

## 2. AN ENTREPRENEUR

### Case Study: Steve Jobs

- Started Apple in 1976 with Steve Wozniak by selling personal belongings.
- Faced failures (Apple Lisa), but Macintosh succeeded by 1986.
- Fired at age 30; started NeXT and Pixar (Pixar's success made him billionaire).
- Returned to Apple in 1996; led comeback (iPod, Mac OS).
- Beliefs: *"Do what you love, don't settle, follow your heart and intuition."*

### Types of Entrepreneurs

#### Danhof's Classification

1. **Innovative** – Introduce new products, processes (e.g., Walt Disney).
2. **Imitative** – Adopt innovations of others (e.g., local mobile makers).
3. **Fabian** – Shy, cautious, follow family tradition, change only when forced.
4. **Drone** – Resist change even if it causes loss.

#### By Nature of Business

1. **Business Entrepreneur** – Creates products/services to implement an idea.
2. **Trading Entrepreneur** – Focus on marketing and distribution.
3. **Industrial Entrepreneur** – Manufacture goods/services with market demand.
4. **Corporate Entrepreneur** – Organise/manage large corporate undertakings.
5. **Agricultural Entrepreneur** – Use modern techniques in farming/agriculture.

#### By Use of Technology

- **Technical** – Focus on product design and production.
- **Non-technical** – Focus on marketing and distribution strategies.
- **Professional** – Start businesses to sell them after establishment.

#### By Motivation

- **Spontaneous** – Driven by self-fulfillment and creativity.
- **Induced** – Encouraged by government incentives or circumstances.
- **Motivated** – Use technical/professional expertise to exploit market opportunities.

#### Other Categories

- **First Generation** – No entrepreneurial background.
- **Second/Third Generation** – Inherit family business.

## Entrepreneurial Competencies

### Key Skills

- **Initiative** – Ability to start ventures early.
- **Creativity/Innovation** – Using or generating new ideas.
- **Risk-taking & Management** – Enter uncertain markets (e.g., Dhirubhai Ambani).
- **Problem Solving** – Find alternative solutions (e.g., Ratan Tata shifting Nano plant).
- **Leadership** – Motivate and guide team.
- **Persistence** – Keep going despite setbacks (e.g., Haathi Chaap handmade paper).
- **Quality Orientation** – Commitment to high standards (e.g., Steve Jobs).
- **Information Seeking** – Gather data to make decisions.
- **Systematic Planning** – Detailed resource planning to avoid losses.
- **Persuasion & Influence** – Mobilize resources and markets.

### Types of Competencies

1. **Entrepreneurial** – Traits to recognize and pursue opportunities.
2. **Enterprise Launching** – Ability to access resources to start ventures.
3. **Enterprise Managing** – Production, finance, marketing skills for sustaining business.

### Ethical Entrepreneurship

- **Ethics**: Standards of right/wrong guiding human actions (honesty, fairness, loyalty).
- **Business Ethics**: Proper business practices — quality goods, fair wages, no child labour, environmental responsibility.
- **Importance**: Builds trust, long-term success, and societal respect.
- **Examples**:
  - Amal & Kamal paying a forgotten bill → ethics in action.
  - Enron/WorldCom failures → unethical practices ruin firms.

### Entrepreneurial Values

- **Defined by Milton Rokeach**: Beliefs guiding actions and judgment.
- **Core Values**:
  1. **Innovation and creativity**
  2. **Independence/self-reliance**
  3. **Respect for work**
  4. **Quest for outstanding performance**

### Entrepreneurial Attitudes

- **Features**:
  - Affect behaviour.
  - Invisible but inferred from actions.

- Learned from family, peers, and experience.
- Universal (apply to many life aspects).

- **Sources:**

- Direct personal experience.
- Group association and cultural influence.
- Influential people (mentors, opinion leaders).

- **Essential Attitudes (12):**

- Passion, trustworthiness, flexibility, courage to face failure, timely decisions, self-care, controlled ego, self-belief, openness to criticism, strong work ethic, resilience, willingness to step outside comfort zone.

## Entrepreneurial Motivation

- **Definition:** Drive to exert effort toward goals.
- **Process:** Need → Tension → Drive → Goal achievement → Reduced tension.
- **Theories:**
  - **Maslow's Hierarchy** – Physiological → Safety → Social → Esteem → Self-actualization.
  - **McClelland's Needs** – Achievement → Affiliation → Power.

## Entrepreneur vs Employee

- **Motive:** Personal venture vs job service.
- **Status:** Owner vs servant of enterprise.
- **Risk:** Full risk vs no risk.
- **Rewards:** Profits (uncertain) vs salary (fixed).
- **Innovation:** Creates vs follows.
- **Qualification:** Vision, risk-bearing vs formal job qualifications.

## Intrapreneurship

- **Definition:** Entrepreneurial work within an organisation using company resources.
- **Need:** Retains talent and fosters innovation.
- **Examples:**
  - **Google's 20% time** → Gmail, AdSense.
  - **Marico Innovation Awards** → company-wide innovation.
  - **Kinetic Zing Bicycle** → employee idea.
- **Consequence of not encouraging:** Adobe founders quit Xerox to start Adobe.