in doing this
- **Provision of leadership**
 - Entrepreneurs can rarely drive their innovation to market on their own
 - They need the support of other people both from their organizations and from people outside such as investor customer and supplier
- **The entrepreneur as manager**
 - entrepreneur is a manager, the distinction between an entrepreneur and ordinary manager may lie on
 - what the entrepreneur manager manages
 - how they manage
 - their effectiveness and the effect they have as a manager not by the particular tasks they undertake

1.6.1.5 Wealth of the Entrepreneur

- **Wealth is money and anything that money can buy**
 - It includes **money**, **knowledge** and **assets** of the entrepreneur

Who Benefits from the entrepreneur's Wealth?

- **Peoples who have a part to play in the entrepreneurial venture generally are called stakeholder. benefits of each stakeholder**
 - **Employees**

- They contribute physical and mental labor to the business. Success of the entrepreneurial venture depends on their effort and motivation. They are rewarded with:
 - **Money** – wage or salary
 - **possibility of owning a part of the firm** through share schemes
 - possibility of **personal development** & stage of which they can **develop social relationships**
- **Investors**
 - These are the **peoples who provide the entrepreneur with the necessary money to start the venture and keep it running**
 - There are **two main sorts of investors**:
 - **Stockholders**
 - Those **who buy the stock of the company and are true owners of the firm**
 - actual **return** of the stockholders varies **depending on how the business performs**
 - **lenders**
 - people who **offer money to the venture on the basis of it being a loan**
 - **do not** actually own a part of the firm and **their return is independent of the businesses performance**
 - **take priority for payment** over shareholders and **face lower level of risk** than the stockholders
- **Supplier**
 - individuals and organizations who **provide the business with the materials, productive assets and information it needs to produce its output**
 - They **are paid for providing these inputs**
- **Customers**
 - entrepreneur may reward customers by offering **quality products, fair prices, regular and consistency of supply, loan arrangement** etc
- **The local community**

- The way the Business operate may affect the people who live and other businesses which operate nearby
- **business has a number of responsibilities**
 - **Not polluting** their shared environment
 - Contributing and **sponsoring local development activities**
 - **Contribution for political and cultural stabilities and economic improvements**
 - **Acting in an ethical way**
- **Government**
 - government should be rewarded for its services. Hence, government **taxes** individuals and businesses

1.6.2 Entrepreneurship and Environment

- **Business environment** refers to the **factors external to a business enterprise** which **influence its operations** and **determine its effectiveness**
- **Business environment may be healthy or unhealthy**
 - **Healthy business environment** means the **conditions are favorable** to the growth of business
 - **unhealthy environment** implies **conditions hostile or unfavorable** to business operations
- **business enterprises try to influence and shape the environment**
- A **study of business environment offers the following benefits**:
 - provides information about environment which is essential
 - opens up fresh avenues for the expansion of new entrepreneurial operations
 - Knowledge about changing environment enables businessmen to adopt a dynamic approach and maintain harmony of business operations with the environment
 - By studying the environment entrepreneurs can make it hospitable to the growth of business and thereby earn popular support
- The **most successful entrepreneur** is one who not only adjusts to the environment but also **modifies the environment to suit his requirements**

1.6.2.1 Phases of Business Environment

- Business environment may be classified into two broad categories; namely external; and internal environment
 - **External Environment**
 - environment which is external to the business and hardly to influence independently
 - components of external environment:
 - **Economic Environment**
 - consists of the structure of the economy, the industrial, agricultural, trade and transport policies of the country, the growth and pattern of national income and its distribution, the conditions prevailing in industrial, agricultural, and other sectors, the position relating to balance of trade and balance of payments, and other miscellaneous conditions of the economy
 - The success of a business enterprise depends considerably upon the State and growth of the economy
 - **Legal Environment**
 - Business must function within the framework of legal structure. Therefore, an adequate knowledge of laws and rules is necessary for efficient managerial performance
 - When new laws are made and controls exercised through legal enactments, the first reaction of the business community is to oppose them and disobey them
 - In addition, it can influence the government to change and improve the law and make it useful to the business community
 - Some laws differ from region to region and amendments are made from time to time. Therefore, entrepreneur must always keep in touch with those who know the latest position in law

- entrepreneur must always keep in touch with those who know the latest position in law. In addition, an entrepreneur should:
 - **Read the books** that enlighten on the legal side of business
 - **Consult government agencies** concerned with the implementation of business laws.
 - **Retain labor law consultants**
- **Political Environment**
 - Managers and entrepreneurs should understand the working of the political system
 - Such understanding and concern for national problems will help them in the long run in **discharging their responsibilities to the satisfaction of the public**
 - Public opinion is very important and today's public opinion becomes tomorrow's legislation
 - Businessmen should learn to **take public opinion into account in the decision-making process**
- **Socio-Cultural Environment**
 - consist the social and cultural norms of a society in a given period of time
 - It can help in understanding the **level of rigidity/flexibility of a given society** towards a new product/service/concept
 - **Traditional culture should be protected** in so far as it is not a hindrance to innovation, motivation, and development
- **Demographic Environment**
 - assesses the **overall population pattern** of a given geographical region: age profile, distribution, sex, education profile, income distribution etc
 - The demographic appraisal can **help in identifying the size of target customers**

- **Internal Environment**

- environment which is under the control of a given organization. components of internal environment of a business:
 - **Raw Material**
 - assesses the **availability of raw material** now and in the near future
 - **Production/Operation**
 - assesses the availability of various **machineries, equipment, tools** and **techniques**
 - **Finance**
 - assesses the total requirements of finance in terms **start-up expenses, fixed expenses** and **running expenses**
 - **Human Resource**
 - assesses the kind of **human resources** required and its demand and supply in the market
 - helps in **estimating the cost and level of competition** in hiring and retaining the human resources

1.6.2.2 Environmental Factors Affecting Entrepreneurship

- A complex and varying combination of **financial, institutional, cultural** and **personality factors determine** the nature and degree of entrepreneurial activity at any time
- A multitude of **environmental factors determine the entrepreneurial spirit** among people. The **entrepreneurs in turn create impact on the environment**
- **environmental factors which hinder entrepreneurial growth:**
 - Sudden changes in Government policy
 - Sudden political upsurge, outbreak of war or regional conflicts
 - hostile Government attitude towards industry
 - Excessive red-tapism and corruption among Government agencies
 - Ideological and social conflicts

- Unreliable supply of power, materials, finance, labor and other inputs.
- Rise in the cost of inputs
- Unfavorable market fluctuations
- Non-cooperative attitude of banks and financial institutions

1.7 Creativity, Innovation and Entrepreneurship

1.7.1 Creativity

- Creativity is the **tendency to generate or recognize ideas, alternatives, or possibilities that may be useful** in solving problems, communicating with others, and entertaining ourselves and others
- Creativity is the **ability to come up with new idea and to identify new and different ways of looking at a problem and opportunities**
- It is a process of **assembling ideas by recombining elements already known but wrongly assumed to be unrelated to each other**
- **key elements that are worth considering** about definitions of creativity:
 - **Process**
 - creativity is a process – implying **it is more like a skill than an attitude**, and you can **get better at it with practice**
 - **Ideas**
 - creativity results in **ideas that have potential value**
 - **Recombining**
 - the creative process is one of **putting things together in unexpected ways**
- In order to be creative, you need to be able to **view things in new ways of from a different perspective**
- creativity is the **development of ideas** about products, practices, services, or procedures **that are novel and potentially useful to the organization**

1.7.1.1 Steps in the Creative Process

- **Step1: Opportunity or problem Recognition**
- **Step2: Immersion**
 - **concentrates** on the problem and **becomes immersed in it**

- recall and collect information that seems relevant, **dreaming up alternatives without refining or evaluating them**
- **Step 3: Incubation**
 - **assembled information in mind for a while**
 - does not appear to be working on the problem actively; however, the **subconscious mind is still engaged**
 - While the information is simmering it is being **arranged into meaningful new patterns**
- **Step 4: Insight**
 - problem-conquering **solution flashes into the person's mind at an unexpected time**, such as on the verge of sleep, during a shower, or while running
 - Insight is also called the **Aha! Experience**
- **Step 5: Verification and Application**
 - sets out to **prove** that the creative solution has **merit**
 - Verification procedures include **gathering supporting evidence**, using **logical persuasion**, and **experimenting with new ideas**

1.7.1.2 Barriers to Creativity

- Searching for the one 'right' answer
- Focusing on being logical
- Blindly following the rules
- Constantly being practical
- Viewing play as frivolous
- Becoming overly specialized
- Avoiding ambiguity
- Fearing looking foolish
- Fearing mistakes and failure
- Believing that 'I'm not creative'

1.7. 2 Innovation

- It is the **implementation of new idea** at the individual, group or organizational level

- It is a process of **intentional change made to rate value** by meeting opportunity and seeking advantage
- There are **four distinct types of innovation**:
 - **Invention**
 - **creation** of a new product, service or process
 - **Extension**
 - **expansion** of a product, service or process
 - **Duplication**
 - **replication** of an **already existing** product, service or process
 - **Synthesis**
 - **combination of existing concepts** and factors into a **new formulation**

1.7.2.1 The Innovation Process

- **Analytical planning**
 - carefully **identifying** the product or service features, design as well as the resources that will be needed
- **Resources organization**
 - **obtaining the required** resources, materials, technology, human or capital resources
- **Implementation**
 - **applying** the resources in order to accomplish the plans
- **Commercial application**
 - **provision of values to customers, reward employees and satisfy the stakeholders**

1.7.2.2 Areas of Innovation

following are some of the **major areas** in which **valuable innovation** might be made

- **New product**
 - new product can be **developed** through **new or existing technology**
 - The new product may **offer a radically new way of doing something** or it may simply be **an improvement on an existing item**
- **New Services**

- **New Production Techniques**
 - new production technique should allow the end user to obtain the product at a **lower cost**, or a **product of higher quality** or **better service** in the supply of the product
- **New Way of Delivering the Product or Service to the Customer**
 - common innovation is to take a **more direct routine** by **cutting out distributors or middlemen**
- **New Operating Practices**
 - **innovation in service delivery** must address customers need and offer them **improved benefits**
- **New Means of Informing the Customer about the Product**
 - Demand will not exist **if the offering is not properly promoted to them**
 - Promotion consists of two parts; a **message** what is said and a means – **the route** by which that message is delivered
- **New Means of Managing Relationship within the Organization**
 - performance of the organization will depend to a great extent on the **effectiveness of its internal communication channels**
- **New Ways of Managing Relationships between Organizations**

1.7.3 From Creativity to Entrepreneurship

- **Creativity** is the ability to **develop new ideas** and to **discover new ways** of looking at problems and opportunities
 - **Innovation** is the ability to **apply creative solution** to those problems and opportunities in order to enhance people's lives or to enrich society
- Entrepreneurship** = **creativity** + **innovation**