



WHAT IS ENTREPRENEURSHIP?

In discussing entrepreneurship and writing articles on the subject, I have found that it aids understanding when we begin by agreeing on exactly what the word means to us.

Entrepreneurship is the process of creating or seizing an opportunity, and pursuing it regardless of the resources currently controlled. The American Heritage Dictionary defines an entrepreneur to be "a person who organizes, operates, and assumes the risk for business ventures."

These are rather abstract concepts for a person just beginning to consider whether they ought to start a business rather than take a job, or leave a secure job for a chance at greater self-fulfillment. Let us try to refine our understanding of entrepreneurship by asking some more specific questions.

Is everyone who runs a business an entrepreneur? Many would not consider the newspaper carrier, shoeshine person, and grass cutter entrepreneurs, though these are often the youthful pursuits of those with an entrepreneurial bent.

Does it matter whether the business is merely part-time? Whereas some part-time activities are basically hobbies, or undertaken to supplement income, some entrepreneurial ventures can be tested in the marketplace on a part-time basis.

The path to an entrepreneurial venture might begin by earning a salary in the business one expects to enter, while learning more about it, and waiting for the opportune time to go out on one's own. This time can be used to develop a support network, professional and personal, and generating ideas to "bounce off" people whose opinion one respects.

At what scope does self-employment become a venture? The primary objective of many self-employed people is merely to employ themselves (and others if necessary) at a moderate to good salary; some are even willing to eke out a living to do what they enjoy. This approach is often referred to as a "lifestyle" business, and is generally accompanied by little, if any, plan for growth.

These questions are intended, not to develop a precise definition of entrepreneurship, but to help us understand our attitude toward its many forms of expression. We may each answer these questions differently, yet all answer appropriately within our own frame of reference.

Entrepreneurship is more an attitude than a skill or a profession. Some of us may prefer a corporate or public service career path, but many would choose an entrepreneurial opportunity that "feels right."

Would you consider a person who inherits a business an entrepreneur? From the point of inheritance on, it is their own money and financial security at risk. They could possibly sell the business, invest the proceeds in blue-chip stocks, and live off dividends. Some might consider managing a personal stock portfolio for a living as an entrepreneurial venture.

Would a person who inherited a small or marginal business, then took it to new dimensions be considered an entrepreneur? The inheritor could have tried merely to keep it going, or even to pace the business' decline to just carry them to retirement. In a family-held business, long-term success is often a central goal.

Are franchise owners entrepreneurs? Many feel that, for those who have access to the large up-front investment, franchises are sure things. For many, operating a franchise is similar to investing in "blue chips," a relatively sure thing with generally unexciting returns.

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