Entrepreneurship and Innovation – Two Sides of the Same Coin

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Abstract

Entrepreneurship and innovation are two closed words which are used in the present world market in business practice, research scholar, and in policymaking. It is very difficult to understand that they are different from each other. Entrepreneurship and innovation have multiple meanings. Both are related to each other. As well-known definitions given by the Schumpeter who defined entrepreneurs are individuals which bring innovation to be manager and leader need to have different ideas to change the global economy. The external and internal business environment both have been driven by entrepreneurship. Today in a competitive and dynamic environment every organization needs to adopt an entrepreneurial strategy and innovative skills to sustain and to develop in the market they have to continuously be innovative. The paper aims to focus on the relationship between entrepreneurship and innovation which creates changes and opportunities in businesses. How through innovation it diverts their business into a sustainable competitive advantage.

Keywords: Innovation, Entrepreneurship, Competitive Advantage, Entrepreneurial Opportunity, Knowledge Spillovers.
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Introduction

Entrepreneurship plays a vital role in the development of its main role is to create something new production to prepare it marketable and to develop the organization. The manager and leader should know the concept of entrepreneurship and be able to understand the strategize and situation of the organizational vitality because, entrepreneurship has become today ping word in the market. Business firm's visions should clear in their mind how they have to stand, stable, and influence the market with innovative ideas in the changing world economy. Innovation and entrepreneurship are multiple meanings. An internal name of the innovation is entrepreneurship. It can be understood that the popular definition of Schumpeter who has defined entrepreneurship is personal who carries out new combinations of innovation. External and Internal business environment has converted entrepreneurship(Drucker, 2013).Today in a competitive and dynamic environment any business and organization who wants to be successful, they have to adopt an entrepreneurial strategy, innovative and creative idea to grab the opportunity and to be stable and to develop in the market. Quality performance comes with the relation of entrepreneurship and innovation. Specifically, there are three proportions of entrepreneurship which are risk taker, enthusiasm and energetic are directly

performed with innovation and quality

performance. It is directly linked with the innovation and entrepreneurship-performance (oly.Ndubisi,2012).As possession of discoverers or writers innovation, inventions artistic and educated work as poor writers. Head to innovation and higher long run development, R&D is consolidate to Gujrati (2017).

Literature Review

Innovation is to create something new with new ideas, dreams, new methods, new products, new models, etc. However, innovation does not mean totally new there is some change with a new style, model, ideas improvement in product and services. We can take an example of a telephone earlier Graham Bell invented the telephone. It has been introduced in the market. Then step by step changes have been coming. It changes from fixed phone to cordless, then to mobile now in android phone. Here we can see how innovation has created change in the telephone to android mobile. Innovation played a different role in entrepreneurship. Innovation is beyond business also in non-profit organizations or in education and government also it is developing, bringing change and new ideas and developing economy (Turay, 2016).

According to Livingstone (2000) in Hindle (2009). Innovation is to get something new when new ideas outcome, it is not a simple idea, it is transferred from old to new which becomes valuable.

Figure 1. Model of innovation



Source: Hindle, 2009.

The three main importance of Livingstone (2000) Innovation definition: innovation is not accomplished until it has not transformed the idea into tangible outcomes. It is relevant to the public goods, not for commercial business and profit, attention to the hidden, reciprocal significant best business practices, and good science.

Entrepreneurship is personal or that group which is ready to take a risk in the competitive market and trying to develop, organize, and manage the business continuously (techaloo.com, 2017). Entrepreneurs are developers, groundbreakers, trailblazers, founders, and inventors. In their field, they are economic, social, and forefront of technological gesture. Entrepreneurs are performers, idealists, and most pivotal. They dream big and do well (BGI, 2011). Kilby (1971) once compared entrepreneurship to the imaginary animal, the Heffalump: it is the biggest animal which has been hunted by the people through various instruments. Those who claim to grab them but that is huge but they are unaware of their quality. They took proper care of that and some hunters presented their favorite dishes to their trap and tried to convince the people that they had caught Heffalump. Moreover, some of them persuade and some are in search (Kilby, 1971).

Entrepreneurs have various characteristics. They are innovators, create something new risk taker, hard worker, skill and self-confident and self-motivator, enthusiasm. In the global world innovation and entrepreneurship are very related words and many think that both meanings are the same. It will be a big mistake to use interchangeably. Even they are only surrounded in thinking to understand the difference. It is a technological innovation which is applying to create something unique and special they invent that whichever is not created earlier. Great innovators become rich because they make innovative progress (Davison, 2015).

Entrepreneurs have the ability to grab the opportunity they are risk-takers and have the enthusiasm to do hard work and to create something new innovation (Can start-ups help turn the tide?, 2012). Hunter (2012) states that it was assigned the responsibility of an entrepreneur of risk-taking, career, family, or financial. Though the entrepreneur is an innovator and risk-taker they always take challenges in the business and to do something special continuously they practice and do innovation. Innovators are from various places and they have the ability to solve problem questions successfully (Dyer, Gregersen & Christensen, 2009). Entrepreneurs and managers are required in a company and an industry, because entrepreneurs can know which decision they have to take in the company and innovators know how they have to do work to achieve the goal. Company total efforts are innovations (Why true innovators must behave like entrepreneurs, 2012). Finally, those companies fail, who do not do innovation, motivation in their companies. More likely innovator entrepreneurs are assumed challengers. Innovative entrepreneurs are intelligent; they are called creators of new ideas of goods and services which found different intelligence in them (Dyer, Gregersen & Christensen, 2009). Innovation is a developer of new business opportunities entrepreneurs are able to search for new business. We have seen a lot of startups have been started and become failures after taking a lot of risk as an entrepreneur. Due to the lack of entrepreneurship skills and innovation, for entrepreneurship, it is easy to grab the opportunity, but most of them don't know how to develop and grow the business. Hunter (2012) explains it great to them with little innovation they can develop and create start-up ventures.

Research Gap

Entrepreneurship innovation have the gap in Innovation strategy, employees are not full motivated to work properly in the one group innovation take place there is a miscommunication between customer , lack collaboration .

The Objective of The Research Paper

Entrepreneurship is playing a significant role in society and in the development of the economy. To understand the relationship between entrepreneurship and innovation. To understand the role of entrepreneurship and innovation in the economy. To understand the role of innovation in successful entrepreneurship. To understand the different aspects that is involved in the success of entrepreneurship through innovation.

Research Methodology

The methodology of this paper is based on existing knowledge, observations and theoretical framework. The present study is made on secondary data. The data was collected from journal, books, magazine, newspaper, internet etc.

Entrepreneurship Concept

In any country for industrial growth entrepreneurship is very important. It is an entrepreneur characteristic. They produce new products for the market and grow to the organization. It is the growth of technology and it promotes new product (Nagaraju and Reddy, 2016).

According to Schumpeter (1912),
"Entrepreneurship is based on purposeful activity and systematic innovation. It includes not only the independent businessman but also company directors and managers who actually carry out innovative functions."

According to Schumpeter (1912), "entrepreneurs are individuals that carry out new combinations

i.e., innovations."

In the process of innovation, it four roles famous a new idea has been invented by the inventor new ideas commercialized by entrepreneur. Entrepreneurs get the financial resources from the capitalist.

Day by day care has been taken by the corporate management manager (Nagaraju and Reddy, 2016).

Role of Innovation and Entrepreneur

The USA is powerful with the global economy. It has been developed with the web change technology and global market and innovation distribution. Innovation diverted the business in new proportions and became the changer of the new strategic growth. Today the market has become extremely competitive, though only sustain firms can generate economic value, small, big, new or old. It enlarges volume to create new marketable ideas, speedily, profit oriented and to sustain in the market with innovative ideas. Entrepreneurial ethos and logic are in the growth of new created companies and trying to keep industries healthy and wealthy in their area. Entrepreneurship and innovation are always trying to Grab the market with the new idea and capturing the market value with innovative ideas. Innovative idea is the presenter of new goods and services, both connections are very close it should show their strong relation between them towards the wealthy of the area. Therefore, it has found that both are the paramount for nation growth it has been encouraging on the same platform (Joshi, 2017).

Relationship Between Innovation and Entrepreneurship

The relation between innovation and entrepreneurship is incomplete without innovation, there is a difference between common people and entrepreneurs. A person who is bearing risk creating something new in the market, ready to grab a difficult opportunity. Entrepreneurs are successful in innovation. If innovation is not in the marketplace, no new ideas, no innovation is in goods and services, that entrepreneur is a failure. How to organize or exploit the opportunity, how to create innovative ideas, and to apply in the market with the innovation entrepreneur can change the mechanism of the market.

Entrepreneurial Opportunities

A new business has been started with new ideas. The actual challenge to search for a good opportunity rather than a new idea. Opportunities have been generated by the sociological, political, demographic, and technological changes. The progress is dependent on the research base for entrepreneurial opportunity society is the main source of technology changes. Social and demographic changes are quantitative as like population and the ages, deregulation, liberalization, and privatization has opened the new opportunities for the entrepreneur's customer themselves are the resources of new ideas and opportunity. Entrepreneurship is made by an employee or an individual person; it is an organizational product. Entrepreneurship is reflected by the situation in the user. Most of a new business has been started by prior experience. Who has worked earlier?

Entrepreneurship, Innovation and Economic Growth

It has been dependent upon the implication of the new and small firms are the amalgamation of the huge organization which has been developed by the innovation, knowledge spiller, decentralization competition experiment and economic growth.

Knowledge Spillovers

A new scientific and technological knowledge is a significant resource for entrepreneurial opportunities. Research and technology are searched by the organization to make possible innovative efforts that may be accidentally commence invented or purposefully it has been done a scientific report on their research.

Decentralization

Innovation has been developed by one or more firms because useful is used in a large scale and using in large scale means to production in large quantities. The managerial protocol is to spread suggestions, power, liability, and restriction of the memorial.

Experimentation

Economic development is related to the change of formalities and that took place and helped small and medium organizations. With the experiment and innovation of new firms being useful, it can be sustained at a small and lower price in huge numbers and they pivot on a single innovation. It has been found that new enterprise in the society has been opened with the new innovation. Small new and important firms are playing an important role in bringing change in the society.

Competition

Today's market is full of competition. An organization needs to change and to bring innovation, unique quality, products and to spread in the market with the adoption of new strategies. New firms are coming into the market that are attracting the customer. New firms are playing an important role in the development of the economy and showing ways to old companies to adopt new strategies and ideas and to improve their product quality and to reconstruct their activities.

Empirical Evidence on the Relationship Between Entrepreneurship and Innovation

According to Schumpeter (1912), "economic growth depends on the entrepreneur who brings new ideas to the market. Due to innovation, economic growth is in addition." Today business has transformed from offline to online. It has changed the scenario of the market and through this innovation strategy, it has changed the growth of the economy. Indirectly it has beaten the competitive market. Entrepreneurs want to make a huge market with the innovation in the goods and services, innovation pushes them to improve the quality of goods and service. Their conclusion was that entrepreneurs are playing the same important role in the innovative society. It was found that new and small innovative firms have a huge sale in the market except then high-cost innovative products. Overview in the experimental research it was found a critical explanation that entrepreneurship does not have to innovate to do new; its review shows that it has hardly affected that. Income and employment are not explained with innovation's positive effect.

Intrapreneurship

Creating, discovering, new services, goods, and opportunities are involved in intrapreneurship. The main aim is to create value in an astonishing business (lexicon.ft.com 2017). An entrepreneur is an individual who operated intrapreneurship. A corporate manager who sets and establishes new business and units and the board of directors is an owner as an entrepreneur. But a manager who starts and sets a formation of the business cannot become an entrepreneur.

The Practice of Innovation

Entrepreneur's specific tool is innovation, if they get opportunity for different businesses and different services they change by the innovation. They are efficient to present control, efficient to gain and understand, efficient to implement. Entrepreneurs want successful and purposefully sources of innovation, the changes indicate and manifiestate opportunity for successful innovation. And they want to realize, to understand and to implement on the successful innovation (Drucker, 1985).

The Principles of Creativity

When there is no pressure from outside people motivated by their interest and satisfaction they become more creative, their passion and desire do something special to show themselves or herself. which nobody can solve it.

There is a following three function in creativity:
1. Expertise
2. Creative thinking skills
3. Motivation.

With the knowledge and technology, a man works which he knows and in which he has specialty how to approach the problem and solve it. It can be handled by the creativity thinking and merging both is the upcoming idea in new combination. Moreover, its depend on the human skills how they think and works. Creativity and new ideas is the natural resource and raw material of entrepreneurs. By the inside passion and interest motivation move them to do something special. When people are really motivated by themselves they engage themselves in the work with excitement and they take challenges. Vision to create something special and new becomes more important in the future till others know about that. And commitment makes them realize they can continue their work. Entrepreneurs skills and intelligence show to bring something new, a product, process into the market. Creative outcomes seldom emerge in an instant: it begins with recognition of a problem or anticipation of an opportunity, and then, through understanding the situation and reflecting on the issues, new linkages are contemplated and possible new combinations of components are aired. That is subject to valuation for looking for a solution and possibility and for regularly observing it removes, even the search process is lengthy in following the super one. Entrepreneur are able to take strong creative steps but some circumstances make them or force them to do creativity. When people get freedom creativity make better, not much more (Friday and Okpara, 2007).

The importance of innovation in entrepreneurship meananew product comes in a new way or in a new solution. Customers need change, service companies do the changes according to the customer demand. A new product comes up by the raw material through a sponsor. Another key value of endurance of a business is the importance of innovation in entrepreneurship. Entrepreneurs and businesses are started with a demand of each other. Group demand has brought them in the market with their solution. Entrepreneurs grab the opportunity and to create something new to make their lives comfortable. and by this they are producing to make it easier useful and better. They keep the awareness of the demand of the consumer of the current trends. Day by day manufacturing companies are continuously producing good quality product. without any compromise. As a part of the organization industries and ventures are keeping innovation. Innovation role is big to success the company. Entrepreneur not only keep one innovative idea they have multiple ideas to do the solution. For the solution of the employees creativity tremendously innovation is main for that companies who frequently observe the employees' creativity for suspension. For the monetary benefit

of the companies entrepreneurs do training and development programs to continue their employees. The competition is another feature of the importance of innovation of entrepreneurship. With the cost effective and qualitative, energized entrepreneurs with much better competition and less price(Shukla, 2011).

The Importance of Innovation in Entrepreneur

The role of innovation is very important in entrepreneurship. We are living in a highly competitive world. Innovative ideas are necessary. Their target is not to start a new business.

But through innovation, they create excellent, powerful brands in the market and frame a customer network with innovation. Always creating something new is not the role of innovation, it also improves the quality of the product which is exciting and makes change and better and best for the customer. Innovative ideas are to make and start something in a competitive world.

Innovative is not dazzling to be innovative. It takes time to create something actual and different in the market. Here we can see how innovation is important in entrepreneurship, its education, ideas, skills, knowledge, and many more.

Related to Innovation

Through innovation, entrepreneurship has developed. It is fabricated by innovative ideas; business gets opportunities to develop itself in various styles. Entrepreneurship has become effective with the help of innovation. When a business develops and grows we can say it has grown. When it is growing in other words, we can say that innovation and entrepreneurship is the developer and it's helpful in making best efforts to develop the enterprise (Uygun and Gujrati, 2019).

At last we can see that the relation of innovation and entrepreneur is not easy. The concluding is that they have a different relation with them in the different domain of study. In the simple way we can say that both are dependent on each other and both are required in the help of the growth of economy. We agree that innovation is a part of entrepreneur process no innovation can be done without their involvement.

Innovation plays a vital role in the growth of the economy. Without innovation there will be no change and progress and it foremost destroy the economy (Ukessay,2018).

Innovation Entrepreneurship and Local Growth

After reviewing the academic literature on the economic significance of forces they promote or move to elements or depress entrepreneurship and innovation in local areas. It was assumed by the economist and policy maker that entrepreneurship and innovation are better for the local area. Due to internal forces this relationship becomes very difficult to narrow. For local growth and little, firms there is a small discussion between them that this correlation emulates a nature of growing continuously. However, it can assume that there are a lot of universities, entrepreneur development institutes and assets for strong research places and assets which can grow and attract start-ups. (Chatterji, Glaeser & Kerr, 2013).

Drucker (1985) on entrepreneurs: “Successful entrepreneurs don't wait for innovative ideas to strike like a lightning bolt. They go out looking for innovation opportunities in seven key areas:” 7 key areas of innovation opportunities.

Unexpected Occurrences

As due to unforeseen risk most of the companies

become failures. We have an example that lot of people knows that Edsel led forts was failed. Company understand that now there is no market of auto market it is segmented by the lifestyle. By this failure they realize that now they have to change the product and need to bring new product from their new innovation come in auto legend.

Incongruities

In 1960 Incongruities Technology was used by doctors to remove the cataract. It was very old technology and facing very difficult using it. Alcon laboratories had innovated an enzyme that terminated the ligament. After the division of this immediately the surgeon accepted this new product and it got a monopoly.

Process Needs

Two innovative new processes have been created in 1890, which were "The media" and linotype which has become possible to introduce newspaper advertising in the market very speedily and spread in the market free of cost.

Industry and Market Changes

Industry and the market has changed. Phenomenal success was achieved by the brokerage firm Donaldson, Lufkin & Jenrette, because they have already recognized that one day the emerging market for institutional investors will be in the main industry.

Demographic Changes

It was a big issue to think that why is there need in the change of democracy? Around 1970 everyone knew that our baby bosomy and schooling would discharge. As we know that Japanese were already ahead in Robotic then also Japanese took this step as they know that there will be a decline in the blue color manufacturing workers.

Changes in Perception

As we know that there is a lot of the problems in the world, which we all are facing but then also there is lot of the changes, as we know that America's health is not good then also he is trying to stop the disease and trying to find a good health, they innovated of new process to understand about the health situation. They innovated and launched a lot of books related to food supplements and yoga. This type of innovation has been accepted.

New Knowledge

To increase the knowledge, knowledge based innovation needs a long lead time and different types of more knowledge. To increase the knowledge, there was the requirement of the computer already it was available in the world in 1980 but till 1946 it was not available in the materialize.

Findings

After the study of the relationship between entrepreneurship and innovation it was found that both are the one coin of two sides both are incomplete with each other, for good quality and good performance and to produce good and new products with new ideas both need the help of each other. Entrepreneurship is not success without innovation. Today the customer demands changes from time to time to fill the customer need. Entrepreneurs need to do something new and special.

Entrepreneurship is recognized by the three names, risk bearers, energetic &freedom are playing an important role in innovation and quality performance. In the entrepreneurship performance innovation is directly connected to the present.

Recommendation

It was recommended that entrepreneur should alert and aware of the today trends and customers need and to survive in the emerging market. To making product good and better with best quality, it requires true and actual innovation. Then your business will be in completion market.

Conclusion

At last, entrepreneurship and innovation are related to each other and business and organization has grown with their support the help of both the development of the business and the organization. Basically both are stimulating the business and exploring the business with new and innovative ideas. It beat the competitive market with new strategies. Innovation converted the business into sustainable and developed it. Due to entrepreneurship and innovation, they generate the wealth of the organization. For the organization every firm has to adopt the new strategy and innovative skill to sustain in the market. Market environment is full of competition. Entrepreneur and innovation areas like the coin it is the same value of both sides.

Scope Of Future

The scope of the future, in innovation and entrepreneurship is focusing by the government in large scale and the mantra was given by the Hon'ble Pm Narendra Modi to be become entrepreneur.

Become a job creator not a job seeker

Limitation

In certain developed countries there are few limitations which contain high labor costs, high taxes, high competition, etc. For the countries development government have to remove this kind of limitation.

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