



IMPORTANCE OF ENTREPRENEURSHIP

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Introduction

Entrepreneurship can be considered a national asset, and entrepreneurs are the drivers of that asset for any country. It is a dynamic process that creates value, increases wealth and results in improved well-being. Entrepreneurship is important for a number of reasons, from promoting social change to driving innovation. Great entrepreneurs have the ability to change the way we live and work, on local and national bases. If successful, their innovations may improve standards of living, and in addition to creating wealth with entrepreneurial ventures, they also create jobs and contribute to a growing economy. The importance of entrepreneurship is not to be understated.

Entrepreneurship Accelerates Economic Growth

Entrepreneurs are important to market economies because they can act as the wheels of the economic growth of the country. New products and services created by entrepreneurs can produce a trickle effect, where they stimulate related businesses or sectors that need to support the new venture, furthering economic development.

For example, in the 1990s a few information technology companies made up the IT industry in India. The industry quickly expanded, and many other sectors benefited from it. Businesses in associated industries—such as call center operations, network maintenance companies, and hardware providers—flourished. Education and training institutes nurtured a new class of IT workers who were offered better, high-paying jobs.

Entrepreneurs Add to National Income

Entrepreneurial ventures help generate new wealth. Existing businesses may remain confined to existing markets and may hit a limit in terms of income. New and improved products, services, or technology from entrepreneurs enable new markets to be developed and new wealth to be created

Additionally, increased employment and higher earnings contribute to better national income in the form of higher tax revenue and higher government spending. This revenue can be used by the government to invest in other struggling sectors and human capital.

Entrepreneurs Create Social Change

Through offering unique goods and services, entrepreneurs break away from tradition and reduce dependence on obsolete systems and technologies. This can result in an improved lifestyle, generous thinking, better morale, and higher economic choice. In this way, social changes gradually impact national and global changes. So, the importance of social entrepreneurship must be appreciated.

For example, smartphones and apps have revolutionized work and play across the globe. As the growth of the smartphone market continues, technological entrepreneurship can have a profound, long-lasting impact on the world. Moreover, the globalization of technology means entrepreneurs in developing countries have access to the same tools as their counterparts in developed countries. They also have the advantage of a lower cost of living, so a young entrepreneur from a developing country can compete with a multimillion-dollar existing product from a developed country.

Entrepreneurship Promotes Research and Development/ Innovation

Along with producing new business ideas and thinking out of the box, entrepreneurs also promote research and development. They cultivate their ideas, shape them into a new form, and turn them into a successful business endeavour. Through the right practices of research and development, entrepreneurs bring new innovation that opens the door of new ventures, markets, products, and technology. Entrepreneurs have a role to play in solving problems that existing products and technology have not yet solved. So, by producing new products and services or bringing innovation to existing products and services, entrepreneurship has the potential to improve peoples' lives.

Community Development

Entrepreneurs regularly nurture ventures by other like-minded individuals. They also invest in community projects and provide financial support to local charities. This enables further development beyond their own ventures.

Some famous entrepreneurs, such as Bill Gates, have used their money to finance worthy causes, from education to public health.

References:

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