



INDIAN SCHOOL AL WADI AL KABIR

Entrepreneurship	Department: Commerce
Worksheet No: 1	Topic: Entrepreneurship: Concept and Functions

MCQ's

- An _____ is a person who starts an enterprise.
 - a) Entrepreneur**
 - Entrepreneurship
 - Enterprise
 - None of the above
- The process of creation of an enterprise is called _____.
 - Entrepreneur
 - b) Entrepreneurship**
 - Enterprise
 - None of the above
- An _____ is the business organization that is formed and which provides goods and services, creates jobs, contributes to national income, exports and contributes to the overall economic development.
 - Entrepreneur
 - Entrepreneurship
 - c) Enterprise**
 - None of the above
- The entrepreneur has to introduce new combinations of the means of production, new product, new market for a product and new sources of raw material. They introduce something new in any branch of economic activity. He/she foresees a potentially profitable opportunity and tries to exploit it. Identify the function of an entrepreneur from the information given below.
 - Investigation of an idea
 - b) Innovation**
 - Risk taking
 - Organization building
- It helps in determining the course of action to be followed to achieve various entrepreneurial objectives. It is concerned with the mental state of the entrepreneur. It is decision making in advance: what to do, when to do, how to do and who will do a particular task.
 - Organizing
 - Directing
 - c) Planning**
 - controlling
- The process begins with establishing standards of performance, measuring actual performance, comparing the actual performance with the standard, finding variations and finally, taking corrective action. Identify the function of entrepreneurship
 - Organizing
 - b) Directing**

- c) Planning
 - d) Controlling**
7. This function is concerned with employment, development and compensation for the personnel, the provisions of working conditions and welfare measures to maintain a good work force in the organisation.
 - a) Personnel**
 - b) Accounting
 - c) Marketing
 - d) Finance
 8. Learning what they enjoy doing; examining their strengths and weaknesses. Examining work experience and relating it to potential opportunities.
 - a) Self-Discovery**
 - b) Generating and evaluating ideas
 - c) Raising Start-up capital
 - d) Start-Up
 9. Using creativity and past experience to devise new and innovative ways to solve a problem, or meet a need, and then narrowing the field to one best idea.
 - a) Self-Discovery
 - b) Generating and evaluating ideas**
 - c) Raising Start-up capital
 - d) Start-Up
 10. Using the business plan to attract investors, venture capitalists and partners. This stage can involve producing prototypes or test-marketing services.
 - a) Self-Discovery
 - b) Generating and evaluating ideas
 - c) Raising Start-up capital**
 - d) Start-Up
 11. Launching the venture, developing a customer base, and adjusting marketing and operational plans as required.
 - a) Self-Discovery
 - b) Generating and evaluating ideas
 - c) Raising Start-up capital
 - d) Start-Up**
 12. It is not only beneficial to the business enterprise, but to the society at large. It raises the standard of living by providing good quality products and services at the lowest possible cost. It also makes the optimum use of scarce resources and promotes peace and prosperity in the society. In the light of the above given information, Identify the point highlighted under the need for entrepreneurship.
 - a) Increased profits
 - b) Social Benefits**
 - c) Life-line of a nation
 - d) Provides innovation

Question and answers/Case studies

13. Karsan Bhai Patel, the creator of Nirma Washing Powder, who was working as a factory chemist in Gujarat Mineral Development Corporation, started making detergent powder in his kitchen for poor rural women of Gujarat and selling his product by visiting different villages. His efforts culminated in the whitish yellow detergent powder named Nirma. The idea behind was need and the problem of the society that could not afford other brands of detergent powders because of their high cost. Today, Nirma is one of the world's biggest detergent powder manufacturer. The brand sells over 8 lakh tonnes annually. It holds 40% of the Indian market, with a turnover of more than Rs. 2500/- crores. This is creative effort and risk-taking ability of a person who turned out to be an entrepreneur. The strength of being capable is the plus point in an entrepreneur.

a) Explain the promotional functions of the entrepreneur mentioned above.

Discovery of an idea-Explain.

b) Explain any two other promotional function.

- **Detailed Investigation**
- **Assembling the Requirements**
- **Financing the Proposition [Explain any two functions]**

14. Shivi, a dropout from 10th std is forced by her mother to start working as help. Shivi agrees on the condition to do only “cooking” in 2-3 houses. One family turns out to be Punjabi, another Gujarati and the third one is Rajasthani. She cooked their kinds of food for a year and to everyone’s surprise, she expressed her desire to open up a small eating joint of her own. All alone, determined, she finally opens “Apna Bhoj”, a small eating joint with her savings and it became a hot spot because of the fusion food platter being offered. Do you think Shivi is an entrepreneur? Give reasons for your answers.

Yes, Shivi is an entrepreneur. The following are the reasons: -

- **Shivi’s one-year occupational experience provides her confidence to start her own business.**
- **She has converted her hobbies into reality by sheer hard-work and application of mind.**
- **Her desire to work independently and potential efforts, helped her to reduce the element of uncertainty.**
- **She is innovative.**
- **Understanding of the area/market in which she is going to start her business.**
- **She is a creative entrepreneur as, she has taken initiative and created an opportunity for innovation, experimentation and production.**
- **Her competitiveness which means willingness to compete honestly with others and providing quality product and services and reduction in price.**
- **She is an innovator of ideas, products, practices, services to meet the perceived opportunity, a lot of effort has done by Shivi to convert her dream into reality**
- **She a moderate risk taker and works under uncertainty for achieving the goal.**
- **She a persuader of deviant pursuits.**
- **Her vision, original idea, decision-making exhibit a sense of leadership.**
- **Reflects a strong urge to be independent. [Or any other quality possessed by an entrepreneur]**

15. Dhirubhai's life, his son Mukesh recalls that, when Dhirubhai was flown to Jamnagar and shown a piece of barren land, he asked why mangoes could not be grown there. The officials informed him that the land was not fertile enough for mango crop. Dhirubhai took it as a challenge and told those officials that it was for the same reason why mangoes ought to be grown there. After just a few years, the entire land of about 2000 acres had been converted green and 6000 tons of mango crop was harvested from the same land. So Dhirubhai took a risk here and believed in its success, thus translating it into the best of mango variety, the “Alphonso”, which is being grown in that region.

a) Identify the entrepreneurial function

Risk-taking

b) Explain any other entrepreneurial function.

- **Innovation**
- **Organisation building [Explain the points]**

16. The main need for entrepreneurship in any country is for Economic Development. Economic growth depends on the rate of innovation in the economic field, which in turn, depends on the number and quality of entrepreneurs in the society. Thus, entrepreneur is an agent of progress in the society. We have seen an upsurge in the number of entrepreneurs emerging in all fields, but more needs to be done for increased economic growth in our country.

In the light of above paragraph, discuss the need of entrepreneurship in the country.

- **Life-line of a nation**

- **Provides Innovation**
- **Change of Growth/Inclusive Growth**
- **Increased Profits**
- **Employment Opportunities**
- **Social Benefits**

[Explain the points]

17. Entrepreneurship involves a lot of risk taking. Yet, it can pay off very well, with rewards such as profits, the opportunity to be your own boss and make your own decisions. In the light of above lines, briefly discuss the merits/advantages of entrepreneurship.

- **Excitement**
- **Originality**
- **Independence**
- **Rational Salary**
- **Freedom [Explain the points]**

18. To everything in life, there are advantages and disadvantages; entrepreneurship is no exception. As a matter of fact, entrepreneurship involves a lot of risk taking. Discuss the demerits of entrepreneurship.

- **Salary**
- **Benefits**
- **Work Schedule**
- **Administration**
- **Incompetent staff [Explain the points]**