

Contemporary Issue: Nexus Between Entrepreneurship and Innovation

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Introduction

The people who come up with certain idea with creative solutions generally become entrepreneurs who also contribute towards the development of economy with the help of creativity and innovation. According to Joseph Schumpeter, it is always seen that the person comes up with a innovation has a new idea according to the latest technology and changing market requirement. This can be done development of new market, ideas and processes. In simple words, Entrepreneurship can be described as an important issue policy. The increase in number of entrepreneurs these days has been a topic of discussion these days as a there is a proportional increase in the level of productivity and flexibility of the economy.

Generally, the terms entrepreneurship and innovation complement one another. According to the statement of Hitt, Camp and Sexon, innovation can be termed as an significant element for the success of a business venture. The main challenge which lies with both of these terms is the inequality of income. In other words, there has been also a level of insecurity for the

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development and emergence of self employment in both of these concepts. On the other hand, the innovation and entrepreneurship both helps to create economic growth, job opportunities and competitiveness. Thus, considering the aforesaid aspects the policy makers must focus on both sides of the story and implement the policies accordingly.

What is Entrepreneurship

The word “entrepreneur” is derived from a French word enter and prendre which means enter and to take respectively. Together the aforesaid word can be described as a person who starts a new business or tries his hand on a new venture or opportunity. In other words, the creation of a economic activity in the provided market can be termed as entrepreneurship. An entrepreneur is a person who can be creative and innovative in his thoughts and also have the ability to take risk regarding the innovative work. An entrepreneur can introduce a new product or business in the market with his competent skills and knowledge for the improvement of the products and services which are already available in the market. The features of a entrepreneur is to introduce a new and improved product or service in the market and also creation of new processes in the manufacturing process, identification of new market in the venture business and exploration of new sources for generation of supply (Cruikshank, 2005).

What is Innovation

Anything which is done to help the business or organization is known as innovation. Generally, the growth and success of an organization is measured basing on the annual turnover, experience, annual profit, quality and efficiency. Basically, the term innovation provides some new changes into something which has already been established with the introduction of a new idea or concept. The same aspect can be applicable at all levels of the organization including department, management as well as individual level. However, it is to be noted that the introduction of new idea must benefit the consumers. The changes made can be small or large that does not matter but what matter is the most is the radical nature. The main aspect to consider a idea as innovation whether it can add value to the customers as well as the organization. Basically, the development and growth can be measured with positive and fruitful changes within all departments of the organization.

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What is Economic Development

Economic development can be described with using the terms such as self esteem and standard of living of a country or business and when there is an improvement in the aforesaid aspect, there is a improvement in the economy. The most relevant method which can be used for the measurement of the self esteem in the Human Development Index includes the life expectancy and rate of literacy. Both of the aforesaid aspects ultimately affect the productivity level and create a path for the economic growth of an organization. The economic development provides ways for creation of new opportunities and ultimately in the long run helps to increase the per capital of an individual.

This is mainly concerned with the structural changes in the economy and then it provides changes in the economy both in terms of qualitative as well as quantitative. When a country's economy rises up, there will be the concept of wealth distribution and the level of poverty will ultimately decrease. The development of economy suggests that the improvement in infrastructure which includes education, trade and medical services etc

Nexus between Innovation, Entrepreneurship and Economic Development

The entrepreneurship is an essential element that has been nurtured and developed with each passing day just like the personal relationship development. For the same, more and more innovation is needed in the entrepreneurship. Today, most of the people are concerned to have innovative ideas and they have the essential key for the opening path of the entrepreneurship. It is better known that Knowledge develops innovation which provides intensity in technology and change in the system of fashion and helps to create something more valuable in the eyes of the consumers as well as the organization which will ultimately help to increase in economic development. One of the most the famous examples of innovation and leading its economic development is the country China. Investments can be relocated for the demand and research aspect, new and improved ideas can be created which will nurture the innovation which will lead to the rise in the economic development.

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Essence of Innovations in Entrepreneurship

The relationship that exists between economic development, innovation and entrepreneurship can be judged in a creative manner and it is also problem solving nature. Thus, invention is considered as the result of creativity. In the year 2005, McFadazeen had made a model which clearly states that the main basis of innovation is creativity and innovation is the main point for the problem solving aspect. On the basis of the relationship and nexus that exists between innovation, problem solving and creativity, it can be seen that innovation is the central object. There has been an issue that a creative entrepreneur will come up with a new idea which can solve all the problems easily without any hassle. Thus, for a successful economic development it is necessary that the level creativity is high and it must be connected with the aspect of innovation.

Role of Entrepreneurship in Technology Innovation

There are various factors which can make innovation which may not be possible for short term goals and most of the people may not have that much patience when they start a new idea or development in the relevant market. This needs a lot of persistence and patience prior to the consumer consider the new idea. The fear of dealing and facing competitions from the other competitors in the market is also another important side of innovation. But considering the facts, if all the resources all planned and utilized in such a way then there will be more than enough resources for the investment of innovation. The lacking of confidence can be termed as another aspect of lower down the idea of innovation. Thus, there is no innovation without belief and confidence.

Entrepreneurship as an Innovation Engine

The main contributors of economic development, growth and prosperity are entrepreneurs. They can be regarded as the persons who will be liable for a large portion of technology and the process for the production of innovation. They are not required to form any new business but can employ new business ideas and methods. Entrepreneurs play a dominant role on the economic development as their contribution is huge towards the economy equilibrium. Most people are of the opinion that the businesses are responsible for the developments that are happening today

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which might be true to some extent but the entrepreneurs are the persons who play a major role in this as they introduce new possibilities and opportunities. As per this theory, it is a person who with his entrepreneurial skills and innovation establishes a business and become a owner of the organization. The businesses are liable for the economic activity as the firm is the initiative of a entrepreneur and the chain also indicates that the engine for the development of all aspect is an entrepreneur only.

There is a need to develop the ideas and enjoy the latest infrastructures and funds that can be used to get the people together who are unemployed and will find an earning opportunity. This will lead to forward the economy for creation of globalization. This will not be easy in the beginning but the innovation can be kept in the minds that there will be no improvement in economic development. The source of opportunity model provides that the opportunities for an entrepreneur come up with both internal as well as external analysis. The internal aspects includes changes in the conditions of market, inadequacy etc. whereas the external aspects includes moods, perception, knowledge and changes in demography.

Entrepreneurship and Economic Development

Most of the people today are concerned to have innovative ideas and they have the essential key for the opening path of the entrepreneurship. It is better known that Knowledge develops innovation which provides intensity in technology and change in the system of fashion and helps to create something more valuable in the eyes of the consumers as well as the organization which will ultimately help to increase in economic development. One of the most the famous examples of innovation and leading its economic development is the country China. Investments can be relocated for the demand and research aspect, new and improved ideas can be created which will nurture the innovation which will lead to the rise in the economic development. The relationship that exists between economic development, innovation and entrepreneurship can be judged in a creative manner and it is also problem solving nature. Thus, invention is considered as the result of creativity. On the basis of the relationship and nexus that exists between innovation, problem solving and creativity, it can be seen that innovation is the central object. There has been an issue

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Economic Development Promoted by Entrepreneurship

The entrepreneurs are the main sources who promote the development in capital. This can be done with the use of different fund raising methods which can be mobilized in the economy. This ultimately creates employment opportunity which is also a challenge and major problem in developing countries. The entrepreneurs provide their contribution to reduce the employment. They also help to eliminate the disparities in regions by coming up with new and innovative business ideas which ultimately lead to developed infrastructures. Entrepreneurs help to reduce the concentration of power in economy by providing the competition to the businesses which are monopoly in nature. Apart from that they also contribute to stimulate the income and wealth distribution, increase in the standard of living in a developing economy. Lastly, the entrepreneurs promote the exports in trade in a country which leads to creation of globalization.

Conclusion

There will be no economic development without any sort of innovation and ultimately there will be no innovations without any entrepreneurs. Entrepreneurs and innovation are considered as the key aspects for the improvement of the economic growth of a business. In this competitive business world, many people will urge that they can create new idea rather than asking for employment from other people. However, the area of innovation still has not been developed yet. There is a need to develop the ideas and enjoy the latest infrastructures and funds that can be used to get the people together who are unemployed and will find an earning opportunity. This will lead to forward the economy for creation of globalization. This will not be easy in the beginning but the innovation can be kept in the minds that there will be no improvement in economic development. The source of opportunity model introduced by Drucker in the year 1985 provides that the opportunities for an entrepreneur come up with both internal as well as external analysis. The internal aspects include changes in the conditions of market, inadequacy

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