

ROLE OF ENTREPRENEURSHIP IN ECONOMIC DEVELOPMENT

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Abstract: Entrepreneur acts as trigger to give spark to economic activities by his entrepreneurial decisions. He plays an important role in the development of industrial sector, farm and service sector of the country. The role of entrepreneurship in economic development changes from economy to economy which mainly depends upon its industrial climate, material resources and the responsiveness of the political system to the entrepreneurial function. Entrepreneurs offer varieties in the form of new goods & services, result in new employment, which helps in solving the problem of unemployment in the economy. The study helps in understanding the role of entrepreneurship in economic development.

Keywords: Entrepreneur, Economic Development, Self- Reliance

Introduction

The Entrepreneurs are known for ideas and puts them into effect in fostering economic growth and development. Entrepreneur acts as trigger to give spark to economic activities by his entrepreneurial decisions. He plays an important role in the development of industrial sector, farm and service sector of the country. An entrepreneur is a business entity which has the ability and capability to find and act upon opportunities to translate inventions or technologies into products and services: "The entrepreneur helps in recognizing the commercial potential and capability for organizing the capital, talent, and other resources that turn an invention into a commercially viable innovation." They look for opportunities, identify & analyze them and grab them mainly for economic gains. An entrepreneur is always willing to undertake risks in order to achieve their goals. An entrepreneur provides or supplies risk capital for taking the risk; monitors and controls the business activities. The entrepreneur could be a sole proprietor, a partner, or the one who owns the majority of shares in an incorporated venture.

According to economist **Joseph Alois Schumpeter (1883-1950)**, "Entrepreneurs are not necessarily motivated by profit but regard it as a standard for measuring achievement or success."

Examples of Entrepreneur –

1. Dhirubhai Ambani-Reliance.
2. Ratan Tata-Tata Groups.
3. Narayana Murthy-Infosys.
4. Azim H. Premji-Wipro.
5. Lakshmi Mittal-Arcelor.
6. Dr. Verghese Kurien-Amul.
7. Anand Mahindra-Mahindra Group.
8. Shiva Nadar-Hcl.

Five Young Indian Entrepreneurs -

1. Ritesh Agarwal. He is the founder of the 'Ola' for rooms, OYO Rooms.
2. Deepak Ravindran. He is the founder of Quest technologies which lets people answer someone else's question which has been asked by a text message.
3. Farrhad Acidwalla. He is known as a CEO of a web development, marketing, advertising and branding company called Rockstah Media.
4. Shravan Kumaran and Sanjay Kumaran. They both are the India's youngest entrepreneurs, these 14 and 12 year old techie brothers are the founders of Go Dimensions, an app development unit they founded in 2011 in their home in Chennai.
5. King Sidharth. He is a speaker, author, magazine publisher, rad dude, and he's organizing a conference for teenagers called Createens.

Objectives of the study:

1. To study the role and importance of entrepreneurship in economic development.
2. To know the entrepreneurship creates room for innovation.
3. To know the entrepreneurship serves as the key to self- reliance for an economy.

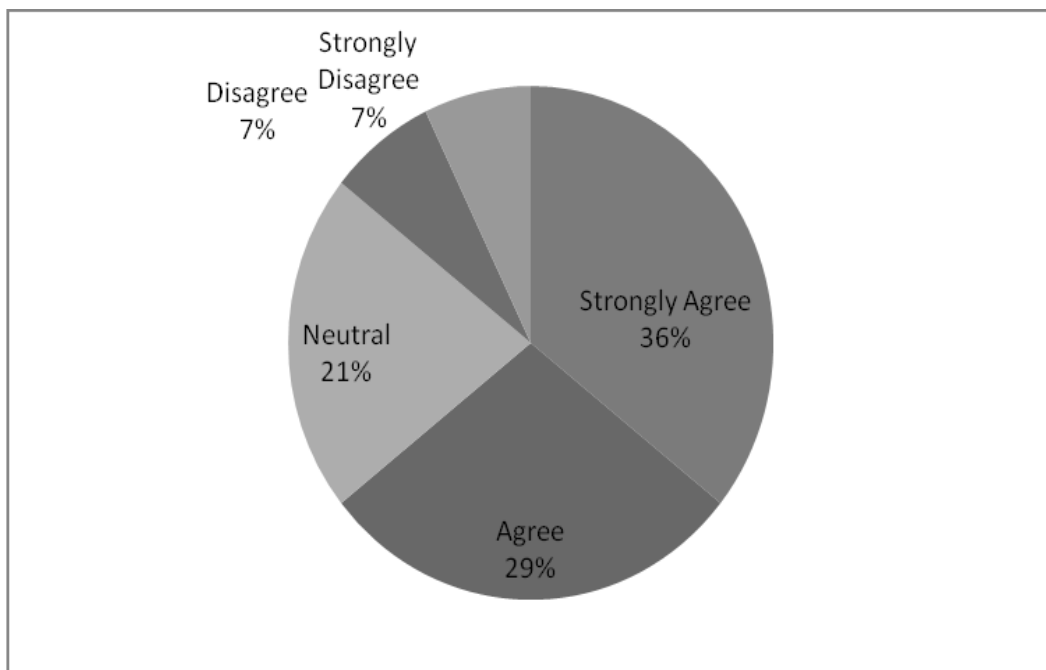
Research Methodology:

The study has been conducted through primary data collected from Ambala District as per convenience sampling method from the students or youngsters, (Sample size is 70).

Entrepreneurship reduces unemployment:

Do you agree entrepreneurship reduces unemployment?

Impact	No. of Respondents	Percentage (%)
Strongly Agree	25	35.71
Agree	20	28.57
Neutral	15	21.43
Disagree	5	7.14
Strongly Disagree	5	7.14
Total	70	100

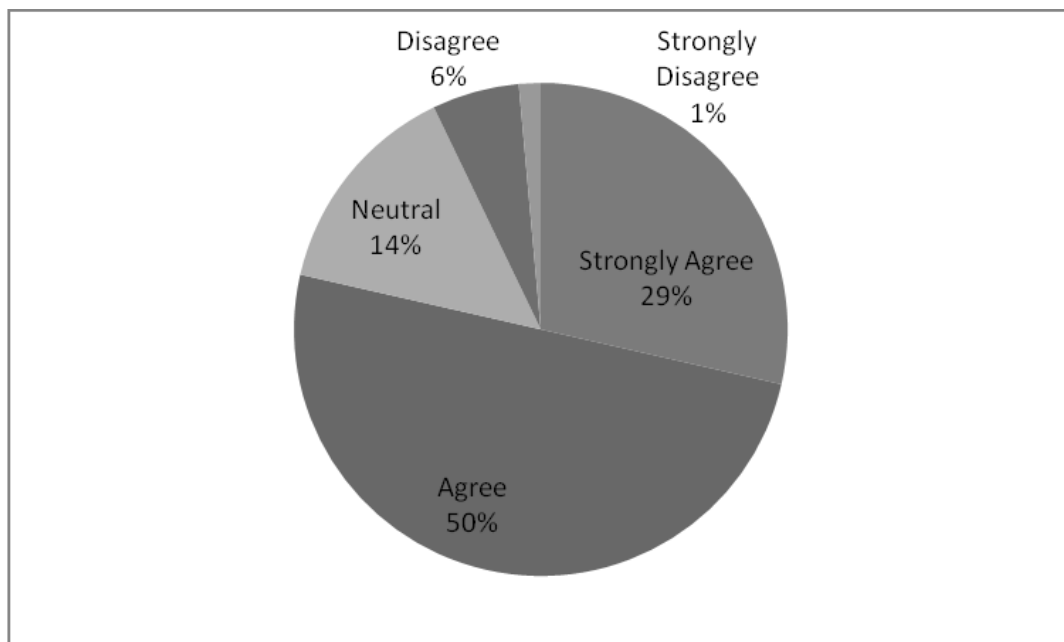


Interpretation: Above diagram depicts that mostly respondents (36% + 29%) are in the favour that entrepreneurship helps in reducing the problem of unemployment in the economy. 21% respondents are neutral for the same and very few are disagree with the statement.

Entrepreneurship creates room for innovation:

Do you agree entrepreneurship creates room for innovation?

Impact	No. of Respondents	Percentage (%)
Strongly Agree	20	28.57
Agree	35	50.00
Neutral	10	14.29
Disagree	4	5.71
Strongly Disagree	1	1.43
Total	70	100

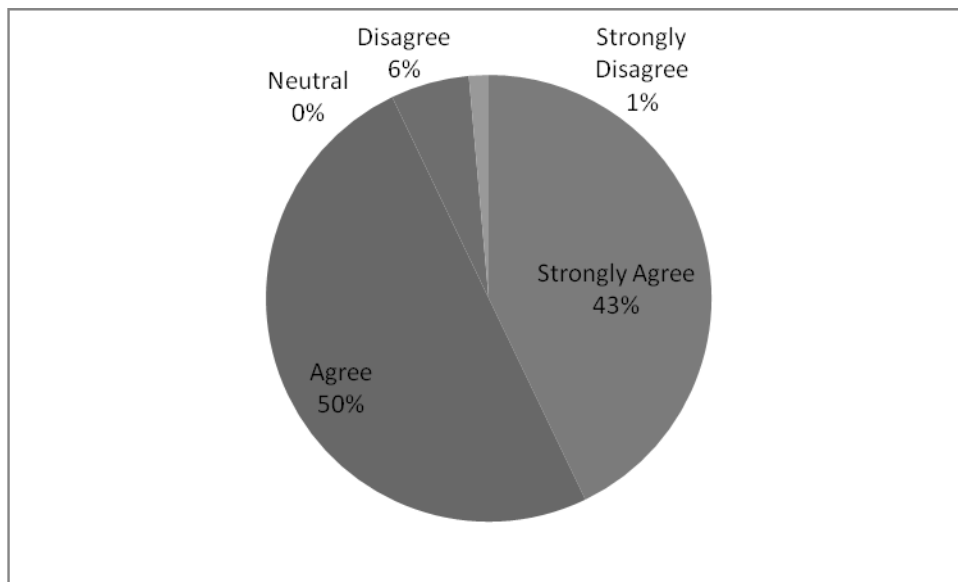


Interpretation: Above pie- diagram reveals that maximum respondents agree that entrepreneurship creates room for innovation. Less number of respondents are disagree with this statement.

Entrepreneurship serves as the key to Self- Reliance:

Do you agree entrepreneurship acts as the key to self – reliance?

Impact	No. of Respondents	Percentage (%)
Strongly Agree	30	42.86
Agree	35	50.00
Neutral	0	0.00
Disagree	4	5.71
Strongly Disagree	1	1.43
Total	70	100



Interpretation: Above pie- diagram exhibits that maximum respondents are in the favour of entrepreneurship serves as a key of self- reliance.

Patience for risk-taking is a necessary feature for entrepreneurs. Risk-taking acts as a pursuing an activity even if there is a chance of a negative consequence. Starting a business is risky, and even more so when you're using your own money. Entrepreneur can spread the risk by convincing investors to come along on your new venture or by forming an entrepreneurial team. But at the end of the day, you can't avoid risk if you are going to

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start a new business and innovate. Creativity and Initiative help in generating profits through taking risks.

Conclusion of the study: Need for Entrepreneurship Development for Economic development is very important for upward changes whereby the real per capita income of a country increases over a period of time. Entrepreneurship plays an important role to play in the development of a country. It is the most important element in economic development. The large number of competitive entrepreneurs affects the economic growth of the country. It depends on the material resources, industry climate and responsiveness of the political system; it varies from economy to economy. The role of entrepreneurs may be more in favourable opportunity conditions than in economies with relatively less favourable opportunity conditions.

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