



# **Entrepreneurship**

## **Theory and Practice**



**Kalpana Taing**

## ANMOL PUBLICATIONS PVT. LTD.

**Regd. Office:** 4360/4, Ansari Road, Daryaganj,  
New Delhi-110002 (India)

Tel.: 23278000, 23261597, 23286875, 23255577

Fax: 91-11-23280289

Email: anmolpub@gmail.com

Visit us at: www.anmolpublications.com

**Branch Office:** No. 1015, Ist Main Road, BSK IIIrd Stage  
IIIrd Phase, IIIrd Block, Bengaluru-560 085 (India)

Tel.: 080-41723429 • Fax: 080-26723604

Email: anmolpublicationsbangalore@gmail.com

*Entrepreneurship Theory and Practice*

© Reserved

First Edition, 2014

ISBN 978-81-261-5989-5



PRINTED IN INDIA

Digitally Printed at Replika Press Pvt. Ltd.

## Contents

|                                                                                                                                                                                                                                                                                                                                             |     |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|
| <i>Preface</i>                                                                                                                                                                                                                                                                                                                              | vii |
| 1. Entrepreneurship: Types, Conceptual Evolution and Perspectives<br>Entrepreneurship: An Introductory Overview; Towards Tracing the Origins of Entrepreneurship; Reflections on Entrepreneurial Types; Conceptual Framework of Entrepreneurship; Development of Entrepreneurship; Entrepreneurship: Contemporary Perspectives; References. | 1   |
| 2. Understanding the Entrepreneur:<br>Focus on Importance, Motivation and Risks<br>Understanding the Importance of Entrepreneurs;<br>Understanding the Motivation of Entrepreneurs;<br>Understanding the Entrepreneurs; References.                                                                                                         | 78  |
| 3. Entrepreneurship and Entrepreneurial Bargaining: Theories, Tactical Aspects and Sociological Factors<br>Entrepreneurship: Focus on Theoretical Aspects; Focus on Alternative Theories of the Entrepreneur; Entrepreneurial Bargaining: Focus on Tactical Aspects; Entrepreneurship: Focus on Sociological Factors; References.           | 124 |
| 4. Entrepreneurship: Role of Institutional Finance, Socio-Economic Development and Industrialization<br>Entrepreneurship: Role of Institutional Finance; Relationship Between Entrepreneurship: Role of Socio-Economic Development; Towards Fostering Small-scale Entrepreneurship: Role of State; Focus                                    | 212 |

on India's Experiences in Developing Entrepreneurship and Industrial Estates; Entrepreneurial Organization and Performance; References.

|                                                                                                                                             |     |
|---------------------------------------------------------------------------------------------------------------------------------------------|-----|
| 5. Indian Entrepreneurship: Select Studies and Identification of Traits                                                                     | 260 |
| Understanding Indian Entrepreneurship; Focus on Studies of Indian Entrepreneurship; Model Example: Entrepreneurship and TRYSEM; References. |     |
| <i>Bibliography</i>                                                                                                                         | 303 |
| <i>Index</i>                                                                                                                                | 310 |

## Preface

---

Entrepreneurship is the implementation of an individual's talent in the resources in which he is available with; and expanding these resources in the future so that one can get individual as well as general i.e. social success. It comes from the French verb 'entreprendre' which means 'to undertake.' Entrepreneurship is the act and art of being an entrepreneur or one who undertakes innovations or introducing new things, finance and business acumen in an effort to transform innovations into economic goods. This may result in new organizations or may be part of revitalizing mature organizations in response to a perceived opportunity. The most obvious form of entrepreneurship is that of starting new businesses; however, in recent years, the term has been extended to include social and political forms of entrepreneurial activity. When entrepreneurship is describing activities within a firm or large organization it is referred to as intra-preneurship and may include corporate venturing, when large entities spin-off organizations.

According to Paul Reynolds, entrepreneurship scholar and creator of the Global Entrepreneurship Monitor, "by the time they reach their retirement years, half of all working men in the United States probably have a period of self-employment of one or more years; one in four may have engaged in self-employment for six or more years. Participating in a new business creation is a common activity among U.S. workers over the course of their careers." And in recent years has been documented by scholars such as David Audretsch to be a major driver of economic growth in both the United States and Western Europe. "As well, entrepreneurship may be defined as the pursuit of opportunity without regard to resources currently controlled. Entrepreneurial activities are

## Index

- A**
- Achievement Motivation, 195  
 Alfred Marshall, 41  
 Amalendu Guha, 272  
 American Civil War, 14  
 Ashis Nandy, 270
- B**
- Bert F. Hoselitz, 44  
 Business Cycles, 127  
 Business Ethic, 199  
 Business ethnic, 190  
 Business talents, 190  
 Business Talents, 202
- C**
- Calcutta Steam Tug Association, 266  
 Carl Menger, 3  
 Cole, A.H., 43
- D**
- Dan Johansson, 8  
 David Audretsch, 4  
 David McClelland, 59, 198  
 David Ricardo, 79  
 Dwarkanath Tagore, 266
- E**
- Economic Ability, 191
- EDP, 289, 291, 294, 298, 301, 302  
 Entrepreneurial,  
   Bargaining, 155  
   Functions, 71  
 Entrepreneurs and Risk, 116  
 Entrepreneurship, 1, 19, 40, 57, 78, 189, 212, 215, 218, 277, 290  
   and Entrepreneurial  
     Bargaining, 124  
   and the Family, 273  
   Concept of, 290  
   Development of, 58, 291  
   Growth of, 25  
   in India, 25  
   Indian, 260, 272  
   Industrial, 14  
 Everett Hagen, 37, 49  
 Evertt Hagen, 65
- F**
- Formal Education, 203  
 France, 41  
 Frank H. Knight, 4  
 Frank, 297  
 Frederick Harbison, 70  
 Friedrich von Hayek, 3
- G**
- George Acland, 17
- George R. Peters, 270  
 Global,  
   Entrepreneurship Monitor, 1, 5  
   Entrepreneurship Week, 8  
 Gloria V. Javillonar, 270
- H**
- Harvey Leibenstein, 67  
 Hawthorne effect, 283
- I**
- ICICI, 27  
 IDBI, 27  
 IFCI, 231  
 Innovative Spirit, 192  
 Investment Choices, 256  
 IRBI, 231
- J**
- James J. Berna, 82, 268  
 James T. McCrory, 82  
 Jean-Baptiste Say, 55  
 John Kunkel, 51, 65  
 Joint Family Background, 199  
 Joseph A. Schumpeter, 56  
 Joseph Alois Schumpeter, 124  
 Joseph Schumpeter, 3
- K**
- K.L. Sharma, 67, 270, 271  
 Kakinada controls, 280
- L**
- Leibenstein's X-Efficiency Theory, 134  
 Ludwig von Mises, 3
- M**
- Marwari entrepreneur, 204  
 Mathai, 295  
 Max Weber, 53
- McClelland, 46, 115, 119, 278, 285, 300  
 McCrory, 242  
 MMTC, 222  
 MSSIDC, 286  
 MSTC, 222  
 Multiple Entrepreneurial Function, 70
- N**
- Nazrani Mappilas, 12  
 NGOs, 2  
 NIESBUD, 230  
 NIMID, 286, 287
- O**
- Organising and administrative ability, 190
- P**
- Pakanaka Reddy, 208  
 Paul Reynolds, 1  
 Peter Drucker, 1, 4  
 Protestant ethics, 54
- R**
- Ranchodlal Chotalal, 264  
 Richard Cantillon, 41  
 Robert Kennedy, 272  
 Robert Sobel, 4
- S**
- Say, J.B., 40, 41, 78, 81  
 Schumpeter, 290  
 Schumpeter, J.A., 217  
 Second World War, 22  
 SIDO, 222, 223, 228, 229, 232, 233  
 SIET, 269  
 SSIDO, 24  
 Stevenson, 2

T

Tripathi, R.N., 268  
TRYSEM, 289, 304

U

UNDP, 224  
UNESCO, 83

V

V.R. Gaikwad, 268

W

Weaving Mills, 17  
William Baumol, 4  
William Bredo, 226  
World War, I, 263

Z

Zeuthen-Bishop Theory, 170



# Entrepreneurship Theory and Practice

**Kalpana Taing**

This publication titled, “**Entrepreneurship Theory and Practice**” provides readers with an introduction to entrepreneurship with insights into the types, conceptual evolution and perspectives. Major areas in understanding the entrepreneur are covered with focus on importance, motivation and risks. The book also provides an in-depth understanding of the theories, tactical aspects and sociological factors of entrepreneurship and entrepreneurial bargaining. The advanced areas in entrepreneurship are analyzed. Attempts have been made towards highlighting issues related to role of institutional finance, socio-economic development and industrialization. Efforts are made towards analyzing Indian entrepreneurship with the help of select studies and identification of traits involved.

This book contains the following chapters: Entrepreneurship: Types, Conceptual Evolution and Perspectives; Understanding the Entrepreneur: Focus on Importance, Motivation and Risks; Entrepreneurship and Entrepreneurial Bargaining: Theories, Tactical Aspects and Sociological Factors; Entrepreneurship: Role of Institutional Finance, Socio-Economic Development and Industrialization; Indian Entrepreneurship: Select Studies and Identification of Traits and Bibliography etc.

**Kalpana Taing** is a senior management banking professional with 17 years of work experience. She possesses a strong operational and management expertise with focus on business development and client relationship in the field of new age profit oriented banking. Major recognitions and awards bestowed upon her include the Super Tejaswani Award, 2010; Tejaswani Award, 2009; Diva Award, 2008; Mission Award, 2007. Currently, she works as the Assistant Vice President, Branch Banking, HDFC Bank. Additional portfolios handled by her include: Regional Co-ordinator for CSR; Regional Mentor for the Sisterhood of Strength; Regional Champ for Five S; etc. Major educational qualifications attained by Ms. KALPANA TAING include: M.A. in English Literature and B. Ed. from M.D. University; EPBM from IIM Calcutta; and current registration in Ph. D. at CMJ University. She has participated in many trainings programmes, workshops, seminars, symposiums and presented academic papers extensively.

## **ANMOL PUBLICATIONS PVT. LTD.**

**Regd. Office:** 4360/4, Ansari Road, Daryaganj, New Delhi-110002 (India)  
Ph.: 23278000, 23261597, 23286875, 23255577 • Fax: 91-11-23280289  
Email: anmolpub@gmail.com Visit us at: [www.anmolpublications.com](http://www.anmolpublications.com)

**Branch Office:** No. 1015, 1st Main Road, BSK IIIrd Stage  
IIIrd Phase, IIIrd Block, Bengaluru-560 085 (India)  
Tel.: 080-41723429 • Fax: 080-26723604  
Email: [anmolpublicationsbangalore@gmail.com](mailto:anmolpublicationsbangalore@gmail.com)

₹ 3000

ISBN 978-81-261-5989-5

