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Battle of Colachel and its Economic Impact S. Doral	41
Dr. Chempakaraman Pillai - An Unique Patriot M. Shyla Kumari	45
Contribution of Christian Missionaries To Tamil Language and Literature: A Case Study of German Missionary, Tharangambadi P. Rajan	48
Endeavours for the Educational Upliftment of Backward Class in Travancore R. Edwin Sam	52
Role of Women in Kerala - Social Reform Movement from the 19 th Century Onwards Geetha. K	57
Temple Entry Agitation K.K. Thanammal	61
Constraints of Women Entrepreneurs in Kanyakumari District J.M. Vinitha Charles	65
Perception of the Customers on the ATM Services Rendered by the Indian Bank S. Mary Pearly Sumathi	70
A Study on the Prospects of Eco –Tourism in Kanyakumari District C. Braba	75
Customer Preference towards Branded Footwears with Special Reference to Nagercoil Town A. Thineka	80
A Study on Brand Preferences towards Wristwatch-With Special Reference to T. Kallikulam A. Markret Soniya	85
A Study on the Pros and Cons of an Entrepreneurship A. Franklin Ragila and J. Jenifer	93
Recent Trends in Women Entrepreneurship J. Jani Mercybai	99
Problems Faced by the Flower Cultivators with Special Reference to Thovalai Taluk T. Sahaya Abeesa	104

A Study on the Pros and Cons of an Entrepreneurship

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ABSTRACT

The success of a business depends on the entrepreneur's economic knowledge and the ability to anticipate and take correct decisions at critical moments. A potential entrepreneur can easily discern on what type of business to focus its capital, being able to make effective decisions in a rapidly changing economic environment. This paper is based on the secondary data collected from research article, monographs, cases and various published materials on this subject. The findings indicated that there is new scope and existing opportunities for entrepreneur from the government, socio-cultural perspective, and natural deposit. The outspread list of constraints and problems of entrepreneurship development include personal, environmental-situational, judicial, economic and political. The study also gives some suggestions for utilizing the opportunities and to overcome those constraints for entrepreneurship development in India. This paper aims to outline the Pros and Cons of Entrepreneurship, factors affecting entrepreneurship and to explore the opportunities created by the Government which encourages the people to become entrepreneurs.

Keywords: entrepreneurship, government, entrepreneur, business, factors...

Introduction

Many people dream of running their own business. One can work from any location, dictate his own hours, create his "company policies" that make sense, and follow his passions. But before he creates a side business he must make sure the pros and cons of entrepreneurship.

On the onset of the business, each day brings up unique challenges. Being creative and adaptable and becoming a successful entrepreneur is a great way to wear a variety of hats. One of the major positive aspects of being an entrepreneur is that he can start his own business wherever he deems it to be more profitable. The five places which welcome an entrepreneur with open arms are no income tax, offer a reasonable cost of living, hold plenty of professional, social opportunities for networking and expansion.

According to the U.S. Small Business Administration (SBA), "entrepreneurs are business owners or managers of a corporation, enterprise or small company". "Entrepreneurs use personal initiative, engage in calculated risk-taking, and create new business ventures by raising resources to apply innovative new ideas that solve problems, meet challenges, or satisfy the needs of a clearly defined market".

- Entrepreneur is an individual who takes moderate risks and brings innovation.
- Entrepreneur is an individual who takes risks and starts something new.
- Entrepreneur is a person who organises / manages the risks in his or her enterprise.
- Entrepreneur is one who undertakes an enterprise, especially a contractor, acting as intermediary between capital and labour.

Some facts about entrepreneur

- Examines the needs, wants, and problems to see how they can improve the needs and wants to meet and overcome the problems
- Narrows the possible opportunities to specific "best" opportunity.
- Thinks of innovative ideas and select a "best" idea
- Researches the opportunity and idea
- Enlists the best sources of advice and assistance that
- Plans their ventures and look for possible problems
- Ranks the risk and the possible rewards
- Evaluates the risks and possible rewards and make their decision
- Never bang to an idea, if research doesn't support it
- Employs the resources for the venture to succeed
- Understands he should work for a long time and hard to make the venture succeed
- Realizes the failures so happened, to help them achieve success in the near future.

Characteristics of successful Entrepreneurs

Each entrepreneur is different from the other, but successful entrepreneurs have some common characteristics. Those common characteristics of successful entrepreneurs are as follows:

Entrepreneurs tend to have

- **Independence:** Most entrepreneurs know how to work within the framework for the sake of profits; they enjoy being their own boss.
- **Self confidence:** Entrepreneurs demonstrate self-confidence in order to cope with all the risks while operating the business.
- **Discipline:** Successful entrepreneurs resist the temptation to do what is unimportant but have the ability to think what is most essential to do.
- **Ability to accept change:** Change occurs frequently while running the business, the entrepreneur thrives on changes and the business grows.
- **Make stressful work:** to the success of the business, the entrepreneur often focuses on the end result and not the process of getting there.

Opportunities Rendered by the Government in Supporting the Entrepreneurship

Owing to their private ownership, entrepreneurial spirit, their flexibility and adaptability as well as their potential to react to with the challenges and changes in the environment contribute to sustainable growth and employment generation.

Entrepreneurship plays an important role in the national economy due to a wide range of reasons. Logically the government shows much interest in supporting and financing entrepreneurship. There is no other way to increase GDP and raise the standard of living of the people than supporting and encouraging people who dare to start their own business.

Therefore designing a comprehensive, coherent and consistent approach of the Council of Ministers and the entities framed by the government for the entrepreneurship strategy is an absolute priority given by the government. A comprehensive government

approach to entrepreneurship would provide a full co-ordination of activities through numerous governmental institutions and NGO^s dealing with entrepreneurship is one of the major factors which contribute for the success. Some other facilities which are offered by the government to the entrepreneurs are as follows:

- **Training**

Basic training differs from person to person but necessarily involve sharpening the entrepreneurial skills. Need based technical training is provided by the Central Govt. and the State Govt. Technical institutions to the general public.

- **Marketing Assistance**

There are Governmental and non-governmental specialized agencies which provide marketing assistance to entrepreneurs. Besides promoting the entrepreneurship, the products are sold through exhibitions, trade fairs, open markets in the domestic and overseas markets.

- **Promotional schemes**

The Government accords the highest preference to the development of entrepreneurship by framing and implementing suitable policies and promotional schemes. They provide developed lands and sheds to the entrepreneurs on actual cost basis with appropriate infrastructure. Special schemes have been designed for specific purposes like quality up gradation, common facilities, entrepreneurship development and consultancy services at reasonable charges.

- **Credit Facility to Entrepreneurship**

Credit to entrepreneurship sector has been covered under priority sector lending by banks. Various nationalised banks have been established as the apex institution for financing. Specific schemes have been designed for the implementation.

- **Concession on excise duty**

Entrepreneurship units with a turnover of Rs.1 crore or less in a year have been exempted from the payment of excise duty, by the Ministry of Finance.

Qualities of an Entrepreneur

An entrepreneur has certain attitudes and skills to succeed in business. All the successful entrepreneurs have more or less a similar way of thinking and possess several personal qualities that make their business flourish.

All the successful entrepreneurs have the following common qualities:

➤ **Inner Drive to succeed**

Entrepreneurs are driven to succeed and expand their business. They see the bigger picture and are very ambitious. Entrepreneurs set bigger goals for themselves and stay committed to achieve them by overcoming the obstacles on the way.

➤ **Strong Belief in themselves**

Successful entrepreneurs have a healthy opinion about them and often have a strong and assertive personality. They are focused to achieve their goals and believe in their ability to achieve them.

➤ **Search for New Ideas and Innovation**

All the entrepreneurs have a passion to do things better and to improve their products or services. They are looking for the ways and means to improve their products and services. They are creative, innovative and resourceful.

➤ **Competitive by Nature**

Successful entrepreneurs like to be competitive. The only way to achieve their goals and live up their self imposed high standards is to compete with other successful business men.

➤ **Highly Motivated and Energetic:**

Entrepreneurs are always on the way to business because, they are full of energy and highly motivated. They are driven to succeed and have an abundance of self motivation.

PROS

- **CONTROL:** You choose the work you like to do and that makes the most of your strengths and skills. The result can be more job satisfaction.
- **EXCITEMENT:** Entrepreneurship is very exciting and many entrepreneurs enjoy their work. Each day is filled with new opportunities to challenge your abilities, skills, and determination. It makes them more adventurous.
- **FLEXIBILITY:** Entrepreneurs can schedule their work hours around other commitments, including spending quality time with their families. They are more flexible compared to other workers.
- **FREEDOM:** The freedom to work whenever they want, wherever they want, and however they want draws many young people to entrepreneurship. Most entrepreneurs don't consider their work as actual work throughout day and night because they are doing something they love.
- **RATIONAL SALARY:** As an entrepreneur, your income is directly related to your efforts and the success of your business. This can be considered as a marvellous gift in their life.

CONS

- **ADMINISTRATION:** While making all the decisions it may be considered as a benefit, and a burden. Being an entrepreneur comes with a lot of paperwork that can take up time and energy. So an entrepreneur is a person who have high administrative skill
- **COMPETITION:** If the entrepreneur is a small business owner, he needs to differentiate his business from others in order to build a solid customer base and to be profitable.
- **LONELINESS:** It can be lonely and scary to be the sole responsible person for the success or failure of your business.
- **NO REGULAR SALARY:** Being an entrepreneur means giving up the security of a regular pay check. If business slows down, his personal income can be at risk. If only he earns profit, he will be paid fruitfully.
- **WORK SCHEDULE.** The work schedule of an entrepreneur can be unpredictable. A major disadvantage of being an entrepreneur is that he requires more work and longer hours than being an employee.

Factors affecting Entrepreneurship growth:

Economic factors

The economic factors that prominently affect the group of entrepreneurship are lack of adequate basic facilities, non- availability of raw materials and finished goods, the risk involved in business and the unavailability of skilled labour.

Social factors

Social factors which affect the growth of entrepreneurship are the customs and traditions followed by the society, rationality of the society, social system, social set-up, community etc.,

Personality factors

Suspect personality, emergence of planning, risk taking, need for achievement, need for independence are the few personal factors which affect the flourish of the entrepreneurship.

Cultural factors

This factor is an external version of family environment which includes individualism, uncertainty, materialism, dynamism etc.,

Conclusion

At this juncture effective steps are needed to provide entrepreneurial awareness, orientation and skill development programmes to women. The institutions available at present are very limited. Moreover, their functions and opportunities available with them are not popularised much. The Government should provide re-enforcement package for failed

entrepreneurs by arranging required finance for new start ups, granting tax relief, facilitating quality testing, help in re-engineering products or services in additional market, offering management consultancy etc. The Non-government organizations should implement their actions by increasing research publication on entrepreneurship. Both the government and the non-government organization should ensure investment consultancy with counselling, seminar, workshop, camping to influence new entrepreneurs etc. Entrepreneurial forums should enrich the collaboration of existing potential entrepreneurs with young innovators to expand knowledge on business.

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