Concept of Entrepreneurship:
The word “entrepreneur” is derived from the French verb
entreprendre, which means ‘to undertake’. This refers to those who
“undertake” the risk of new enterprises. An enterprise is created by
an entrepreneur. The process of creation is called
“entrepreneurship”.

Entrepreneurship is a process of actions of an entrepreneur who is a
person always in search of something new and exploits such ideas
into gainful opportunities by accepting the risk and uncertainty with
the enterprise.

Characteristics of Entrepreneurship:
Entrepreneurship is characterized by the following
features:
1. Economic and dynamic activity:
Entrepreneurship is an economic activity because it involves the
creation and operation of an enterprise with a view to creating value
or wealth by ensuring optimum utilisation of scarce resources. Since
this value creation activity is performed continuously in the midst of
uncertain business environment, therefore, entrepreneurship is
regarded as a dynamic force.

2. Related to innovation:
Entrepreneurship involves a continuous search for new ideas.
Entrepreneurship compels an individual to continuously evaluate
the existing modes of business operations so that more efficient and
effective systems can be evolved and adopted. In other words, entrepreneurship is a continuous effort for synergy (optimization of performance) in organizations.

3. Profit potential:
“Profit potential is the likely level of return or compensation to the entrepreneur for taking on the risk of developing an idea into an actual business venture.” Without profit potential, the efforts of entrepreneurs would remain only an abstract and a theoretical leisure activity.

4. Risk bearing:
The essence of entrepreneurship is the ‘willingness to assume risk’ arising out of the creation and implementation of new ideas. New ideas are always tentative and their results may not be instantaneous and positive.

An entrepreneur has to have patience to see his efforts bear fruit. In the intervening period (time gap between the conception and implementation of an idea and its results), an entrepreneur has to assume risk. If an entrepreneur does not have the willingness to assume risk, entrepreneurship would never succeed.

Entrepreneurial Process:
Entrepreneurship is a process, a journey, not the destination; a means, not an end. All the successful entrepreneurs like Bill Gates (Microsoft), Warren Buffet (Hathaway), Gordon Moore (Intel) Steve Jobs (Apple Computers), Jack Welch (GE) GD Birla, Jamshedji Tata and others all went through this process.
To establish and run an enterprise it is divided into three parts – the entrepreneurial job, the promotion, and the operation. Entrepreneurial job is restricted to two steps, i.e., generation of an idea and preparation of feasibility report. In this article, we shall restrict ourselves to only these two aspects of entrepreneurial process.