

Important Topics Exposition:

[The important information of this chapter has been provided here at a glance.]

1. Concept of Entrepreneurship & Business Entrepreneurship:

In general world, any kind of work effort can be termed as entrepreneurship. So, entrepreneurship can be on anything.

Business entrepreneurship is identifying the business concept, establishing the business and operating it successfully. In particular, Business entrepreneurship is setting up business with a view to earn profit knowing the inherited risk of loss and successfully operating the business.

Difference between entrepreneurship and business entrepreneurship:

- Entrepreneurship can be for anything. But, business entrepreneurship is the investment of money and labor to earn profit knowing the presence of risk.
- The primary objective of business entrepreneurship is profit and other entrepreneurship is public welfare.

2. Characteristics of Business Entrepreneurship:

From analyzing the concept of business entrepreneurship the following characteristics and attributes are identified:

1. This is the work effort to establish business. Business entrepreneurship helps to successfully run all kinds of activities related to establishing the business.
2. Doing business knowing the existence of risk with a view to earn profit.
3. The result of business entrepreneurship is a business organization. The meaning of this is that the concept of business entrepreneurship helps to execute the thoughts in to reality.
4. The outcome of business entrepreneurship is goods or service.
5. Running the business successfully
6. Generating employment for self. An entrepreneur can generate his own source of income.
7. Generate employment for others. Business entrepreneurship can generate employment for others along with the entrepreneur himself.
8. Making of new asset. Business entrepreneurship helps to develop human resources and formation of capital.
9. In general it helps to develop the overall economy of the country. Business entrepreneurship can contribute in other areas also besides income generation and solving unemployment problem of the country.
10. Taking social responsibility along with earning profit. Business entrepreneurship encourages the entrepreneur to participate in various development work of the society.

3. Business Entrepreneur and His Qualities:

The person who knowing the uncertainties of results, establishes business with strong determination and courage and runs the business successfully, he is the Business entrepreneur or Industry Entrepreneur. Business entrepreneurship and business entrepreneur these two words are closely related to each other. Business entrepreneur is he who attempts business entrepreneurship. From the feature discussion of business entrepreneurship, some idea can be inferred about the qualities of an entrepreneur. Some believes that the entrepreneurs are entrepreneur by born. This means that from the birth they inherit some qualities which helps them to be famous as a successful entrepreneur. At present days entrepreneur can be groomed up through education, training and providing various opportunities. Main qualities of an entrepreneur is-

1. Confidence
2. Creativity
3. Independent mentality
4. Inventing capacity
5. Velocity
6. Ability to work hard
7. Organizing capacity
8. Ability to take risk
9. Courage
10. Ability to collect capital
11. Perseverance
12. Desire for success
13. Sensibility
14. Mentality of facing challenge
15. Attentiveness
16. Flexibility
17. Mentality of taking lessons from failure

❖ (Work for Self-assessment:- Why entrepreneurs have visionary power?)

4. Contribution of Business Entrepreneurship in Economic Development:

Bangladesh is a developing Country. As per Bangladesh Economic Review -2010, 50% of our national income comes from service, 20% comes from agriculture and 30% comes from industry. Industrial sector plays a vital role for the development of any country. The development of all the sectors including industrial sector is possible through development of business entrepreneurship. Business entrepreneurship can contribute to our socio economic development in the following way:

- Proper utilization of resources
- Increase of national Income and Production
- New employment generation
- Development of Efficient Human Resources
- Reduces Dependability on others

5. Favorable Environment for Developing Business Entrepreneurship:

If we observe the developed countries, then we will see that the main reason for their advancement is the positive environment for establishing business, operation and expansion. In our country we do not have deficiency in brilliance, mentality and efficiency. Our advancement is hindered only for the lack of positive environment. The following positive environment is necessary for development of business entrepreneurship:

- Developed Infrastructural Element
- Government Assistance
- Socio-Economic Stability
- Supportive Law and Order Situation
- Arrangement of Sufficient Capital
- Opportunity of Training

6. Risk and Its Classification:

There is always a relation exist between business entrepreneurship and risk. In some business, there is less risk and in some cases risk are high. Business associated with high risks accompanies the profitability of higher return. And the business having less risk involvement has low return. For example, we can say that groceries have less risk thus profit is also limited. On the other hand like the above mentioned case studies if there is probability of high profit, there is also higher risk association.

There is various types risk in business.

- i. **Business Risk:**
The price of manufactured product or provided service can decline any time. Profit can be reducing for that reason. This possibility is business risk.
- ii. **Monetary Risk:**
The businessman expected a certain profit from the business, but in reality he earned a less profit. This is called monetary risk.

❖ (Work for Self-assessment:- ‘Entrepreneur always takes risk’ – explain this statement / Why success cannot be achieved without taking risk? Explain.)

7. Relationship between Entrepreneurship & Risk:

Establishing a business and running it properly is risky job. Besides, with the help of business entrepreneurship earning more is also possible through investing in profitable venture. But one has to keep in mind that a successful entrepreneur always assess the associated risk beforehand and tries to reduce that and always take tolerable risk. Excessive risk and over confidence may turn any plan in to a disappointment.

8. Obstacles to Entrepreneurship Development in Bangladesh:

Prevailing environment in Bangladesh for development of business entrepreneurship is not positive. Because of some obstacles, business entrepreneurship development could not reach to the optimum level in our country. The obstacles for business entrepreneurship development in Bangladesh are discussed below:

- Lack of Proper Planning
- More Interest towards Job
- Lack of Technical and Vocational Education
- Lack of Campaign
- Lack of Financing Arrangement
- Lack of Training
- Political Instability

9. Ways to Overcome the Obstacles Entrepreneurship Development in Bangladesh:

In Bangladesh obstacles prevailing against development of business entrepreneurship and be removed by adopting the following steps:

- Effective and Realistic plans to be taken on
- Huge training activities to be implemented
- Massive campaign to be arranged all over the country
- Technical and Vocational education system to be expanded.
- Entrepreneurs are to be provided by investment advice.
- Supply of required capital to be arranged.
- Business Entrepreneurship subject is to be included in the secondary and higher secondary level in a substantial manner.
- Political stability to be ensured

If the above noted issues are ensured with certainty, in that case, hopefully the door of entrepreneurship development will open to a significant level.

CQ for Self-assessment:

1. To reduce environment pollution Mr. Nizam has looked for the ways to make wastage products reusable. From this idea he has established a factory of various kinds of toys for the children by recycling wastage plastic. He has appointed 10 unemployed young men in his factory. Increasing the demand if his product, he is exporting in abroad too..
 - a. What is monetary risk?
 - b. Explain the role of risk in developing business enterprise.
 - c. Mr. Nizam’s idea of making toys from plastic is similar to which quality of the entrepreneur?
 - d. Evaluate the role of an entrepreneur like Mr. Nizam in the socio-economic development of the country.

2. Mrs. Jonaki Hasan, the owner of Jonaki Fashion House of Dhaka Bashundhara City, is a successful entrepreneur. By seeing the demand and profit of mobile phone business, she starts a mobile phone business. His family member makes aware her that she has no knowledge about this business and this business is risky. She did not head anyone words. Hence, she made a loss in her business.
 - a. Who is the founder of Matsushita Company?
 - b. What do you mean by business entrepreneur?
 - c. What are the main reasons of Mrs. Jonaki Hasan's failure? Discuss.
 - d. What measurements can be taken to make a profit in Mrs. Jonaki's business?

Board MCQ:

1. How does a successful entrepreneur take decision?

a) Guessing	b) Listening from the public
c) By understanding	d) Justifying through analysis
2. According to 'Bangladesh Economic Review, 2010 what is the percentage of National Income comes from service sector?

a) 20	c) 30
b) 40	d) 50
3. Mr. Rayhan has set up 'Raihan Pharmacy' without previous knowledge and faced loss. What is the main cause to face loss?
 - a) Not to select proper goods
 - b) Not to survey of market
 - c) Lack of experience and education
 - d) Lack of capital
4. For which reason an entrepreneur can failed to reach his desired goal?

a) Frequent change of government	c) Excessive labour
b) For excessive capital	d) More confidence on oneself
5. Who established Matsushita company?
 - a) Henry ford
 - b) Konoke Matsushita
 - c) Willium Sos
 - d) Hayati Matsushita
6. What entrepreneurs assess before doing?

a) Profit	c) Loss
b) Possible Risk	d) Capital
7. To take initiative for new business it needs -
 - i) Proper planning
 - ii) Training
 - iii) Educational qualification
 Which one is correct?

a) i & ii	c) i & iii
b) ii & iii	d) i, ii & iii
8. the result of business entrepreneurship are –
 - i) goods
 - ii) training
 - iii) business organization
 Which one is correct?

a) i & ii	c) i & iii
b) ii & iii	d) i, ii & iii
9. At present entrepreneurs can be created through –
 - i) Education
 - ii) Training
 - iii) Various opportunities
 Which one is correct?

a) i & ii	c) i & iii
b) ii & iii	d) i, ii & iii
10. Business associate with high risks accompanies -

a) Average Profit	c) Medium profit
b) Lower profit	d) Higher profit
11. Which one can be developed through business entrepreneurship?

a) job	c) social work
b) human resource	d) government resource