

What is Entrepreneurship?

What Is Entrepreneurship?

Key concepts, characteristics, and the entrepreneurial process

1. Definition

Perspective	Core Idea
Traditional	The act of creating, organizing, and managing a new business venture to generate profit.
Economic	The process of combining resources (land, labor, capital, entrepreneurship) to produce goods or services that satisfy market demand.
Social	Applying innovative solutions to address societal problems, often measured by social impact rather than profit alone.
Modern/Innovation? focused	Identifying opportunities, taking calculated risks, and delivering novel value through products, services, or business models.

Bottom line: Entrepreneurship is the systematic pursuit of opportunity beyond the resources currently controlled, resulting in the creation of value—financial, social, or both.

2. Core Elements of Entrepreneurship

Element	Description	Typical Activities
Opportunity Recognition	Spotting unmet needs, inefficiencies, or emerging trends.	Market research, trend analysis, problem?framing.
Innovation	Introducing new or significantly improved offerings, processes, or models.	Prototyping, R&D, design thinking.
Risk?Taking & Uncertainty Management	Accepting the possibility of loss while mitigating exposure.	Financial planning, scenario analysis, contingency planning.

What is Entrepreneurship?

Element	Description	Typical Activities
Resource Mobilization	Acquiring and allocating capital, talent, technology, and networks.	Fundraising, hiring, partnership building.
Value Creation & Capture	Delivering benefits to customers and extracting economic returns.	Pricing strategy, business model design, scaling.
Growth Orientation	Pursuing expansion, replication, or diversification.	Market entry, scaling operations, strategic alliances.

3. Types of Entrepreneurs

Category	Main Motivation	Typical Venture
Lifestyle Entrepreneur	Personal freedom, work-life balance	Small boutique, consultancy, online store
Serial Entrepreneur	Passion for starting new ventures	Multiple startups across industries
Social Entrepreneur	Solving social/environmental problems	Non-profit hybrids, impact-focused firms
Intrapreneur	Innovation within an existing organization	New product lines, internal incubators
Scalable Startup Entrepreneur	Rapid growth, high-valuation exits	Tech platforms, SaaS, biotech
Opportunity vs. Necessity	<i>Opportunity:</i> Pursues perceived market gap. <i>Necessity:</i> Starts business due to lack of alternatives.	Varies by economic context.

4. The Entrepreneurial Process (Step-by-Step)

1. Idea Generation

- Brainstorming, problem identification, trend spotting.
- Tools: SWOT, PESTLE, Customer Journey Maps.

What is Entrepreneurship?

2. Opportunity Evaluation

- Feasibility study, market sizing, competitive analysis.
- Metrics: TAM, SAM, SOM; break?even point; risk assessment.

3. Business Model Development

- Choose a framework (e.g., Business Model Canvas).
- Define value proposition, revenue streams, cost structure.

4. Planning & Validation

- Write a lean or full business plan.
- Build Minimum Viable Product (MVP) and test with early adopters.

5. Resource Acquisition

- Secure financing (bootstrapping, angel, VC, crowdfunding).
- Assemble team, acquire technology, negotiate partnerships.

6. Launch & Market Entry

- Execute go?to?market strategy (branding, sales channels, PR).
- Monitor key performance