

ENTREPRENEURSHIP THEORY AND PRACTICE

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Introduction

According to Anderson and Ronteau(2017), entrepreneurship is comprehended as an extraordinary effort of entrepreneurs to establish their businesses. Although these businesses accumulate many risk factors and uncertainties, their role in the economy is non-negligible. However, the success of an entrepreneurship is regulated by many factors and can be inhibited by lack of opportunities. Therefore, as stated by Kuckertz *et al.* (2017), it is important for entrepreneurs to discover the opportunities with a minimal chance for success and exploit them efficiently for promoting the success of their enterprise.

Evaluation of Creation and Discovery factors for entrepreneurial opportunities

Entrepreneurial opportunities

Entrepreneurial opportunities exploitation by entrepreneurs lead to establish their business successfully in the market. As opined by Blundel *et al.* (2017), entrepreneurial opportunities led to creation of sustainable business by entrepreneurs with help of creativity and innovation. There are mainly two things that are to be considered relevant as opportunities for entrepreneurs. First, there are several conditions either for market segment or for single market, single industry or sector of industry can serve it. Innovation in technologies in recent years has blurred the boundaries between different industries and markets. Secondly, markets and industries are dynamic in nature and the outcome of the changes in them is entrepreneurial opportunities.

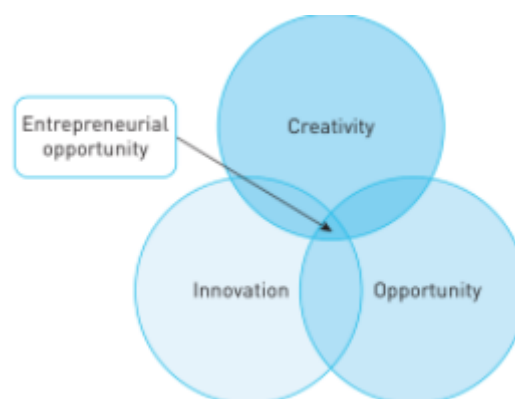


Figure 1: Factors leading to entrepreneurial opportunities

(Source: Blundel *et al.* 2017)

Opportunity creation and opportunity discovery

In the context of entrepreneurship, discovering opportunities for the launch of a new start-up indicates the ability of a great entrepreneur. According to Li *et al.* (2020), innovation as well as creating employment is one of greatest advantages of entrepreneurship all over the world along with shaping the economy of the country. New venture of entrepreneurs has helped the government by reducing unemployment as it provides several opportunities in terms of job (Fuller *et al.* 2018). Creation of opportunity in business is a difficult work which begins primarily from a dream of a person with financial support and availability of resources along with the entrepreneur that can discover the opportunities along with support of investors (Li *et al.* 2020). According to Chetty *et al.* 2018), entrepreneur features are being centralised by opportunity discovery while opportunity creation centralises organisational opportunities created by people based on their ideas.

Similarities between opportunity creation and opportunity discovery

According to Gonzalez *et al.* (2017), opportunity creation and opportunity discovery are two independent events that have no effect on viability as well as reliability of the other event. Action of entrepreneurs and environmental factors affect opportunity discovery as well as opportunity creation to large extent. As opined by Cennamo (2019), in recent years, competition nature has been changed by economic digitisation that has affected the basic ways of companies to compete in the digital market. Each and every platform of the digital market has an identity that is identical. Comparison of competitors platform along size as well as identity of platform lead to understanding of the competition in the digital market. This explains dynamics in competition in the digital market in a unique way which diverge from predictions of mainstream competitive theory.

In recent years two different viewpoints have emerged which are first, even before discovery and exploitation, opportunities exist (Magistretti *et al.* 2020). Secondly, in social processes, opportunities are created (Kraus *et al.* 2018). As opined by Li *et al.* (2020), discovering as well as creating opportunities plays as a major driven force in generating employment as well as new business ideas thus are supported by the private organisations as well as government

of different nations. Thus, it can be stated that opportunity discovery and creation of opportunity led to the success of entrepreneurs.

Differences between opportunity creation and discovery

According to Kuckertz *et al.* (2017), Opportunity creation and opportunity creation are two essential parts in the process of establishing an entrepreneurial business. There are very less opportunities an entrepreneur gets while establishing a business. Therefore, the scarce opportunity makes it even more important for the entrepreneur to discover and create opportunities. According to (Kuckertz *et al.* 2017), opportunity creation is the process of creating new opportunities by the deeds of an entrepreneur, whereas, opportunity discovery is the identification of the opportunities that already existed but have not been found earlier.

According to Alvarez and Barney (2007), opportunity creation is a subjective matter as it is created depending on the way an entrepreneur operates their business and their activities, whereas, opportunity discovery is considered as an objective matter as it already exists and just needs to be discovered. Moreover, opportunity creation depends on the internal affairs of an enterprise such as the behaviour of the owner and other employees, on the contrary, opportunity discovery depends on exogenous matters, that is, it is discovered by finding a solution to a problem (Kuckertz *et al.* 2017). Moreover, according to Alvarez and Barney (2007), creating opportunities composes some uncertainties about whether that can be effective in organizational development or not. In contrast to this, discovery depends on some risk, that is, if it does not be effective in promoting growth it can be proved to be adverse for the enterprise.

Strategies used in the effective exploitation of opportunities

Opportunity exploitation

According to Kuckertz *et al.* (2017), opportunity exploitation is one of the most essential steps to be followed by the entrepreneurs for successfully establishing a business. It is the process of utilizing the opportunities with the greatest efforts and efficacy by the entrepreneurs. Moreover, it can be comprehended as the commitment of the entrepreneurs in terms of acting and investment to gain success (De Massis *et al.* 2021). Proper utilizations of the available opportunities, the uncertainties associated with the new business can be minimized effectively. There are high amounts of risks associated with entrepreneurial

business performances. Therefore, the entrepreneurs must always aim for minimizing the risks as much as possible by utilizing the opportunities they get.

Strategies that can be aided by entrepreneurs for effectively exploiting opportunities

According to De Massis *et al.* (2021), entrepreneurial business urges to establish a new form for business. The process of establishing an entrepreneurial business possesses many risk factors. Moreover, the available opportunities for the new businesses to achieve success at early stages are minimal. Therefore, as comprehended by De Massis *et al.* (2021), it is essential for the entrepreneurs to make effective strategies for recognizing the opportunities and utilize them to the greatest extent. The utmost utilization of recognized opportunities is one of the key determinants of the chances of success for entrepreneurial enterprises (De Massis *et al.* 2021). There are many strategies developed and implemented by the entrepreneurs for successfully establishing their businesses. The most used ways by the entrepreneurs for exploiting the available opportunities are analysing and implementing new trends and technologies, utilizing the consumers' support, enhancing the base of customers, utmost utilization of human and financial resources, and more (Clough *et al.* 2019). Moreover, according to Tajpour *et al.* (2018), the business leaders should progress by thinking strategically on the process of making progress and successfully exploiting the opportunities.

Additionally, as opined by Clough *et al.* (2019), the entrepreneurs should maintain an adequate flow of the available resources such as connection, financial resources, human resources, information resources and more in order to exploit the opportunities. By maintaining the flow of the resources, the entrepreneurs can execute their strategies for exploiting the opportunities they come across. According to Clough *et al.* (2019), as the entrepreneur has to deal with inadequate amounts of resources, mainly financial resources, they majorly focus on enhancing them and neglects the proper utilization of the resources available. However, the resources can be increased by utilizing the available resources strategically.

Utilizing technological resources- Entrepreneurs should always keep themselves updated with the latest market trend and the strategies being used by the business owners for enhancing their growth (Yoruk and Jones, 2020). Recently, the internet is being extensively used by business owners all over the world. Social media and various other platforms are

quite useful promoting the service being provided. Moreover, the internet allows the service providers to reach to consumers across the globe and establish a successful business at international levels. Furthermore, the internet can also be used as a great source of information about businesses (Clough *et al.* 2019). This helps the entrepreneurs to keep themselves up-to-date with business strategies.

Enhancing the customer base- Consumers are one of the most crucial factors for the success of the service providers (Agrawal, 2020). Therefore, gaining the support from the consumers can be greatly helpful indeed. The entrepreneurs must focus on the customers' satisfaction from their services. This can be implemented by gathering information about customers' expectations from a service provider. Therefore, the entrepreneurs urge to get honest feedback from the customers and aim for satisfying the customers' needs (Agrawal, 2020). Moreover, the customer feedback also highlights the drawbacks in the service being provided to the consumers. Thus, the business leaders can develop strategies for resolving the issues faced by customers. According to Agrawal (2020), this helps them to enhance the quality of service, customer satisfaction loyalty towards the service provider.

Utilizing human resources- Employees are considered as one of the most important internal stakeholders behind the success of an organization (Clough *et al.* 2019). Therefore, the entrepreneurs always try to employ new talents who can serve the organization with their maximum capabilities. Moreover, it is also an essential duty for the business leaders to support their employees' wellbeings (Agrawal, 2020). This will enhance employees' productivity and engagement. This, in turn, will promote the growth of the enterprise.

Discussion of 5 dimensions of entrepreneurial orientation

Entrepreneurial orientation is a vital part considered by several executives while making strategies with the idea of innovation and exploitation of opportunities which are unexploited by its competitor companies (Rua *et al.* 2017). According to Gupta *et al.* (2018), it leads to enhancing the performance of the organisation. According to Lumpkin and Dess (1996), the five dimensions of entrepreneurial orientation are:

Autonomy: According to Gelderen (2016), this dimension means providing independence to a person or the team of people of an organisation for developing entrepreneurial ideas on the basis of its completion and achieving success through it.

Competitive aggressiveness: According to Kozubíková *et al.* (2017), this dimension of entrepreneurial orientation indicates capturing unique as well as innovative ideas to gain competitive advantage among the competitors in the market. This is basically about having head-to-head competition in between new entrants and the existing ones in the market to hold a position in the market.

Innovativeness: As opined by Rua *et al.* (2017), this dimension of entrepreneurial orientation indicates a tendency of engaging in creativity and experimenting with fresh ideas and strategies for introducing new products or services along with leadership in the new era of technology.

Proactiveness: This dimension indicates seeking of an opportunity along with perspective to always look forward to the long term (Rua *et al.* 2017). This can be achieved by introducing either new products or services with a vision of increase in demand of the same other than the increasing competition in the current market.

Risk-taking: According to Rua *et al.* (2017), this dimension of entrepreneurial orientation indicates taking firm actions regarding new start-ups by providing commitment to a resource in an unknown environment of the business.

Reflection on the extent of individual attitudes and behaviour consistent

I got an opportunity in my college days to manage a team to organise an event as a leader, I was super excited for the purpose. I tried my best to be creative as well as innovative with my ideas for the event. Since, this was something I was doing for the first time, I showed proactiveness in doing my work such as research for the theme of the event that should be one of its type, not used previously in any event of the college. I also discussed and tried to know about the skills of my team members to allocate their work to them accordingly.

Although this role of leader was new for me to perform, I took risk to follow innovative ideas. However, the event was not as successful as I planned it to be. Therefore, I realised that there is a need of developing as well as improving certain skills of mine possible through self-reflection process. I selected Kolb's reflective model that discusses experiential learning. It consists of four stages which are:

Concrete experience: Since I was excited for managing the event, I also faced performance pressure, which led me to decide each and everything related to the event without taking

viewpoints of my team at most of the times. This might have restricted their independence of working and lack of unique ideas (Gelderen, 2016). This led to avoidance of autonomy in my work.

Reflective observation: Avoidance of autonomy led to failure of having unique ideas which I thought of implementing in the theme of the event. Though I did not realise this because of performance pressure, my team did not feel the freedom to speak up their mind and work accordingly.

Abstract conceptualisation: Although I allocated them work based on their skills, lack of autonomy restricted them to utilise their skills. I realised after discussing with my seniors that I would have held meetings and discussed my innovative ideas with them along with listening to their ideas.

Active experimentation: This reflection helps me to decide to be an autonomy-motivated leader to achieve success in any task allocated to me.

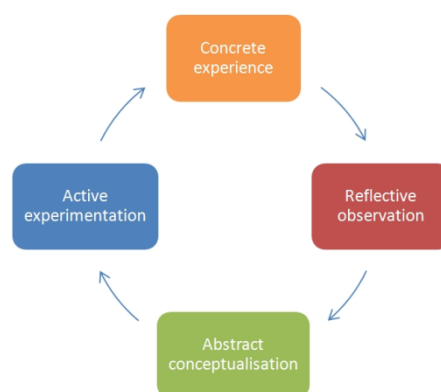


Figure 2: Kolb's reflective model

(Source: Brown, 2021)

Conclusion

Conclusively, it can be stated that entrepreneur practices with understanding of the opportunity discovery and opportunity creation led to the starting of the new venture. Moreover, the five dimensions of entrepreneurial orientation help the entrepreneur to enhance the performance of its venture.

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