

# Innovating Start-up *Business* and *Entrepreneurship*

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**Abstract:** Innovation and Entrepreneurship are two related words in the business world. Entrepreneurship is an activity of designing, starting and running a new business. Entrepreneurship is doing things that are generally not done in the ordinary course of business. Entrepreneurship is the risk taking by the innovators called entrepreneur in an economy. Innovation may be in introducing a new manufacturing process that has not yet been commercially exploited. Innovation is translating ideas or inventions that creates value. It satisfy the customer needs and preferences. Entrepreneurship is applying innovation to bring ideas and does thing in a new and better way. Innovation involves problem solving and Entrepreneurship is a problem solver. The paper says about the innovation and Entrepreneurship mainly focus on the importance and development of the business where the company earns profit from the customer satisfaction. It shows the current role of the innovation and Entrepreneurship development and how it helps in business survival.

**KEY WORDS:** *Entrepreneurship in India, Innovation in business, Fast Moving Consumer Good, Micro, Small and Medium Enterprises, entrepreneurial development and functions, forms and benefits of innovation.*

## I. INTRODUCTION

To quote the economist, T. N. Srinivasan, Innovation and Entrepreneurship is a two-way relationship. In one sense, in innovation, someone finds something but that somebody may not be equipped to translate that something into a commercial proposition [3]. That is where Entrepreneurship comes in.

Innovation is that the specific instrument of entrepreneurship...the act that endows resources with a latest capacity to make wealth" – (Drucker, 1985) innovation [1]. An entrepreneur is a person who is willing and able to convert a new idea or invention into a successful innovation which will give a good result. Invention means generation of new ideas whereas innovation means bringing that concept into life. Entrepreneurs are those persons who take the risk to bring those ideas into life.

The study is to understand the role of innovation in entrepreneurship development in India, and also try to understand the Government support for innovation. Moreover, it tries to examine the role of education in generation of innovative ideas. They both are essential ingredients in building a successful business. The purpose of innovation is to grow up with new products and ideas [4]. It is clear that innovation and Entrepreneurship are closely linked and it is a major key for the development of the business. These are skills which can be practiced and learned.

## II. INNOVATION AND ENTREPRENEURSHIP

Innovation and entrepreneurship hold the potential to create new value in many sector by invention, action and use of new products, as well as development and maintenance of new business models [4]. The purpose of innovation is too continuously grow and renew an enterprise with new or better products, more efficiently. Most powerfully, the products are often combined, to make a latest technology with formalized practices. India faces a dual challenge of low levels of expenditure in a business and ineffective and inefficient services. Innovative practices involves existing businesses and organizations along with the creation of new ventures and ideas based on new business models and technology [5]. Innovation and new venture or start up can stand in its own, but innovation and Entrepreneurship are intertwined. They exploit change as an opportunity for a different business or different services. This potential include cost differences of existing products, leveraging existing resources to more people, and change in traditional western models cultures and practices. Much of this has lately been called frugal or disruptive innovation.

Innovation is far from recent phenomenon, and it is inherent to human development. The idea way of innovation has the power to change people behaviour, labour methods. Entrepreneurship and innovation require what has something been called an ecosystem of supporting elements and factors in the business [3]. This may include a social climate changes, educational resources, flexible organizational structures and cultures, capital, and grouped

resources designed to support new ventures. This environment is most effectively created through competitive and cooperative initiatives in both the private and public sectors.

The common thread among each innovator is that they continue to innovate for their business but entrepreneur is looking to innovate, whether by developing a new goods or services, employing new business model or by applying technologies [2]. It will focus on research and studies that took specific efforts, their successes and failure, and the key factors that determine outcome of the enterprise. This may include relevant change in laws and regulations, the nature of capital markets, the approach of the educational system, and the role of public and private insurance. Through these collaborations we will support, change and expand innovation and entrepreneurship leveraging new value and level within the greater healthcare system.

### III. THE IMPORTANCE OF INNOVATION IN ENTREPRENEURSHIP

The economy is filled with enterprises and businesses. Our economy has survived because of the industry kings. It is the process of action of an entrepreneur who is always in search of something new and make their ideas into a proper manner by accepting the risk with the company. Entrepreneur is a person who is willing to accept the risk of loss in order to make money. They play a major role in the economy and even contribute more employment opportunities. Any small business is essential to the economy. Without it, our economy would not survive. But a business must also sustain itself, it should be able to fulfill the demands of the society and the people. Entrepreneurship produces financial gain and keeps the economy balanced, which gives rise to the importance of innovation in entrepreneurship. Entrepreneurs are innovators of the economy [2]. It is not just like the scientist who invents a product and come up with the solutions. Even the innovators bring more ideas and come up. The importance of innovation in entrepreneurship is shown by new way to produce a product or a solution. The ideas of innovators are drawn with a conclusion as an entrepreneur. An entrepreneur should always satisfy the needs of the clients [1]. Producers can come up with another product from the raw materials and entrepreneur make it as finished product.

The importance of innovation in entrepreneurship is another key value for the longlife of a business. Entrepreneurs and businesses start with a need. They saw the need within the society and among themselves that they have come up with a solution for everyone. They obtained the opportunity to innovate or create to make the lives more satisfied . And these solutions are kept to make it better, easier and more useful. Entrepreneurs must keep themselves alive with the current trends and demands. Manufacturers and producers are continuously introducing new products to produce more

without sacrificing the quality or quantity. Companies and enterprises keep innovation and ideas as important part of their organization[3]. Innovations contribute to the success of the company by increasing their profit and reputation. Entrepreneur, as innovators, it is not just one solution to a need. They keep coming up with new ideas and plans but do not settle until they come up with several solutions. Innovators will not stop with one idea they keep on planning. Innovation is extremely important that companies often see their employees' creativity as a solution. All employees are employed with their talent and skill of developing. They come up with seminars and trainings to keep their employees active and to create something useful for others and in turn to make profit for the company.

Other factors that give raises to the innovation is is competition in business world. Every business has its own risk and competition[1]. Only if there is competition the company will produce more variety in their products to attract their customers. It stimulates many entrepreneur to come up with more better products with competition in a lower price with good quality and quantity. Small businesses see the importance of innovation in entrepreneurship. They should be able to compete with large industry to see their value and level in the economy [2]. Small businesses are important as they are directly involved in the society and therefore, contribute to their financial and economic gain. These small businesses know exactly what society needs and fulfill them. All things starts with a clear view. Innovation is important not just in entrepreneurship. As individuals, they are innovators they adopt themselves to our needs and create own solutions. Entrepreneurs are the same. The innovation in entrepreneurship helped the country to change the demands by producing new products and services. Being innovative will help us to become successful in all our lives.

#### A. THE ENTREPRENEURIAL PROCESS

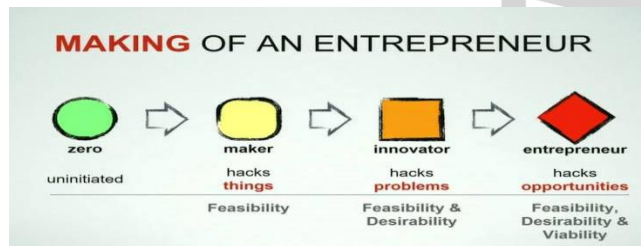
The entrepreneurial process starts with recognition, preparation, incubation (feasibility study), realization of an idea, implementation and finally verification [4]. The flow chart of the entrepreneurial process is shown below Entrepreneurial Process.



#### B. INNOVATIVE ENTREPRENEUR

An entrepreneur, is also also an innovator. Why? Simply, because you must innovate if you want to succeed [5]. We need to solve problems on a better way or much more

innovative way for your customers to get their satisfaction. We create a company that means something you are earning for you, your employees and our customers from empty. Simply, we need to be an innovative entrepreneur. An innovative persons has enough creativity, dreams, and desires that can lead him to become an innovative entrepreneur. Sometimes, you will need to know the business coaching to bring out your full power and potential. An innovative person is a creative person who brings his creativity to the answers. An innovative small business owner is a dreamer. They will work and implement their ideas to become an entrepreneur. An innovative person is a person who translates his dreams through his action into the real. An innovative business owner is a person who can clearly see his future by his ideas. An innovative entrepreneur is a person who creates something from nothing to a better thing [5]. An innovative small business owner or start up person is a person who starts his business on the real life. An innovative entrepreneur is a person who listen to their customers words to know their taste.



An innovative business owner is a person who improves things currently available things to do something better. An innovative entrepreneur is a person who discovers new things using their own skills. An innovator is a person who creates new products and services. An innovative entrepreneur is a person who applies the ideas of the innovator to his business. An innovative person is a person who is not afraid to take any risk regarding his business [5]. An innovative entrepreneur is a person who thinks totally differently from everyone. An innovative business owner is a person who can't understand easily from other people. An innovative entrepreneur is a person who wants to change the world. An innovative entrepreneur is a person who knows what he want and the taste and preference of a customers. An innovative person is a person who is not afraid to take next actions even he is aware about uncertainty and possible loses. An innovative entrepreneur is a person who values his own creation ultimately. Innovation is often viewed as an application for better solutions. Innovation include multiple activities to do a new thing which should be accepted by the society.

#### **IV. THE STAGES OF INNOVATION IN ENTREPRENEURSHIP**

Innovation is important in entrepreneurship. In the highly competitive world where we live is filling with innovative

ideas and will show something different from the rest. Our goal is not to build or gain an average startup or profit, right? In order to create an outstanding product, strong brand and to build our customer network, and reputation, we need to innovate[5]. Innovation doesn't always mean to make or find something new: innovators or business people often take something that already exists, improve it, change it, make it better and make it best for their customers. Being innovative doesn't happen overnight: it requires time and effort to create something truly innovative that will make difference. Innovators has to find the product, make it variety, know about the current market statements, customers taste and preferences and then implemented the idea [5]. Here we can find seven stages to look at innovation and businesses in order to understand its importance in entrepreneurship, education, ideas execution, knowledge and more.

Stage I: Government's Imminent Role in Nurturing State Entrepreneurship[4].

Stage II: India Emerging as the 3rd Largest Consumer Market in the World.

Stage III: How Businesses are working to Create Future manufactures.

Session 1: The Lifestyle of Innovation[4].

The Future of Consumer Businesses & New periods of FMCG.

FMCG (Fast moving Consumer Good).

FMCG and upcoming products are changing.

Session 2: Challenges and solutions faced for funding of MSMEs.

MSME (Micro, Small, and Medium Enterprises)

Session 3: Food Service, Health sector - An Opportunity for Business.

Session 4: How to transform our SME into Digital and technological empowered Business.

SME (Small and Medium Enterprises ).

#### **A. ENTREPRENEURSHIP DEVELOPMENT**

Entrepreneurship development is the process of improving the skills, knowledge and ideas of entrepreneurs through various training, practices and practical programs. The main aim of entrepreneurship development is to increase the number of entrepreneurs and increase the employment opportunities [1].

By doing this, the place at which new businesses or startups are made gets better and improved. On a wider level, this makes more employment and improves the economy of a business or country into higher level.

The steps below will explain how to create an effective entrepreneurship development program : 1-The entrepreneur should be more skillful and should be a wide thinker[5]. 2-He should use his skill and knowledge in a practical way. 3- He should make aware of his product. 4-



To attain his final stage of development he should attract the customers through his product.

There are four types of Entrepreneurship - which helps the society to develop the economic standards : they are small businesses, startups, large companies and social entrepreneurs [1]. They all engage in entrepreneurship and develop the entrepreneurial businesses in their own ways.

It basically aims to enlarge the base of entrepreneurs in order to gain new innovators and obtain new ideas through them and excute new products and employment opportunities [3]. This improves employment generation and economic development in our country. Entrepreneurial development is on going in our country by youngsters to attain the maximum level in the entrepreneurial business and to contribute to the economy [3].

Entrepreneurship development focuses on the single individual who wishe to start or expand the business through his own creativity and innovations [2]. It also focuses on developing the enterprise to reach high position it may or may not have employs or it can led by individuals who can be considered entrepreneurial. Furthermore, entrepreneurship development concentrates more on growth power and innovation .

Entrepreneurship is done with the aim [2]. To fulfill the aim the entrepreneur has to overcome certain obligations.

- a. To help or reduce the unemployment problem.
- b. To overcome the problem of growth of development.
- c. To increase the economic standard.
- d. To increase the competition and growth of business and industries.
- e. To satisfy the customers need and preferences.

### **B. NEED FOR ENTREPRENEURSHIP**

Entrepreneurship does not only being able to start and manage your own business and increase profit but it also helps the economy in a lot of ways. For freshers, it contributes more to the GDP (Gross Domestic Product) of the country thus It affects the revenue, foregin exchange and employment [3]. As entrepreneurship primarily involves production and supply of goods and services with a profit motive and for customers services. This is also the important need for entrepreneurship.

An entrepreneur also generates employment opportunities in the economy and helps in reducing unemployment as well as in improving the standard of living of the people in the society. This is because more jobs brings more income from the people and more revenue to the economy.

Moreover, it is because of the entrepreneurs in the economy has the power realize the need of goods and services of the people or customers so that they do not have to depend on western produced goods or other goods.

This, in turn, helps the country's money stay within the country and brings lots of forgein deals of business transactions. It also helps the country to earn foreign exchange by exporting the goods that are produced in our country to other countries that have a demand for our country goods and services.

Another need for entrepreneurship in the country is that it helps to develop and protect hidden potential power in the country [3]. This also helps in money transcation so that there will be litterly less scarcity of money. Only 5% of adults of country go on to establish own business [3]. This should be increased in our country because we have a huge population. This helps the overall growth of the country. It also improves the standard of living of the people living in the economy.

### **C. FUNCTIONS OF ENTREPRENEURS IN THE ECONOMY**

As we all know, entrepreneurs are their own bosses and head who lead the work towards achieving profits by satisfying the need of the customer and economy. An entrepreneur does a little more than that to achieve their goal. Entrepreneurs functions to make the economy filled with variety of products that have supply to over all the country and mostly to satisfy the customers by knowing their taste and preference in every situations [3]. If there is lack of product in the society entrepreneur has the responsibility to bring that product available in the market do that the trust of the customer never fades in his business. If there is no customers satisfaction the business may come to an end. So to comfort the customer the they functions to the peak.

### **D. BENEFITS OF INNOVATION**

Improved productivity , quantity & reduced costs [2]

A lot of process innovation is about reducing costs. This might be achieved by improving the production and sales. the customer will mostly prefer more quantity of goods at low price.

Better quality

Better quality products and services are more likely to meet customer needs and tastes. The product should be effectively marketed, and that should result in higher sales and profits [3].

Building a product level

A business with a single product or limited product level would almost certainly benefit from innovation. A broader product level provides an opportunity for higher sales and profits and also reduces the risk for shareholders .

### **E. FORMS OF INNOVATION**

The forms of innovation in Entrepreneurshipare [4]: product innovation, process innovation, and business model

innovation. Innovation in Entrepreneurship can be done through a small cycle through which it can attain success. It is done through Design, sourcing and manufacturing, distribution, and sales, this cycle process and forms an innovation. There are four Ps included in innovation they are Product, Price, Place and Promotion [4]. These four Ps has an great impact on the innovation process .

There are five categories of innovation [4]: they are Employee innovation, Customer innovation, Partner innovation , competitor innovation and Public innovation. To develop an innovation the investor should increase the investment and generate ideas. He should have a deep understanding of customers preferences. Innovator should have a level of focus on their activity and should use outsiders sources of ideas. Innovation consists of information and imagination which creates value to the company.

## V. CONCLUSION

To be successful in business it requires entrepreneurship and innovation. This paper provides an overview of entrepreneurship and innovation as it relates to business. The discussion is most relevant to developing businesses. Businesses are focused on offering new products and services to the customer. The importance of entrepreneurship and innovation also applies to companies that produce the products and for the welfare of customers. The existing companies can use creative ideas and entrepreneurship to establish their brand name and increase their companies reputation with new plans and skills. Youngsters are brought up with new inventions which provide benefit to the customers do that there are being an entrepreneur. The new generation are studying their degree for becoming an entrepreneur and to develop their business.

With rising population of the world, the world's need and necessities had also increased through the years. To balance the increasing demand and supply of products, right entrepreneurship skills and innovation are much more needed. Without new business ideas and technology to support no consumer demand will be fulfilled completely. Thus, innovation and entrepreneurship is the need of necessity and needs to be adopted by all business. Innovation and Entrepreneurship may be a good resource for categorizing and identifying. Entrepreneur does an excellent job of organizing the elements involved in innovation. They are now being an good examples of our country for the youngsters who are willing to develop their career. Innovation and Entrepreneurship is more about creating a good frame for creative thoughts that can be used to compare the current events and the past. To accurately point out, the sources of innovation are from new knowledge, creative skills and bright ideas. The love into this alone, makes the idea well worth understanding and useful.

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