



UNIT 2

An Entrepreneur

Learning Objectives:

After reading the chapter the student will be able to:

- Differentiate between various types of entrepreneurs
- Explain the competencies of an Entrepreneur
- Understand the meaning of Ethical Entrepreneurship
- Appreciate the importance of Ethical Entrepreneurship
- Highlight the value of ethics to an entrepreneur
- Understand the values, attitudes and motivation required by an Entrepreneur
- Differentiate between Entrepreneur and an employee
- State the meaning and describe the importance of Intrapreneurship in an organisation

Case Study

Steve Jobs and Apple

At 20, he and a friend (**Steve Wozniak**) started a company in a garage on April 1, 1976. Later that year, the duo debuted the Apple I at the Homebrew Computer Club in Palo Alto, California. A local store offered to buy 50 machines and to finance the production, the duo had to sell their most expensive possessions. Jobs sold his Volkswagen van while Wozniak sold his Hewlett-Packard scientific calculator.

Jobs named their company – Apple in memory of a happy summer he had spent as an orchard worker in Oregon.

By 1982 however, his company sales sagged in the face of competition from IBM's new PC. Jobs and Wozniak unveiled their new creation, Lisa to increase the company's bottom line, only to be another expensive failure.

Not wanting to dwell on these successive failures, they worked on a new machine called the Macintosh. Jobs was reported to commandeer the project, ruthlessly pushing its computer engineers and flying a pirate flag above the building where the team worked.

By 1986 the Mac, which Jobs promised to be 'insanely great' was a huge success. After 10 years, starting from 2 kids working in a garage, Apple computer had grown into a \$2 billion dollar company with over 4000 employees.

At 30 Jobs, however, was asked to leave the company he co-founded with Steve Wozniak. He left the company after losing a bitter battle over control with Apple's CEO, John Sculley (whom Jobs had recruited from Pepsi Cola).





After Apple

Apparently both had different views of how the company should be handled and in one meeting Sculley had told security analysts that Jobs would have no role in the operations of the company “now or in the future.” When Jobs heard of the message he said, “You’ve probably had somebody punch you in the stomach and it knocks the wind out you and you cannot breathe. The harder you try to breathe, the more you cannot breathe. And you know that the only thing you can do is just relax so you can start breathing again.”

Jobs sold over \$20 million of his Apple stock, spent days bicycling along the beach, feeling sad and lost, toured Paris, and journeyed on to Italy.

Recalling this publicly heart-breaking episode Jobs said,

‘I didn’t see it then, but it turned out that getting fired from Apple was the best thing that could have ever happened to me. The heaviness of being successful was replaced by the lightness of being a beginner again, less sure about everything. It freed me to enter one of the most creative periods of my life.’

During the next five years he started two companies – NeXT Step and Pixar.

NeXT Step which produces NeXT, a \$9,995 cube-shaped workstation, which aimed to create a workstation for research and higher, didn’t do as well as Jobs had dreamed for. It did poorly and Jobs pulled the plug in 1993.

Pixar, however was a success story. The company produced the first computer-animated film, the Toy Story and when Pixar’s stock went public, Jobs became an instant billionaire.

Jobs, back with a vengeance

Meanwhile, his old company, Apple was under immense pressure from rival Microsoft and in 1996 posted billions of dollars in losses. In December 1996 Jobs convinced Apple to buy NeXT and make its software the foundation of the next-generation Mac OS. The technology he developed at NeXT became the catalyst of Apple’s comeback. Initially appointed as Apple’s adviser, Steve Jobs was named Apple’s interim CEO in 1997.

In 2004, he was diagnosed with cancer of the pancreas. Jobs was told that the cancer was incurable and he would only live for another three to six months. Later, a biopsy showed that he actually had a very rare form of pancreatic cancer that is curable with surgery. He had the surgery and survived.

Under his leadership, Apple returned to profitability and introduced innovations such as the iPod.

Steve Jobs’ advice

“Sometimes life hits you in the head with a brick. Don’t lose faith. I’m convinced that the only thing that kept me going was that I loved what I did. You’ve got to find what you love. Your work is going to fill a large part of your life, and the only way to be truly satisfied is to do what you believe is great work.

And the only way to do great work is to love what you do. If you haven’t found it yet, keep looking. Don’t settle. As with all matters of the heart, you’ll know when you find it. And, like any great relationship, it just gets better and better as the years roll on. So keep looking until you find it. Don’t settle.



Your time is limited, so don't waste it living someone else's life. Don't be trapped by dogma-which is living with the results of other people's thinking. Don't let the noise of others' opinions drown out your own inner voice. And most important, have the courage to follow your heart and intuition. They somehow already know what you truly want to become. Everything else is secondary".

Types of Entrepreneurs

Entrepreneurs can be of different types. Some may prefer to go it alone or share the risk in groups with others. They are found in every economic system and every form of economic activity as well as in other social and cultural activities. They are seen from amongst farmers, labourers, fishermen, tribes, artisans, artists, importers, exporters, bankers, professionals, politicians, bureaucrats and so many others. Based on the above features **C. Danhof** has broadly classified entrepreneurs into four types. These are discussed below.

1. Innovative Entrepreneur:

In the early phases of economic development, entrepreneurs have initiative to start new ventures and find innovative ways to start an enterprise. Thus, innovative entrepreneurs are those who introduces new products, new methods of production techniques, or discovers a new market or a new service or reorganises the enterprise. It is the innovative entrepreneurs who built the modern capitalism. They are commonly found in developed countries. They are aggressive in nature who exhibit cleverness in putting attractive possibilities into practice.



Example: **Walt Disney** who started huge theme parks such as the Disney Land.

2. Imitative Entrepreneur:

There is a second group, generally referred as imitative entrepreneurs. They usually copy or adopt suitable innovations made by innovative entrepreneurs. They are adaptive and more flexible. They are organisers of factors of production rather than creators. The imitative entrepreneurs are also revolutionary and important. They contribute to the development of underdeveloped economies. Example: The local mobile companies using the same technology as big companies to manufacture their products.

3. Fabian Entrepreneurs:

The third type are the Fabian Entrepreneurs. Such entrepreneurs are very shy and lazy. They are very cautious. They do not venture or take risks. They are rigid and fundamental in their approach. Usually, they are second generation entrepreneurs in a family business enterprise. They follow the footsteps of their predecessors. They imitate only when they are sure that failure to do so would result in a loss of the relative position in the enterprise.

4. Drone Entrepreneurs:

The fourth type is the Drone Entrepreneurs, who refuse to copy or use opportunities that come their way. They are conventional in their approach. They are not ready to make changes in their existing production methods even if they suffer losses. They resist changes. They may be termed as laggards.



Types of Business

Depending on the nature, size and type of business, entrepreneurs are divided into five categories:

1. Business Entrepreneur:

Business entrepreneurs are those who develop an idea for a new product or service and then establish an enterprise to materialise their idea into reality. Most of the entrepreneurs belong to this category because majority of entrepreneurs are found in the field of small trading and manufacturing concerns.

2. Trading Entrepreneur:

Entrepreneurs who undertake trading activities whether domestic or overseas are Trading Entrepreneurs. They have to identify the potential market for his product in order to stimulate the demand for the same. They push many ideas ahead of others in the form demonstration to promote their businesses.

3. Industrial Entrepreneur:

Industrial entrepreneurs essentially manufacture products and offer services, which have an effective demand in the marketing. They have the ability to convert economic resources and technology into a profitable venture. For example: Enterprises like **Hero Motorcorp** and **Hyundai Corporation**.

4. Corporate Entrepreneur:

Corporate Entrepreneurs are those who through their innovative ideas and skill able to organise, manage and control a corporate undertaking very effectively and efficiently. Usually, they are promoters of the undertakings/corporations, engaged in business, trade or industry.

5. Agricultural Entrepreneur:

Agricultural entrepreneurs are those who undertake agricultural as well as allied activities in the field of agriculture. They engage in raising and marketing of crops, fertilisers and other inputs of agriculture through employment of modern techniques, machines and irrigation.

6. Use of Technology:

The entrepreneurs may be classified into the following categories on the basis of application of new technology in various sectors of the economy.

(i) Technical Entrepreneur:

The entrepreneurs who are technical by nature in the sense of having the capability of developing new and improved quality of goods and services out of their own knowledge, skill and specialisation are called a technical entrepreneur. They are essentially compared to craftsmen who concentrate more on production than marketing.



(ii) Non-technical Entrepreneur:

Non-technical entrepreneurs are those who are mainly concerned with developing alternative marketing and distribution strategies to promote their business. They are not concerned with the technical aspects of the product and services they are dealing with.

7. Professional Entrepreneurs:

Professional entrepreneurs make it their profession to establish business enterprises with a purpose, to sell them once they are established. He/she is always looking forward to develop alternative projects by selling the running business. He/she is not interested in managing operations of the business established by him. He/she is very dynamic.

8. Motivation:

Based on their motivating factors, entrepreneurs can be classified into three types such as spontaneous, induced and motivated entrepreneurs.

(i) Spontaneous Entrepreneurs:

Spontaneous Entrepreneurs are otherwise known as pure entrepreneurs, who are motivated by their desire for self-fulfilment and to achieve or prove their excellence in job performance. They undertake entrepreneurial activities for their personal satisfaction in work, ego, or status. Their strength lies in their creative abilities. They are the natural entrepreneurs in any society. They do not need any external motivation.

(ii) Induced Entrepreneurs:

Induced entrepreneurs enter into entrepreneurship because of various governmental supports provided in terms of financial assistance, incentives, concessions and other facilities to the people who want to set up of their new enterprises. Sometimes prospective entrepreneurs are induced or even forced by their special circumstance, such as loss of job or inability to find a suitable job according to their talent and merit to adapt to entrepreneurship.

(iii) Motivated Entrepreneurs:

Motivated Entrepreneurs are motivated by their desire to make use of their technical and professional expertise and skill in performing the job or project they have taken up. They have enough confidence in their abilities. They are highly ambitious and are normally not satisfied by the slow progress in their jobs. They enter entrepreneurship because of the possibility of making and marketing of some new products or service for the use of the prospective consumers. If the product or service is developed to a saleable stage and the customers accept the same, the entrepreneur is then further motivated by reward in terms of profit.



Other Categories of Entrepreneurs:

1. First-Generation Entrepreneurs:

These entrepreneurs start their industrial unit by means of their own innovative skill and expertise. They usually combine different technologies to produce marketable products or services for the consumers. They are essentially innovators having no entrepreneurial background.

2. Inherited Entrepreneurs/ Second Generation Entrepreneurs:

Inherited Entrepreneurs or entrepreneurs by inheritance are seen in India where they inherit the family business through succession and pass it from one generation to another.

3. Third Generation Entrepreneurs:

These are those types of entrepreneurs wherein their grandparents and parents have been entrepreneurs and they have inherited the business. This model is very commonly found in India.

Competencies of an Entrepreneur

The entrepreneurial values and attitudes provide the necessary backdrop for acquiring the sense of enterprise. It is however necessary that a budding entrepreneur should have the necessary competencies so that he/she can venture into an enterprise.

Competency is a set of defined behaviours that provide a structured guide enabling the identification, evaluation and development of the behaviours in an individual.

The entrepreneurial competencies can be classified under the following categories:

Entrepreneurial Competencies:

These are certain basic competencies to be acquired by an entrepreneur. They relate to the type of behaviour exhibited in the performing of various tasks in the discharge of his functions. Some of these competencies are latent in the entrepreneur, which need to be identified, nursed and nurtured. Others are acquired through training and practice.

Initiative:

One of the most fundamental competencies required for the entrepreneurs is the ability to take initiative. It is rather the first step in the enterprise. An entrepreneur has to be keen observer of the society, the commercial trends, the product types, the change dynamics and the consumer trends. Once he/she decides to take the initiative, what matters is the speed with which he/she is going to function.

Creativity and Innovation:

Competency in creativity and innovation are sometimes basic traits of certain individuals. He/she might not have any new ideas. He/she may use the creative ideas and innovative products and services to meet the challenges of a situation, take advantage of the utility of an idea or a product to create wealth. Example, changes in the packaging of potato chips.



Risk Taking and Risk Management:

An entrepreneur ventures into new ideas and new service. He/she treads into areas of uncertainty. There are several elements such as demand supply in the market, resources availability, acceptability of the product design and service which throw a potential challenge to the entrepreneur. In order to attune oneself in the skill of risk taking and management he should practice in several areas of entrepreneurial functions such as entering into new market. For example, when Dhirubhai Ambani faced cash crunch he took the risk of issuing shares in 1977 to the public when they were not that aware about share market.

Problem Solving:

Once an entrepreneur is aware that he has ventured on a new area and has taken certain calculated risks, he/she should also be aware that many problems are bound to come in the path of progress. He/she should understand that there is more than one way of solving problems, look for alternative strategies or resources that would help to solve the problem, generate new ideas, products, services etc. For example: When an entrepreneur faces cash crunch he should look for alternative sources for receiving funds. Ratan Tata shifted the manufacturing plant of Nano cars from Singur to Sanand due to unforeseen complexities.

Leadership:

An entrepreneur should also be an effective leader who should be able to guide and motivate his/her entire team. Whenever a company faces problem it is the will power and effective business acumen and communication skills which oversees the success of the corporation.

Persistence:

In most cases, the entrepreneurial pursuits are new and need very close attention. Creating a need in the market for the enterprise is one of the main requirements of the entrepreneur. This calls for intense perseverance on the part of the entrepreneur. Roadblocks to success should not deter the entrepreneur. For example: Mixers when introduced, did not have many customers but today, we find it to be an essential part of kitchen accessories. When Mahima Mehra brought out her product – *Haathi Chaap*, she had experimented on various other material before using elephant dung to manufacture handmade paper.

Quality Performance:

Since entrepreneurs value outstanding performance, one of the behavioural skills necessary is the sensitivity to and concern for the 'standards' and 'quality of work'. One develops the skill of comparing the quality of the product/services with certain standards, which he/she himself evolves or are set by others. For example: Steve Jobs, the brain behind Apple and I-pod, is known to value quality in all the products introduced by the company.

Information Seeking:

Information plays a very crucial role at every stage of enterprise building and management. The quality and extent of information collected and the way these have been used to make various decisions by and large decides the success and failure of any entrepreneurial venture. They can get this information by personally conducting research, using feedback from previous related experience etc.



Systematic Planning:

Every entrepreneur has limited resources in terms of time, finance, and manpower. They invest their life's saving and total energy in creating entrepreneurial ventures and cannot afford to lose or waste these. Before putting the whole enterprise into operation, he is required to develop a detailed blueprint.

Persuasion and Influencing Others:

One of the important functions of an entrepreneur is to influence the environment comprising of individuals and institutions, for mobilizing resources, obtaining inputs, organising production and selling products and services. They have to practice highlighting the strong points of their products and services in the market explaining the technological competencies of their enterprise to produce quality goods and services.

Enterprise Launching Competencies:

Opportunities exist, but not all people respond to them. Large groups in society can perceive only the apparent and traditional openings of earning. Similarly, resources are also available to all members of the society, but very few make efforts to ensure best use of these resources. Entrepreneurs should identify and avail the facilities and resources needed to launch their enterprises.

Enterprise Management Competencies:

The enterprise may be small or big but it demands management abilities on the part of its owner or manager. Various management functions such as production, marketing, finance etc., are crucial functions to entrepreneurs. These influence the result directly, and therefore, are necessary determinants for the sustenance of an enterprise.

Case Study

Ethical Entrepreneurship

Read the following situations and write down what you feel about them

Three Character Types: Carly, Tonya, and Jane

Entrepreneurship is increasingly studied as a fundamental and foundational economic phenomenon. Schumpeter (1950) and Kirzner (1978) were pioneers, and their successors have generated a sizeable literature. Yet entrepreneurship has received less attention as a moral phenomenon and, correspondingly, less attention in the business ethics literature.

Consider the moral status of the entrepreneur in contrast to the two other types.

1. **Carly:** *As a student, Carly worked hard and received good grades. Upon graduation she took a job, but at the same time saved money and worked on her business plan. When she was ready, she took the entrepreneurial plunge and started her own business, which she developed successfully, and then, a few years later, sold for \$10 million. She is now living the good life of travel, building her dream home, raising her family, and managing her portfolio of investments.*



2. **Tonya:** Tonya also worked hard in college and, upon graduation, took a job in a financial institution. She discovered a flaw in its funds-routing procedures, which enabled her anonymously to divert \$10 million to an offshore bank, from which it was quickly re-routed through several Caribbean and Swiss banks, ending up in account known only to Tonya. One year later, Tonya resigned from her position at the financial institution and is now living in discreet luxury somewhere in Europe.
3. **Jane:** While in college, Jane graduated with a good degree. Unfortunately, the summer after her graduation Jane's parents died suddenly. Fortunately, they left her \$10 million in their wills, of which Jane immediately donated \$9.9 million to charities devoted to the homeless, victims of floods, and to the planting trees in the Brazilian rainforest. Jane invested the remaining \$100,000 in a certificate of deposit earning 8% annually, the proceeds enabling her to live frugally and without too much discomfort.

Let us now ask the ethics question: Which of the three is the most moral? Whom should we uphold as the ideal? Should we teach our children and students to admire and strive to be like Carly, Tonya, or Jane? All three require strength: It is not easy to build a successful business. It is not easy to figure out a con and get away with it. And it is not easy to give away all of one's money.

Tonya is representative of a predatory ethics; she harms others and uses the proceeds to benefit herself. She is representative of the zero-sum, gain-at-the expense-of-others practices widely condemned in the business ethics literature.

Jane is representative of an altruistic ethic: she is selfless, and she places what she has at the disposal of others in society, keeping only the minimum for herself. She is representative of the "social justice" practices widely praised in the business ethics literature.

Carly is the prototypical entrepreneur and is representative of a self-realization, egoistic ethic. She creates value, trades with others, and lives her dream life. Yet she is not discussed in the business ethics literature. She is the invisible woman.

Yet the character traits and value-producing activities of entrepreneurs at least implicitly inform an ethic. To make this ethic explicit, let us begin with a standard description of the entrepreneur.

During the past few decades, there has been an explosion of new interest in entrepreneurs and their activities. Yet, only recently, serious research attention is known to have been devoted (in some developed countries) to the ethical problems encountered by entrepreneurs and their organisations. Entrepreneurs face uniquely complex moral problems related to basic fairness, personnel and relationships, distribution dilemmas and other challenges that need to be addressed by all concerned through appropriate legal framework, social order and perhaps also a 'Moral Re-armament Movement.

In order to understand the role of ethics in entrepreneurship, we need to understand the concept of ethics in life. How should we live? Shall we aim at happiness or at knowledge, virtue or the creation of beautiful objects? If we choose happiness, will it be our own or the happiness of all? And what of the more particular questions that face us. Is it right to be Dishonest in a good cause?



Can we justify living in opulence while elsewhere in the world people are starving? If conscripted to fight in a war we do not support, should we disobey the law? What are our obligations to the other creatures with whom we share this planet and to the generations of humans who will come after us?

Ethics deals with such questions at all levels. Its subject consists of the fundamental issues of practical decision-making and its major concerns include the nature of ultimate value and the standards by which human actions can be judged right or wrong.

What are ethics?

Ethics refers to well-founded standards of right and wrong, that prescribe what humans ought to do, usually in terms of rights, obligations, benefits to society, fairness or specific virtues. Ethics, for instance means those standards that impose the reasonable obligations to refrain from stealing, murder, assault and fraud. Ethical standards also include those that enjoin virtues of honesty, compassion and loyalty.

Ethics also refers to the study and development of one's ethical standards. It is necessary to constantly examine one's standards to ensure that they are reasonable and well founded. Ethics also means the continuous effort of our own moral beliefs and our moral conduct.

Definition of 'Business Ethics'

Business ethics comprises of the study of proper business policies and practices regarding potentially controversial issues, such as corporate governance, insider trading, bribery, discrimination, corporate social responsibility and fiduciary responsibilities. Business ethics are often guided by law, while other times provide a basic framework that businesses may choose to follow in order to gain public acceptance.

Why is ethics important to an entrepreneur?

The belief that businesses have a social responsibility is quite common place now though it's a relatively new phenomenon. In the start of 1980's business ethics was introduced and the combination of ethics and entrepreneurship was highly unusual. According to **Johan Wempe**, "Ethical Entrepreneurship, in a nutshell, amounts to the achievement of ethical goals through entrepreneurship". There is little more to it than that and it merges with the terms '**Social Entrepreneurship**', '**Social Corporate Entrepreneurship**', and '**Corporate Social Responsibility**'.

There are many discussions about morals and ethics. It is a very complicated issue as people have different views of what is 'ethical' and 'moral', depending on their religious background, culture, education etc.

Here is one story to explain how ethics prevails in Entrepreneurship:

"Amal and Kamal, father and son respectively, had built up a thriving retail grocery shop in Haldwani (Uttaranchal). One of their suppliers, having delivered a large consignment of rice and sugar, left the bill with Kamal. He kept that in a small cabinet in the shop. Then both the supplier and Kamal forgot



about it. After about eight months or so, at the end of March, Amal began to clear the backlog and looked carefully into the cabinet. He discovered the unpaid bill and informed Kamal. The latter was shocked. Amal asked Kamal to contact the supplier immediately and clear his dues. Kamal replied: "No Father, it is the supplier's duty to remember and collect his dues. Why should we chase him?"

Amal replied, "Son, that is not the way honorable people do business". It is the innermost belief, i.e., sense of values and business ethics, which guided Kamal to pay what is due to the supplier.

Entrepreneurs today encounter uniquely challenging ethical problems. They typically operate in stressful business environments and they often struggle to find time and perspective for focused ethical reflections. Entrepreneurs have limited time to focus on ethical issues. Often, they are not interested in ethical questions-beyond addressing an immediate business problem. However, most of them also agree that ethical behaviour is essential for an effective economic system

Entrepreneurs make choices and take actions that affect many, usually without the moral guidance available in established organisations. Their decisions can strengthen or seriously weaken a firm's future business viability. The cases of Enron, WorldCom, Anderson and other giants of USA are shining examples of results of unethical decisions by key personnel of those enterprises.

However, what exactly is the right thing? All of us know about integrity, promise keeping, commitment, and truthfulness. We learned these traits from childhood. An important question arises for us personally and in the business world. Do we practise integrity or do we have it imposed on us from an external source? The capital we use to build our business becomes consumed through production, but the capital of our character outlasts all material resources.

As entrepreneurs climb the ladder of success, they should not forget that for success to be long lasting they will have to follow some ethical standards in their business practices. Some examples to be followed can be:

- a) Providing quality and correct quantity of goods to consumers
- b) Keeping in mind the environmental issues during production
- c) Paying the minimum and correct wages to the workers
- d) Not to use child labour in their production
- e) Judicious use of natural resources

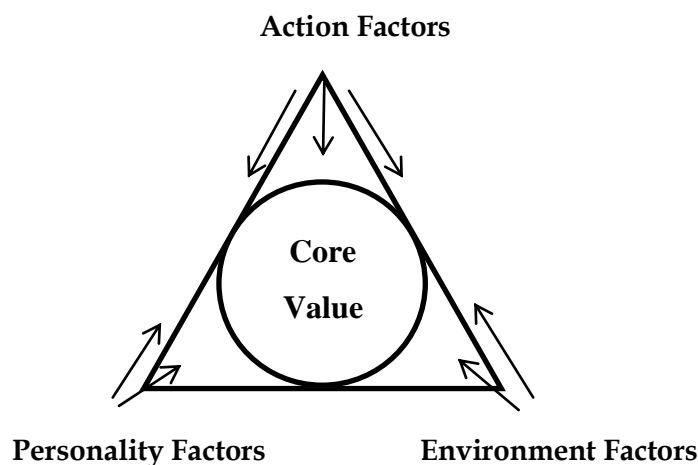
Entrepreneurial Values, Attitudes and Motivation

Values:

Milton Rokeach has defined values as *"beliefs that guide actions and judgement across a variety of situations."* Values determine what people consider to be good or bad for a civilised society. A civilized society considers qualities like honesty, truthfulness, integrity etc., as important for happy a healthy living. These set of beliefs that provide standards which guide behaviour is known as values. In relation to business, social values define the objectives of business as well as the manner in which business affairs should be conducted. Entrepreneurs share some of



these qualities that guide and direct them and hence they have come to be called entrepreneurial values. It can be summarised in the form of a diagram.



Core Values:

Some research studies have revealed four core values that are generally possessed by dynamic entrepreneurs. These values are:

1. Innovation and creativity
2. Independence or self-reliance
3. Respect for work
4. Quest for outstanding performance or achievement orientation

However, these values are not found in the same degree among all the entrepreneurs.

Innovation and Creativity:

These are the most important values found among most of the entrepreneurs. They are guided by these values when they come out with creative ideas, new products, services, processes etc., to solve specific problems of the society.

Creativity is the ability to see new ways of doing things and innovativeness is the ability to make it work in practice. For example, earlier, hair oil was available only in tins and introducing it in plastic small packs has become convenient for customers to carry and use. Innovativeness can be seen through actions such as:

- a) Sachet Market – small sachet of shampoo, oil etc.
- b) Experimenting with new ideas for example introduction of debit and credit cards in the banking sector
- c) Facing uncertainty in order to try out new ideas
- d) Not giving up or becoming upset when errors occur





- e) Finding problems to solve
- f) Finding new use for existing methods or equipment
- g) Demonstrating originality
- h) Introducing changes., Introducing gas cylinders for cooking
- i) Providing critical inputs for a new idea
- j) Providing evaluation of proposed ideas

Independence or ownership (self-reliance):

Analysts of entrepreneurial processes have found that a very strong and positive ego drive is involved in the action plan of all significant entrepreneurial ventures. It enables them to develop a 'mission' concept which drives them to achieve their goal with a clear vision. They drive great satisfaction in their sense of 'independence' or 'ownership'. Commitment, sense of complete identification, sincerity and hard work to achieve their 'mission' constitute the ingredients of the 'ownership' factor.

A young village boy, who wanted to clear the I.A.S. examination, could not succeed because he got stuck at the interview level. He opened an institute for aspiring youngsters. What started as a single teacher coaching center grew into a big education institute that provides tutorials to wide range of courses. The young man who could not achieve his dream of becoming a civil servant, has become an entrepreneur in the field of education.

Respect for work:

The entrepreneurs have great respect for work. Successful entrepreneurs believe that they can achieve anything through hard work. Look into the biography of any entrepreneur and you will surely find that all of them have achieved the pinnacle of success through hard work. This value provides goal direction which encourages them to pursue a path and career in which the rewards and incentives are linked to the degree and quality of efforts made.

Quest for outstanding performance:

Dynamic entrepreneurs are guided by the value of outstanding performance. It is the quest for outstanding performance on the part of **Narayana Murthy** that saw the emergence and speedy growth of Infosys.

When you read the success story of **Steve Jobs**, which is given in the beginning of the chapter, you understand that he always believed in outstanding performance, for example, when Apple phone was launched, he took great care to make the package eco-friendly and light weight with 3D (Three Dimensional) images on it. Such was his dedication for extraordinary performance.

Challenges seem to stimulate and motivate entrepreneurs. As they have strong motivation to succeed, they value performance of a high order. Thus the entrepreneur, due to his quest for excellence, is an 'over comer' who can resolve problems under pressure. They are persistent and hardworking when things go wrong.



Attitudes:

Attitudes constitute an important psychological attribute of individuals which shape their behaviour. It may be defined as the way a person feels about something—a person, a place, a commodity, a situation or an idea.

Read the following story

A young man was passing through a site of construction. He saw three labourers working in the site. He went to one of them and asked 'What are you doing here?' the worker answered, 'don't you see? I am pulling in to earn a living. I am working and earning.'

The young man moved towards the second. Now, he asked the second man the question 'What are you doing?' Pat came the reply 'Don't you see? I am constructing a wall'.

The young man now asked the third person the same question and he replied 'don't you see? I am building a beautiful mansion.'

All three men were doing the same work, but what differentiated them was their attitude towards work. So we can clearly see from the story that attitude is something we individually feel about some person, work, place etc.



Features of attitude:

1. Affects behaviour:

People have a natural tendency to maintain consistency between attitude and behaviour. Attitudes can lead to intended behaviour if there is no external intervention.

2. It is invisible:

It constitutes a psychological phenomenon which cannot be directly observed. However, we may observe an attitude indirectly through observing its consequences. For example, if a person is highly productive, we may infer that he has a positive attitude towards his/her work.

3. Attitudes are acquired:

Attitudes are gradually learnt over a period of time. The process of learning attitudes starts right from childhood and continues throughout the life of a person. However, in the beginning, the family members have a greater impact on the attitude of a child.

4. Attitudes are pervasive:

They are formed in the process of socialisation and may relate to anything in the world. For instance a person may have positive and negative attitudes towards religion, politics, politicians or countries.



Sources of attitudes:

The central idea running through the process of attitude formation is that, the thoughts, feelings and tendencies to behave are acquired or learned gradually. The attitudes are acquired from the following sources:

1. Direct personal experience:

The quality of a person's direct experience with the attitude object determines his/her attitude towards it. For example if a worker finds his/her job challenging, supervisors understanding and co-workers very cooperative then he/she will have a positive attitude towards his/her job because of the quality of his/her direct experience with the job.

2. Group Associations:

People are influenced to one degree or another by other members in the group to which they belong. Attitudes are one target for this influence. Their attitudes toward products ethics warfare and a multitude of other subjects are influenced strongly by groups that they value and with which they do or wish to associate. Several groups, including family, work, and peer groups, and cultural and sub-cultural groups, are important in affecting a person's attitudinal development.

3. Influential Others:

A consumer's attitude can be formed and changed through personal contact with influential persons such as respected friends relatives and experts. Opinion leaders are examples of people who are respected by their followers and who may strongly influence the attitudes and purchase behavior of followers.

To capitalize on this type of influence, advertisers often use actors and actresses who look similar to or act similar to their intended audiences. People tend to like others who are similar to themselves because they believe that they share the same problems, form the same judgments and use the same criteria for evaluating products. Another application which advertisers use to influence audience attitudes is the so called slice of life commercial. These advertisements show typical people confronting typical problems and finding solutions in the use of the advertised brand, some examples include the advertisement of a specialised shampoo (to solve dandruff problems).

Essential attitudes of an Entrepreneur:

The following twelve attitude attributes can put one in the right mindset for achieving entrepreneurial success.

1. Have passion for the business:

Work should be fun. One's passion will help to overcome difficult moments and will persuade people to work for you and want to do business with you. Passion can't be taught. When it wanes, as it surely will in difficult times, take some quiet time. Whether it be an hour or a week, take inventory of all the reasons one started the business and why one likes being one's own boss. That should renew one's passion.



2. Set an example of trustworthiness:

People have confidence in trustworthy individuals and want to work for them in a culture of integrity. The same is true for customers.

3. Be flexible, except with core values:

It's a fact that one's plans and strategies will change as time goes on. This flexibility for rapid change is an inherent advantage of small over large business. However, no matter what the pressure for immediate profits, do not compromise on core values.

4. Don't let fear of failure hold one back:

Failure is an opportunity to learn. All things being equal, venture capitalists would rather invest money in an individual who tried and failed founding a company than in someone who never tried.

5. Make timely decisions:

It's okay to use one's intuition. Planning and thought are good. But procrastination leads one to miss opportunities.

6. The major company asset is oneself:

One should take care of oneself. One's health is more valuable than the most expensive machinery or computer software for the company. One doesn't have to choose between one's family or company, play or work. Maintain one's own health for balance and energy, which will, in turn, enhance one's outlook.

7. Keep one's ego under control:

Don't take profits and spend them on expensive toys to impress others. Build a war chest for unexpected needs or opportunities. This also means hearing out new ideas and suggestions no matter how crazy they sound.

8. Believe in oneself:

One needs to believe in one's own self, in one's company, and that one will be successful. One's confidence is contagious to one's employees, customers, stakeholders, suppliers and everyone one deals with.

9. Encourage and accept criticism graciously. Admitting one's mistakes:

One needs to constantly work on convincing one's employees that it's okay, even necessary to state their honest opinions even if it conflicts with the boss's opinion. Just stating it once or putting it in a mission statement persuade/convince most people.

10. Maintain a strong work ethic:

One's employees will follow the lead. It will also help one beat one's competition by outworking them, particularly when the product or service is very similar.

11. Rebound quickly from setbacks:

There surely will be plenty of ups and downs as one builds up the business. Learn from the setbacks and move on. One can't change the past.



12. Periodically getting out of one's comfort zone to pursue something important:

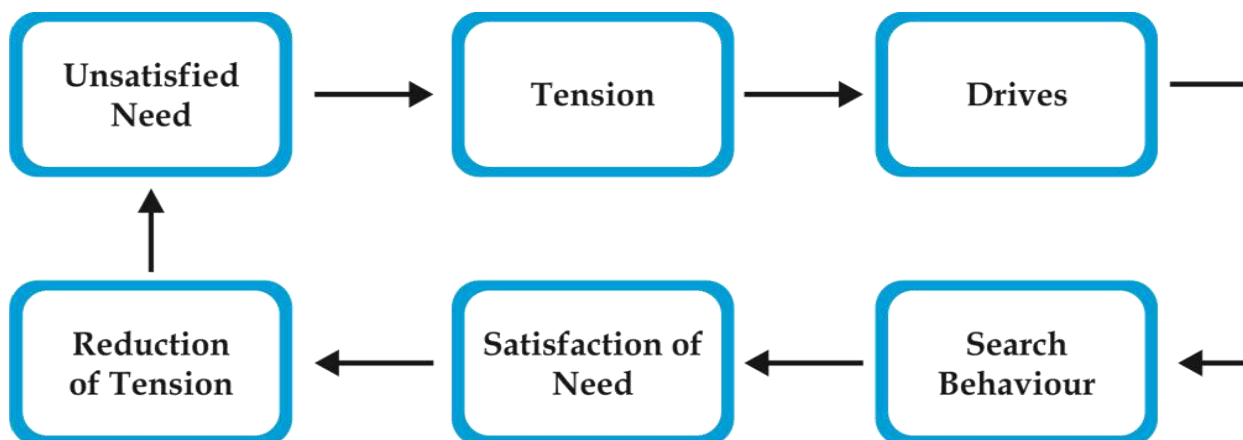
Many times one feels uncomfortable while implementing a needed change in technology, people, mission, competing, etc. For the company and one to grow personally, one sometimes has to step out of one's comfort zone.

Motivation

Entrepreneurial motivation may be defined as the process that activates the entrepreneurs to exert a high level of effort for the achievement of his/her goals. In other words, the entrepreneurial motivation refers to the drive or forces within an entrepreneur that affects his/her direction, intensity and persistence of voluntary behavior.

Process of Motivation:

Motivation is essentially a process. It can be well expressed in the form of a model.



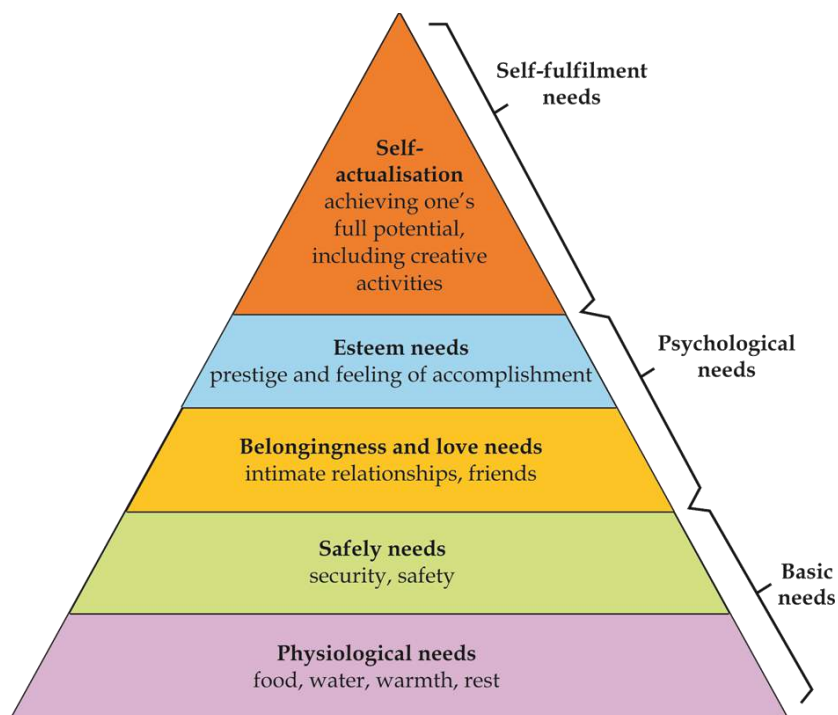
On a careful analysis of the model, it can be understood that every individual possesses an urge or a need, or a multitude of needs, desires or expectations. The unsatisfied need leads to tension within the individual and motivates one to search for ways to relieve one's own tension. That tension leads one to certain drives and searching alternatives to achieve one's goal which will eventually reduce tension.

Motivation Theories

There have been various theories of motivation which encourage an entrepreneur to continue his/her work in spite of all odds.

Maslow's Hierarchy of Needs Theory:

This theory was proposed by **Abraham Maslow** and is based on the assumption that people are motivated by a series of five universal needs. These needs are ranked, according to the order in which they influence human behaviour, in hierarchical fashion.



Physiological needs are deemed to be the lowest- level needs. These needs include the needs such as food and water.

- As long as physiological needs are unsatisfied, they exist as a driving or motivating force in a person's life. A hungry person has a felt need. This felt need sets up both psychological and physical tensions that manifest themselves in overt behaviours directed at reducing those tensions (getting something to eat). Once the hunger is sated, the tension is reduced, and the need for food ceases to motivate. At this point (assuming that other physiological requirements are also satisfied) the next higher order need becomes the motivating need.

Safety needs -- the needs for shelter and security -- become the motivators of human behaviour.

- Safety needs include a desire for security, stability, dependency, protection, freedom from fear and anxiety, and a need for structure, order, and law. In the workplace this needs translates into a need for at least a minimal degree of employment security; the knowledge that we cannot be fired on a whim and that appropriate levels of effort and productivity will ensure continued employment.

Social needs include the need for belongingness and love.

- Generally, as gregarious creatures, human have a need to belong. In the workplace, this need may be satisfied by an ability to interact with one's co-workers and perhaps to be able to work collaboratively with these colleagues.

After social needs have been satisfied, **ego and esteem needs** become the motivating needs.



- Esteem needs include the desire for self-respect, self-esteem, and the esteem of others. When focused externally, these needs also include the desire for reputation, prestige, status, fame, glory, dominance, recognition, attention, importance, and appreciation.

The highest need in Maslow's hierarchy is that of **self-actualization**;

- The need for self-realization, continuous self-development, and the process of becoming all that a person is capable of.

McClelland's Theory of Needs:

According to David McClelland, regardless of culture or gender, people are driven by three motives:

- **Achievement**
- **Affiliation**
- **Power**

Since McClelland's first experiments, over 1,000 studies relevant to achievement motivation have been conducted. These studies strongly support the theory.

Achievement:

The need for achievement is characterized by the wish to take responsibility for finding solutions to problems, master complex tasks, set goals and get feedback on level of success.

Affiliation:

The need for affiliation is characterized by a desire to belong, an enjoyment of teamwork, a concern about interpersonal relationships, and a need to reduce uncertainty.

Power:

The need for power is characterized by a drive to control and influence others, a need to win arguments, a need to persuade and prevail

According to **McClelland**, the presence of these motives or drives in an individual indicates a predisposition to behave in certain ways. Therefore, from a manager's perspective, recognizing which need is dominant in any particular individual affects the way in which that person can be motivated.

People with achievement motives are motivated by standards of excellence, delineated roles and responsibilities and concrete, timely feedback. Those with affiliation motives are motivated when they can accomplish things with people they know and trust. And the power motive is activated when people are allowed to have an impact, impress those in power, or beat competitors.

Difference between Entrepreneur and Employee

The decision to start career or lifestyle has never been easy. It takes a great deal of courage, energy, attitude and aptitude in decision making the career. There was a time when doctor's children were motivated to become doctors and an engineer's children were motivated to



become engineers, so on and so forth the career used to be decided by parents. Nevertheless, the business and service class aspired to be doctors and engineer's entrepreneurship is the idea whose time has come now, entrepreneur's repute in India stands way ahead of the professional class. Not that all can become entrepreneurs, all those who cannot be entrepreneurs for their own different reasons, now, choose other options. Service class takes up employment in different enterprise of their choice according to their aptitude. Broadly the difference between entrepreneur and employee is that an entrepreneur is the owner of the enterprise and an employee is in the service of the enterprise and both work in the interest of the enterprise. The following are the basic differences:

1. Motive:

The motive of an entrepreneur is to start a venture by setting up of an enterprise. One undertakes the venture for his personal gratification; whereas the employee's job is to render one's service in the ongoing or new enterprise set up by someone else.

2. Status:

An Entrepreneur is the owner of the enterprise, whereas an employee is the servant in the enterprise owned by entrepreneur.

3. Risk Bearing:

An entrepreneur being the owner of the enterprise assumes all risks and uncertainty involved in running the enterprise considers and thinks about one's business 24 hours, where as an employee being servant does not bear any risk, all that, can happen is one may lose one's job with or without some compensation. One thinks of one's enterprise that one is working on duty for certain hours only.

4. Rewards:

The reward, an entrepreneur gets, for bearing risks involved in the enterprise is profit or at times handsome profit, which is uncertain, where as an employee gets rewarded for one's services rendered in the enterprise as salary which is fixed and certain as per appointment letter issued. In addition, one gets a bonus as per prescribed rules and festival tokens etc. in cash or kind, sometimes on performance.

5. Innovations:

The entrepreneur himself/herself thinks over what and how to produce goods and services. One has to bear in mind about meeting the changing demands of the customers. Hence he acts as an innovator as well as a change agent, whereas employee executes the set plans as per given schedule. Thus one's job gets to meet up the targets decided by one's employees.

6. Qualification:

An entrepreneur needs to possess qualities and qualifications like high achievement motive, originality in thinking, farsightedness, risk bearing abilities and much more where as an employee needs to possess qualification as per the status in the enterprise which are



pre-set and detailed in black and white, like an accountant can be C.A/M.Com etc. and a manager may be an M.B.A. in Marketing/Finance or Human Resource etc as per the nature of the enterprise.

Intrapreneurship

An inside entrepreneur, or an entrepreneur within a large firm, who uses entrepreneurial skills without incurring the risks associated with those activities. Intrapreneurs are usually employees within a company who are assigned a special idea or project, and are instructed to develop the project like an entrepreneur would. Intrapreneurs usually have the resources and capabilities of the firm at their disposal. The intrapreneur's main job is to turn that special idea or project into a profitable venture for the company.

Also called corporate entrepreneurship. Coined in the 1980's by management consultant **Gifford Pinchot**, entrepreneurs are used by companies that are in great need of new, innovative ideas. An Intrapreneur is someone who has an entrepreneurial streak, but chooses to align his/her talents with a large organisation in place of creating his/her own. To the classic entrepreneur, this may be puzzling, but these are a growing class of 21st century 'employees'.

Smart organisations will seek out individuals who like to invent, innovate, and want to be on the front lines of change. These individuals can work independently but even more important can work seamlessly as part of an integrated team structure and also effectively embrace and embody the culture of the entrepreneur's host organisation. Intrapreneurs are most successful when management empowers and supports them and in turn the Intrapreneurs represent the best interests of their organisations, while earning the respect of corporate peers.

Why is Intrapreneurship necessary?

It is the best way to retain talented staff. Otherwise, most of them will just quit and develop these ideas on their own. It will be a win-win situation for both the organisation and the talented employee.

Google's Intrapreneurship program:

Through this Google Intrapreneurship program, all the employees are empowered and encouraged to spend 20% of their time on projects that interest them and that they think will benefit Google and their customers. The Google "Innovation Time Off" Intrapreneurship program has a formal process for their selection of entrepreneurial projects, for the formal evaluation process and the monitoring of each Google approved entrepreneurial project. For a Google employee, to participate in the program, he/she needs to submit a project proposal with a timeline.

It is critical to note that several of Google's newest products and services such as Gmail, Google news, Orkut and AdSense were all originated through this program.

In India also, Marico, manufacturers of Parachute Hair Oil, Saffola, Kaya Skin Clinic Industries have institutionalised innovation awards, where they receive 30-40 entries every year for innovations across the spectrum, including factories, brand, sales and HR, virtually covering the whole organisation. The company believes that there will be failures and unless one is ready to fail, one can never succeed.



Kinetic Engineering Limited is the flagship company of Firodia Group of companies, one of the pioneering groups in automobiles in India, founded in 1972 by **Mr. H. K. Firodia**. The company encourages employees to use their time efficiently for innovation in its upcoming products. The Kinetic Zing model of bicycle was the idea of an employee working in the corporation.

Consequences of not encouraging Intrapreneurship:

A classic case of entrepreneurs is that of the founders of Adobe, **John Warnock** and **Charles Geschke**. They both were employees of Xerox. As employees they were frustrated because their new product ideas were not encouraged. They quit Xerox in the early 1980s to begin their own business. Currently, Adobe has an annual turnover of over \$3 billion.

SUMMARY

Types of entrepreneurs

According to Danh, there can be four types of entrepreneurs:

1. *Innovative*
2. *Imitative*
3. *Fabian*
4. *Drone*

On the basis of:

1. *Business*
2. *Trading*
3. *Industry*
4. *Corporate*
5. *Agriculture*

Technology

1. *Technical*
2. *Non-technical*
3. *Professional*

Motivation

1. *Spontaneous*
2. *Induced*
3. *Motivated*

Others

1. *First generation*
2. *Second generation*
3. *Third generation*

Competency is a set of defined behaviours that provide a structured guide enabling the identification, evaluation and development of the behaviours in individual.

Entrepreneurial competencies can be broadly classified as:

- a. *Entrepreneurial*
- b. *Enterprise launching*
- c. *Enterprise managing*

Milton Rokeach has defined values as “beliefs that guide actions and judgement across a variety of situations.

Core values among entrepreneurs:

- *Innovation and creativity*
- *Independence or self-reliance*



- Respect for work
- Quest for outstanding performance or achievement

Attitude is something we individually feel about some person, work, place etc.,

Features:

- Affects behaviour
- Invisible
- Pervasive
- Acquired

Entrepreneurial **motivation** may be defined as the process that activates the entrepreneurs to exert high level of efforts for the achievement of his/her goals.

Motivation Theories:

- Abraham Maslow:

Physiological Needs-Safety needs-Social Needs-Esteem Needs-Self Actualization needs

- David McClelland

Need for Achievement- Need for Affiliation- Need for Power

An **Intrapreneur** is someone who has an entrepreneurial streak but chooses to align his or her talents with a large organisation in place of creating his or her own.

Q.1. Answer the following in about 15 words

- Who is an Intrapreneur?
- Define Entrepreneurial Motivation.
- What do you mean by competency?
- Which value provides goal direction to entrepreneurs?
- State one crucial feature of Fabian Entrepreneurs?
- 'Hero Motocorp manufactures two wheelers and provide services.' This is an example of which type of entrepreneur?
- "They are highly ambitious are normally not satisfied by slow progress in their jobs." This applies for which entrepreneurs?
- "When it wanes, as it surely will in difficult times, take some guilt time." This statement shows which attitude of an entrepreneur.

Q.2. Answer the following in about 50 words

- Why attitude is called pervasive?
- Explain any two features of attitude.
- Explain these core values:



- a) Respect for work
- b) Innovation and creativity
- (iv) Name the types of entrepreneurs according to Danhof.
- (v) What is the importance of an Intrapreneur in an organization?
- (vi) What is "Innovation time off" in an Intrapreneurship program?

Q.3. Answer the following in about 75 words

- (i) "The thoughts feelings and tendencies to behave are acquired gradually." In the light of this statement describe the sources of attitudes.
- (ii) "Attitude is not by birth; it is acquired" Explain.
- (iii) "Entrepreneurs venture to take risks but some entrepreneurs are very shy and lazy by nature." Mention the name of such entrepreneurs and explain
- (iv) "Innovation and creativity both are interrelated" Explain.
- (v) "We can appoint an employee but not an entrepreneur." Describe difference between an employee and an entrepreneur in the light of this statement.
- (vi) Differentiate between an Intrapreneur and Entrepreneur.
- (vii) Explain the following Entrepreneurial Competencies:
 - a) Persistence
 - b) Leadership
 - c) Systematic planning
- (viii) Why is systematic planning a must for an Entrepreneur?
- (ix) Define Business Ethics? Why is it important to an entrepreneur.
- (x) Explain types of entrepreneurs on the basis of use of technology.
- (xi) Explain types of entrepreneurs on the basis of motivation.
- (xii) What are the entrepreneurial values? Show by diagram.
- (xiii) "Human beings require respect in the society." Explain the esteem needs in the Maslow - Hierarchy of Needs Theory.
- (xiv) How competency in creativity and innovation helps an entrepreneur meet the challenges of a situation?
- (xv) Do you think Intrapreneur is necessary for an organisation? Support your answer with strong reasons.



Q.4. Answer the following in about 150 words

- (i) What do you mean by entrepreneurs? Mention the types of entrepreneurs.
- (ii) Motivation is a process, explain by a model.
- (iii) "Entrepreneurs cannot survive and grow without fulfilling the ethical responsibilities of the society." Explain.
- (iv) Explain in detail the McClelland Theory of Motivation.
- (v) Explain the types of business entrepreneurs.
- (vi) Explain any four entrepreneurial competencies
- (vii) Explain features of attitudes
- (viii) How do systematic planning and persistence help entrepreneurs become effective leaders?

Q.5. Answer the following in about 250 words

- (i) Explain any six essential attitudes of an entrepreneur
- (ii) Explain Maslow's Theory of Motivation
- (iii) Differentiate between an entrepreneur and an employee
- (iv) "Competencies is a set of defined behaviors." State the types of competencies required by an entrepreneur? Explain.
- (v) "Entrepreneur's decisions can strengthen or seriously weaken a firm's future business viability." Discuss this statement in the light of necessity of ethics for society and development of business.

Q.6. HOTS: (High Order Thinking)

- (i) The government launched a programme for pollution free zones and provides financial assistance to entrepreneurs. By inducing such assistance, Ms. A was induced to enter into entrepreneurship. This included in which category? Explain.
- (ii) What are the basic differences between Maslow's and McClelland's Theory of Needs?
- (iii) "An entrepreneur who is fulfilling the ethics and moral responsibility towards society is an asset for society and should be survive and grow." Explain.
- (iv) "Many problems are bound to come in the path of progress, Ratan Tata shifted the manufacturing plant for Nano Cars from Singur to Sanand due to unforeseen complexities". Which type of competency is shown here? Discuss.
- (v) "Raju is a 16 year young boy, working hard to earn his living. He also tries to save some part of his earnings to acquire basic education". He falls in which level of Need as propounded by Maslow in his Motivational Theory?



Q.7. Application based exercise:

Read the following story

A young man was passing through a site of construction. He saw three labourers working at the site. He went to one of them and asked "What are you doing here?" The worker answered, "Don't you see? I am making out a living. I am working to earn."

The young man moved towards the second man and asked him the same question.

Pat came the reply "Don't you see? I am constructing a wall".

The young man moved towards the third man & repeated the question.

The labourer replied "Don't you see? I am building a beautiful mansion".

Answer the following questions:

- A. All the three were doing the same work, then what differentiates them?
- B. What is important to do a piece of work effectively and efficiently?
- C. Whose answer reflected a positive attitude?

Q.8. Activities:

- I. Collect articles about entrepreneurs from newspapers and magazines. Have students read the article and answer the following questions:
 - How did the person get the ideas for the venture?
 - What is the unique selling point of the good or service?
 - What risks did the person take?
 - Did this person have a mentor or "angel"?
 - Did the person face any obstacles?
 - Does this person have competition?

Group activity

- II. Ask the class to form small groups of about 8 persons to work on ideas for ethical decision-making. Provide them with information about a business to use for the activity. This could be a local business, a business idea of your choice or theirs, or a business plan sample that they have been working with in the class. Ask each group to do the following:
 - (i) Identify problems the entrepreneur might encounter in running his/her business in an ethical manner.
 - (ii) Develop a 10-point code of ethics for business.



- (iii) Discuss policies and procedures appropriate for this business that would support the code of ethics.
 - (iv) List as many ethical problems as possible that might be faced by employees during a normal work day. Discuss the possible solutions for the problems. Consider how a procedure guide might help employees to make the best decisions.
 - (v) Members of the group should then role-play the process of handling an ethical issue with a customer, with a supplier, with a competitor, and with the son of the owner. Discuss the results of the role-playing exercise. If necessary students may want to modify their code of ethics at this time.
 - (vi) Each group should present their code of ethics to the class and discuss major outcomes.
- III. Your code of ethics will apply to all types of business operations including the following. What others can you add to this list?
- Handling cash and checks from customers
 - "Negotiating" special prices for a friend without permission
 - Accepting gifts from suppliers and business associates
 - Selling damaged merchandise
 - Warranties on products
 - Merchandise return policies for customers
 - Returning merchandise to suppliers
 - Handling shoplifters
 - Accounting procedures for cash sales
 - Employee theft
 - Insurance coverage adequate to protect the business and employees
 - Supporting your advertising promises
 - Checking in merchandise when received from suppliers
 - Keeping the premises clean and free from harmful substances or germs.
 - Handling employee performance problems
 - Telling customers the truth
- IV. Find examples of what innovative entrepreneurs, imitative entrepreneurs, Fabian entrepreneurs and Drone entrepreneurs.
- V. Prepare a presentation through any medium for types of entrepreneurs according to the business.



- VI. Write an article for a newspaper about the first, second and third generation of entrepreneurs with suitable examples from your city.
- VII. Design a poster explaining Maslow's Theory and relate it to your favourite entrepreneur.
- VIII. Select in group/individual to research on the CSR activities and its impact of the selected MNC/Local from the following MNC's and Local companies

Times have changed and so have the objectives of the MNC's and big industrial houses whose onus though primarily remains wealth maximisation, also focus on philanthropic activities as they have realised the importance of social support to successfully run their organisation. They now focus on fulfilling their Corporate Social Responsibility (CSR).

Given below are some prominent MNC's and local Companies of India. Select any one from the given list, though the list is not exhaustive, and do a detailed study and research about their activities beyond business i.e. activities for social welfare. Also study the impact of these activities on the internal working environment and its goodwill in the business world. Example: How was the goodwill of Infosys adversely affected when one of their directors was named in a scandal; how did the market shares of P&G react from the time they started the drive "*padhega India tabhi to bhadhega India*" and many more such examples to choose from.

This activity can be performed individually or can be conducted in a group.

- WIPRO
- INFOSYS
- BHARTI
- NTPC
- TATA
- HCL
- PEPSI
- Mc DONALD'S
- COKE
- RELIANCE
- PROCTOR & GAMBLE

Teacher can add more to this list.