

ENTREPRENEURSHIP DEVELOPMENT

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Abstract

Entrepreneurship is the active process of recognizing an economic demand in an economy, and supplying the factors of production (land, labor and capital) to satisfy that demand, usually to generate a profit. High levels of poverty combined with slow economic growth in the formal sector have forced a large part of the developing world's population into self-employment and informal activities. But this is not necessarily negative; microenterprises contribute significantly to economic growth, social stability and equity.

Entrepreneurship development is the process of improving the skills and knowledge of entrepreneurs. The whole point of entrepreneurship development is to increase the number of entrepreneurs. By doing this, the pace at which new businesses or ventures are made gets better. On a wider level, this makes room for employment and improves the economy of a business or country.

Key words: entrepreneurship, entrepreneurs, entrepreneurship development, process of entrepreneurship development, entrepreneurship development programs

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1. Introduction

Entrepreneurship is the process of designing, launching and running a new business, which is often initially a small business. The people who create these businesses are called entrepreneurs (Yetisen et al., 2015). The entrepreneur is able to recognize the commercial potential of the invention and organize the capital, talent, and other resources that turn an invention into a commercially viable innovation." (Audretsch, et al. 2002).

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The concept of an entrepreneur is refined when principles and terms from a business, managerial, and personal perspective are considered. In almost all of the definitions of entrepreneurship, there is agreement that we are talking about a kind of behavior that includes:

- initiative taking,
- the organizing and reorganizing of social and economic mechanisms to turn resources and situations to practical account;
- acceptance of risk or failure.

Entrepreneurs create something new, something different—they change or transmute values (Drucker, 1993). The exploitation of entrepreneurial opportunities may include (Hisrich, 2011):

- Developing a business plan
- Hiring the human resources
- Acquiring financial and material resources
- Providing leadership
- Being responsible for both the venture's success or failure
- Risk aversion

Entrepreneurship development is concerned with the study of entrepreneurial behavior, the dynamics of business set-up, development and expansion of the enterprise. Entrepreneurship development refers to the process of enhancing entrepreneurial skills and knowledge through structured training and institution-building programs. It basically aims to enlarge the base of entrepreneurs in order to hasten the pace at which new ventures are created and accelerates employment generation and economic development.

Entrepreneurship development is the process of enhancing the capacity to develop, manage and organize a business venture while keeping in mind the risks associated with it. This can be done through various methods such as classroom sessions or training programs specially designed to increase the entrepreneurial acumen.

Entrepreneurship development should be about helping people start and grow dynamic businesses that provide high value added. In determining the difference, it is useful to look at potential growth sectors or geographic areas and to explore criteria for selecting beneficiaries who are entrepreneurial. A needs assessment before program formulation is useful. An analysis of high-

growth economic sectors enables more focused support to entrepreneurs in the most promising sectors of the economy.

Entrepreneurship development programs require a selection process that attempts to identify those target groups that have some of the key prerequisites for entrepreneurial success. While it can be argued that public funds should be spent on those who most need help, a selection process deploys limited resources where they are most effective, to the overall benefit of the community. Beneficiaries may be individuals and/or groups.

2. Process of entrepreneurship development

The process of entrepreneurship development is helping the entrepreneurs develop their skills through training and application of that training. It instills in them the quality of making better decisions in the day to day business activities.

1) Clear View of the Objective of the Program

Before get into training the prospective entrepreneurs, it is very important to have a clear objective and plan in mind about what the program is going to encompass.

Without a proper plan and direction, the training would not yield the desired results. This would lead to a loss of time, money, effort and most of all, valuable potential.

2) Selecting the Potential Targets

It is important to select the potential targets who are willing to enhance their skills and who can be identified as the people who have some amount of business acumen. These can be further divided into two categories- the educated target audience and the uneducated target audience.

Educated audience refers to the target people who have a decent educational background and want to be entrepreneurs. These people have the motivation to put their education to use by starting a venture and working for themselves.

Uneducated audience refers to the people who are not as privileged as others in terms of education about the market and have the potential to become entrepreneurs. These people are constantly looking for alternative ways to earn money and support their families. Therefore they are highly motivated and, given the right training and direction, can prove to be exceptional entrepreneurs.

3) Identifying Local Talents and Markets

The process of entrepreneurship development program can be seen as most effective and efficient when it is applied in the local markets and on the local entrepreneurs who know about it. These people understand and absorb the knowledge way more quickly and can apply it in the current scenario because of which the results of the program can be seen more quickly and effectively.

4) Choosing the Right Location

The ideally, these programs should be planned and launched in the areas where most people are interested and willing to take advantages of these programmes so that this opportunity can be used most effectively and there is no loss of resources.

5) Tying up with Institutions

A lot of times these programs involve tying up with various institutions like universities, NGO and some private institutions. This is done to give a real-world experience to assist the program and give the people some idea of the situations in the real world.

6) Develop the Entrepreneurship Program as Needed

People and their skill sets are different and develop over time. Thus, it is very important to keep developing the programs to suit the needs of the people enrolled in it. Moreover, the focus must be on harnessing their strengths and working to minimize their weaknesses.

7) Analyze the Result for Future Development

This is a very important and final step in the process of entrepreneurship development. After the program has run its course, it is very important to analyze the effectiveness of the program. This is necessary to ensure that in future more effective programs can be developed. For this one has to minimize the shortcomings of the existing program.

3. Effective entrepreneurship development programs

An entrepreneurship development program should help aspiring entrepreneurs to recognize and design unique, innovative business opportunities, based on an analysis of local conditions and their own special skills. The program can help the entrepreneur to diversify based on his/her basic knowledge of a product or skill in a certain sector without distorting the local markets. In a truly entrepreneurial approach, innovative capacity matters more than the size of the market. Diversification can be accomplished by introducing

a novelty or new product feature, stressing quality or value added, anticipating a new market or even creating a market.

The steps below will explain how to create an effective entrepreneurship development program and how to go about enhancing it.

1) Outline the objectives of the program and focus on the venture development

Entrepreneurship development aims at individuals who want to start or possibly expand a business. Entrepreneurship development also focuses a lot on enhancing the ideas and potential of an entrepreneur.

The aims of a program have to be clearly explained otherwise the program will never reach its full potential. The development of venture also has to be outlined in the program. Without these two, there will be no clear goal.

2) Select educated people who have high entrepreneurial potential

An entrepreneurship development program requires that various people be selected. However, most programs tend to look for a specific group of educated people rather than target everyone. Ideally, you have to look at the education and traits that you are looking for, in an entrepreneur, and match them with the people who have applied for the program.

Most people say that public funds should be spent on people who need the most help. The resources of an entrepreneurship development program are usually (and unfortunately) limited. It is hence better to choose people who will prove to be really useful and benefit the entire community.

3) Select uneducated people who have high entrepreneurial potential

The people who couldn't meet the essential needs of their family or themselves were usually more eager to learn about different ways to earn money as compared to women who were better off. However, such people usually face many problems and even are not educated, they have great entrepreneurship potential because they have the right motivation. They need to be aided by assistance packages where training can be given on entrepreneurship. This will instill confidence and teach them the skills they need in order to provide for their family.

4) Identify the local market and search for people who have potential in it

Entrepreneurship development programs should first identify the local market and aid potential entrepreneurs who know a lot about it. These people

need to be able analyze and then design unique ideas based off the needs of their surroundings.

By concentrating on select local entrepreneurs, the effects of the program can be easily and quickly seen within the community. Later on, programs can help improve their knowledge in their sector. In fact, it is creativity and the thirst for innovation that truly matters rather than the market's size. In later programs, the introduction of new products and product features can be added. This will add value and increase the size of the market

5) Provide support through private sector-based organizations

Support should be obtained from private organizations that are both financial and knowledge-based. This helps reduce the cost of the entrepreneurship development program and increases its effectiveness.

Private organizations that could support entrepreneurship development programs include universities, consulting companies and various NGOs. Large enterprises are also encouraged to support entrepreneurship development programs as this their sponsorship that will help reduce unemployment.

6) Provide an easy yet detailed methodology that will help entrepreneurs improve in the short and long-run

Entrepreneurial development programs aim at being simple to understand and teach skills that entrepreneurs can use after the program. It also contains courses that aim at developing their skills and ideas. These are required if entrepreneurs wish to successfully exploit the local market.

They also need to be taught how to gather the required resources in order to meet the goals of their venture. The program also needs to have outlined methods through which entrepreneurs can improve the performance of their business in the long run.

Entrepreneur development training proves to be highly effective when finance, quality assurance, marketing and productivity are linked to the training program. As an example, when development banks are involved earlier in the process of training, an entrepreneur will easily understand credit processes and the also praises the bank's business plan.

7) Implement special measures to improve the usefulness of trainers and facilitators

The success of an entrepreneurship development program also relies on the commitment and quality of the many facilitators and trainers. Any trainer or

facilitator in the program needs to understand the culture and lifestyle of the group in order to better integrate themselves and serve the group.

The selection of proper trainers is based on the amount of business experience they have and the how much knowledge they have about their local business environment. Training facilitators can significantly improve their usefulness in tackling the needs of entrepreneurs.

8) The selection of areas for pilot programs must be right

Entrepreneurship development programs are usually too restricted in terms of where it is done and what people are involved in the program. Selecting pilot target areas will usually depend on the ease at which support institutions are available.

It will also depend on the interest people take in entrepreneurial development programs. These facts can never be the same for any two geographical locations and hence must be considered carefully.

9) Launch pilot ED programs and develop as needed

Analyzing pilot feasibility is an effective way of launching a major entrepreneurship development program. If the program shows signs of high promise, it can be launched on a national level. By relying on the sponsors for support rather than donor support, the program will be able to expand past local development while maintaining high quality. This is especially important when the support of donors starts to fade.

10) A successful entrepreneurship development program requires government policies

Entrepreneurship helps the economy of a country grow and creates new jobs. Government policies usually have a substantial impact on the number of entrepreneurs in a country.

While there are many governments that say they do support entrepreneurial businesses, they usually do not have many specific policies and programs that effectively support entrepreneurial development. Creating an effective entrepreneurship development program may not be easy but then again, it is not impossible either.

4. Conclusion

Entrepreneurship is promoted to help alleviate the unemployment problem, to overcome the problem of stagnation and to increase the

competitiveness and growth of business and industries. Various attempts have been made to promote and develop entrepreneurship. By giving specific assistance to improve the competence of the entrepreneur and his enterprise so as to enhance his entrepreneurial objectives and accommodate more people to become entrepreneurs as well.

Corporate entrepreneurship has been promoted in organizations for many reasons including as a growth strategy, to increase profitability, for strategic renewal, innovation, international success, and to develop competitive advantage (Kuratko, 2007). Entrepreneurs perform vital functions in economic development to mobilize capital, add value to natural resources and services, develop the means to produce necessary goods and services, create employment and develop the means by which trade is conducted. Without entrepreneurs, there would be no economic development.

The entrepreneurship development meaning capacity and willingness to develop, organize and manage a business venture along with any of its risks in order to make a profit. The most obvious example of entrepreneurship is the starting of new businesses.

Entrepreneurship development focuses on the individual who wishes to start or expand a business. Small and medium enterprise development, on the other hand, it also focuses on developing the enterprise, whether or not it employs or is led by individuals who can be considered entrepreneurial. Furthermore, entrepreneurship development concentrates more on growth potential and innovation than small and medium enterprise development does. However, many of the lessons learned from experiences in both types of development are similar.

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