

Entrepreneurial Mindset

Who is an Entrepreneur?

There are various definitions of an entrepreneur. In simple words, an entrepreneur is a person who develops and owns his business. Let us look at some of the definitions-

- An entrepreneur is someone who perceives an opportunity and creates an organization to pursue it. (Bygrave & Zacharakis, 2013)
- Entrepreneurs are individuals who exploit market opportunity through technical and/or organizational innovation. (Schumpeter, 1965)
- An entrepreneur is a person who habitually creates and innovates to build something of recognized value around perceived opportunities. (Bolton & Thompson, 2000)
- An entrepreneur is someone who demonstrates initiative and creative thinking, is able to organize social and economic mechanisms to turn resources and situations to practical account, and accepts risk and failure. (Hisrich, 1990)

Mark Zuckerberg, the CEO and founder of Facebook is an entrepreneur. However, a local restaurant owner in your city is also an entrepreneur. A vegetable vendor in your locality is also an entrepreneur. The first step towards being an entrepreneur is to take that leap from an idea to the goal of creating an enterprise.

- Entrepreneurs are self-motivated and start with initiating a venture, a project or an activity.
- Entrepreneurs usually start small, but continuously keep doing things to grow.
- Entrepreneurs focus on executing an idea and on creating or adding value.
- Entrepreneurs see and create value in situations that other people view as worthless, impossible or stupid. (Isenberg, 2013)
- Entrepreneurs develop a certain way of thinking with experience, by actively acting and applying what they know and learning what they do not know



What may stop you from being an entrepreneur/ Myths about Entrepreneurs

Risk-taking: Entrepreneurs do not necessarily have a very high appetite for risk. Entrepreneurs might take a risk initially when they start, but this risk is evaluated depending on how high the reward is. In the process, entrepreneurs learn to work under risk and uncertainty and develop plans that anticipate obstacles to an extent.

Creative: Entrepreneurs do not suddenly get a creative idea. They create a business by understanding a need or problem in their surroundings and bringing unimaginable and innovative solutions to life. They learn to apply creative thinking when building a business.

Visionary: Entrepreneurs may not start with a sharp vision or goal. They learn to adapt and improve their ideas depending on feedback and analysis. Persistence is a key competency that an entrepreneur requires in this process. They do not predict the future, but instead are cautious about making any future projections or extrapolations.

Dominating: Entrepreneurs are not necessarily dominating. They are people and team focused. They understand the capacity of an individual, motivate them to do better and are concerned about employee welfare.

Money driven and wealthy: Entrepreneurs may be money driven also, but when they start, they are opportunity driven. They see and act on opportunities.

Self-confident: Entrepreneurs may be self-confident and determined but anyone who is working towards being successful can be that.

What is Entrepreneurship?

In simple words, entrepreneurship is defined as the creation of a new business venture. However, it is important to recognize entrepreneurship is much beyond that. Entrepreneurship is everywhere. In our daily lives, we use various products and services which were created because of entrepreneurs. The question is what these entrepreneurs do to create new ventures.

- Entrepreneurship is the process of identifying an opportunity and turning it into a venture.
- Entrepreneurship is the practice of starting new organizations or revitalizing mature organizations, particularly new businesses generally in response to identified opportunities. (Onuoha, 2007)
- Entrepreneurship is a mindset, a way of thinking. A person can be oriented towards this way of thinking.
- Entrepreneurship is a way of living, where a person chooses to have insatiable thirst for learning, evolving and creating.
- Entrepreneurship is the pursuit of opportunity beyond resources controlled (Stevenson, 2013).
- Entrepreneurship is a skill or an ability to act on ideas and build on opportunities.
- Entrepreneurship is a problem-solving technique focused on improving yourself by improving something for the people in the world around you.

Managerial vs. Entrepreneurial Thinking

Managerial Thinking:

- Goal well-defined
- Resources determined
- Plan created and executed
- Progress measured
- Goal achieved

Entrepreneurial Thinking:

- Start with what you have rather than what you need
- Only choice is to act
- No definite plan
- Uncertainty
- Progress might not be measurable



Entrepreneurial Mindset

The entrepreneurial mindset is about a certain way of thinking -- it is about the way you approach challenges and mistakes. It is about an inherent need to improve your skill set and to try and try again. An entrepreneurial mindset is also important as it shows a person's ability to:

- Successfully lead a team (Gauge the strengths and weaknesses of those around them and create a way for diverse groups to work together)
- Be a quick thinker and use the resources at their disposal to the best of their abilities. Most startups have a limited pool of resources which they have to make the most out of it.
- Risk appetite & being able to identify opportunities.
- Adaptability & learnability: being able to quickly adapt to changing circumstances, learn new skills quickly and be able to learn own experience trying and failing at something
- Communication: Being able to effectively communicate your thoughts and plans are incredible assets to have in any line of work. Entrepreneurial skills also lead you to be more confident.

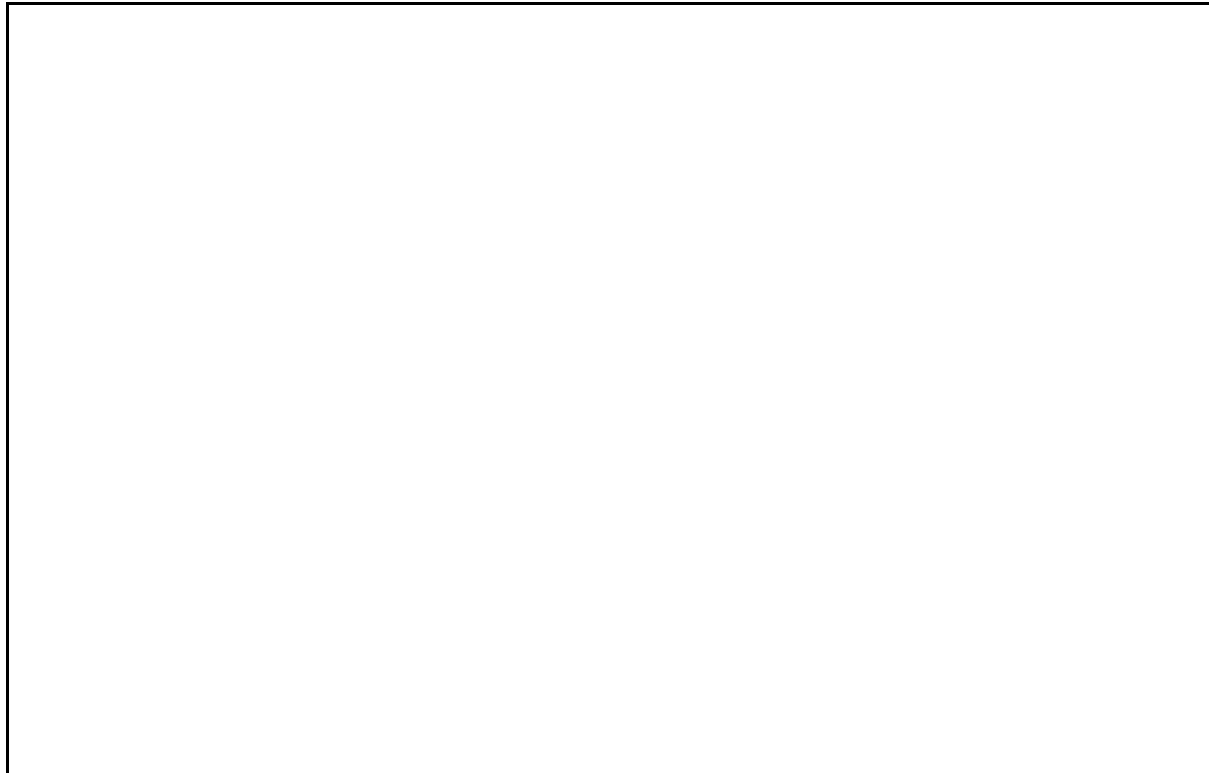
Entrepreneurial Skills

- Innovative
- Resilient
- Goal Oriented
- Achievement motivated
- Self-confident
- Self-starter/initiator
- Committed
- Opportunity seeker
- Creative thinker
- Moderate risk taker
- Effective networker
- Tolerant of ambiguity
- Has a strong work ethic
- Optimistic disposition
- Persuasive
- Problem solver
- Systematic Planner
- Information seeker
- Leverages and assembles resources
- Tenacious and Persistent
- Can deal with failure

Activity: Entrepreneur I admire the most

When: during session

How: Think about entrepreneurs you know/ you have read about/ you have met or observed, and write the common characteristics, traits and habits of these entrepreneurs.



Quiz:

1. Rajat has his own venture of Marketing. Rajat is an _____?
 - a. Entrepreneur
 - b. Manager
 - c. Capitalist
 - d. Teacher

2. Uncertainty is a characteristic of which type of thinking?
 - a. Managerial Thinking
 - b. Marketer Thinking
 - c. Presidential Thinking
 - d. Entrepreneurial Thinking

3. Which of the following is the quality of an Entrepreneur?
 - a. Risk Taking
 - b. Measurable Goal
 - c. Specific Working Time
 - d. Stick to a specific roles & responsibilities

4. Which of the following differentiates an Entrepreneur from a Manager?
 - a. Hardworking
 - b. Leadership

- c. Risk taker
- d. Confident

5) Kusum works from 9 to 5 and gets a monthly pay. Is Kusum an Entrepreneur?

- a. Yes
- b. No¹

¹ Ans: 1-a, 2-d, 3-a, 4-c (all other qualities can be found even in Managers), 5-b.