**CHAPTER ONE**

**CONCEPTS IN ENTREPRENEURSHIP**

**Introduction**

The understanding of entrepreneurship owes much to the work of the economists Cantillion (1775), Baptiste Say, Ludwig Von Mises, Clark, Marshall and Von Hayek till the end of the 19th century. Adam Smith and David Ricardo believed in capitalism but not the existence of entrepreneurship. The concept of entrepreneurship has a lot to do with how several activities are carried out in an organization for effective operations. The concept of entrepreneurship has been subjected to different definitions by different people depending on the context of usage. However, Joseph Schumpeter (1934) writings gave credence to the definition of entrepreneurship by his emphasis on “new combinations” of factors of production that leads to technological change, in other words “innovation”. The core of entrepreneurship is innovation while the core of innovation is creativity. Remove innovation from entrepreneurship, it becomes normal, conventional or traditional activities in terms of products and services. Kilby (1970) described the deplorable condition estimably, when he associated defining entrepreneurship to hunting ‘heffalump’, the fiction animal. Entrepreneurship, like heffalump, has been hunted by many entrepreneurial researchers with diverse trapping devices, but none has succeeded in catching him. Those who claim to have sighted him reported that he is enormous, but there is no consensus on his exactitudes. This analogy set researchers on the task to find a solution to this conflictual concept.

**Misperceptions about Entrepreneurship**

**T**here is certain misperception about entrepreneurship that makes the understanding to be unclear. If the perception is wrong, the outcome will be wrong. Hence the need for some clarifications.

Entrepreneurship is not vocational education, business studies, skills acquisition, technical work or craftwork. It is neither all about self-employment, proprietorship, petty trading, zealous trading, buying and selling nor oil and gas merchants. It is not about motivational speaking, training or seminar organisation. It is not a synonym for small businesses or Small and Medium Enterprises (SMEs) among others. Entrepreneurship is not a life-long title, as soon as a firm stops innovation, it stops being entrepreneurial thence it is no more entrepreneurship.

**Entrepreneurship**

Entrepreneurship is a multidisciplinary course. It can be found in any discipline e.g. Medicals and health, education, agriculture, business and so on. It is an agent of growth as it stimulates life into any business or economy where there is deadness. In defining entrepreneurship some authors focused on entrepreneurial firm (Carland, Hoy, Boulton & Carland, 1984); entrepreneurial process (Gartner, 1985); entrepreneurial phenomenon (Brockhaus, 1987); entrepreneurial behavior (Bird, 1989); the entrepreneurial event (Bird, 1989); or entrepreneurial activities (Gartner, 1989).

As more research was intensified, Gartner in 1990, found eight themes in scholars discourse on entrepreneurship definition: the entrepreneurs. Innovation, organisation creation, value creation, profit or non-profit, growth, uniqueness and owner-manager. However, in 1994, Morris, Kuratko and Covin made a critical review of 77 definitions of entrepreneurship from reputable journals and prominent textbooks that have achieved global acceptance between 1982 and 1992.

Table 1: Key terms identified in content analysis of seventy-five contemporary studies

|  |  |
| --- | --- |
|  | Numbers of mentions |
| * Starting/founding/creating | 41 |
| * New business/new venture | 40 |
| * Innovation/new products/ new markets | 39 |
| * Pursuit of opportunity | 31 |
| * Profit seeking/ personal benefit | 25 |
| * Risk-taking/risk management/uncertainty | 25 |
| * New combinations of resources, means of production | 22 |
| * Management | 22 |
| * Marshalling resources | 18 |
| * Value creation | 13 |
| * Pursuit of growth | 12 |
| * A process activity | 12 |
| * Existing enterprise | 12 |
| * Initiative-taking/ getting things done/ proactiveness | 12 |
| * Create change | 9 |
| * Ownership | 9 |
| * Responsibility / source of authority | 8 |
| * Strategy formulation | 6 |
| (\* Terms receiving five or more mentions\*) | |

Source: Morris et al, 2012 p.11

Table 1 showed the eighteen keywords with the numbers of mentions. On one hand Stoke, Wilson and Mador (2010) found eight common features in the definitions of entrepreneurship:

The environment within which entrepreneurship transpire; The people involved; creation of new organisations; entrepreneurial behaviours displayed; opportunities discovered and exploited; innovation ; risk assumed at personal, organisational and societal level; value-addition to improve standard of living of the masses.

There are similarities in all these findings, summarily, Stoke et al., (2010:8) argued that there is no one way definition but can be defined in terms of:

1. Behaviours required of entrepreneurs
2. Processes undertaken by entrepreneurs
3. Outcomes of entrepreneurship

As long as the key components are included. Thus, they concluded that entrepreneurship is a societal phenomenon or process of change, comprising these three behavioural components:

1. The identification, evaluation and exploitation of opportunities.
2. The management of a new or transformed organisation so as to facilitate the production and consumption of new goods and services.
3. The creation of value through the successful exploitation of new idea.

From the above argument, here are some definitions of entrepreneurship in table 2.

**Table 2: Selected definitions of entrepreneurship**

|  |  |
| --- | --- |
| **Authors** | **Entrepreneurship…………** |
| Kirzner (1973) | consists of the competitive behaviours that drive the market process. |
| Gartner (1988) | is the creation of new organisations. |
| Walter (1989) | is the act or process of identifying business opportunities and organizing to initiate a successful business. |
| Stevenson & Jarillo (1990) | is the process by which individuals- either on their own or inside organisations -pursue opportunities without regards to the resources they currently control. |
| Wennekers &Thurik (1999) | is the manifest ability and willingness of individuals, on their own, in teams, within and outside existing organisations: to perceive and create new economic opportunities and to introduce their ideas to market, in the face of uncertainty and other obstacles, by making decision so n location, form and the use of resources. |
| Venkataraman, 2000:120 | ‘seeks to understand how opportunities to bring into existence “future” goods and services are discovered, created, and exploited, by whom and with what consequences’ |
| Olokoyo (2000) | is the willingness and ability of an individual or group of persons to search for investment opportunities, establish and run a business and successfully. In other words, entrepreneurship is the practice of starting new business in response to identified opportunities. |
| Hisrich and Peters (2002) | is the process of creating something new of value by devoting the necessary time and effort, assuming the accompanying financial, psychic and social risks, and receiving the resulting rewards of monetary and personal satisfaction, and independence. |
| Igwe (2002) | to is the process of bringing together creative and innovative ideas and coupling these with management and organisational skills in order to combine man, money, machineries and other resources to meet an identified need and thereby create wealth. |
| Davidsson (2003:47) | is the behavior undertaken in the process of discovery and exploitation of ideas for new business ventures.” |
| [Davidsson (2005](#_ENREF_168)) | the introduction of new economic activity that leads to change in the market place. |
| Madueke (2007) | is the willingness to think conceptually and the capacity to see change as an opportunity |
| Abubakar (2009) | ‘the discovery, creation and exploitations of new market opportunities by small firms, through an economic process that is context -dependent’ |
| Adeyeye (2018) | the introduction of a ‘new’ economic activity that leads to change in the market place in order to improve the standard of living of the people and earn an entrepreneurial profit. |

Source: Author, 2018

Table 2 gives some prevailing definitions of entrepreneurship but not limited to these. Thus, entrepreneurship is a phenomenon that is related to entrepreneurial activity. These entrepreneurial activities is spear-headed by an individual that is called the ‘entrepreneur’.

**The Entrepreneur**

The word entrepreneur literally means a business person, promoter or commercial intermediary. The earliest usage of the term ‘entrepreneur’ is recorded in 17th century in the French military history. The term entrepreneur comes from the French verb “entreprendre” and the German word “unternehem” which is interpreted to mean “to undertake”. It refers to persons who undertook to lead militant expeditions. Richard Cantillon, an eighteenth century Irish, living in France is credited with the first to use the word “entrepreneur” in a business context, as someone who buys goods at certain prices with a view of selling them at uncertain prices in the future and by so doing bearing an uninsured risk.

Entrepreneur is the label usually given to someone who creates a new business activity in the economy by introducing a new product or creating a new market or managing resources in order to bring about something novel. The uniqueness of an entrepreneur is the creative and innovative economic activities. Schumpeter, one of the twentieth century economists described an entrepreneur as the central actor in the process of change. He further said that an entrepreneur is a person who is willing and able to convert new ideas into a successful innovation.

The entrepreneur is a specialist who uses judgement to deal with novel and complex problems (Casson, 1982). He seeks to generate value, through creation or expansion of economic activity, by identifying and exploiting new products/services, processes or markets (Stoke et al., 2010). The entrepreneur undertakes the act, art and science of entrepreneurship. He is identified by the entrepreneurial functions he performs (functional perspective) by interacting with the environment. This perspective has the preference for the individual’s actions, that is, what he does. Entrepreneurs are doers and not dreamers. They are change agents because they cause changes to occur. Some also assume that they can be identified by their traits (personality perspective), who he is, that is, what makes him ‘tick’. Certain characteristics such as high need for achievement, internal locus of control, boredom by routine, risk-taking, dogged determination with perseverance and self-efficacy and others are demonstrated. This personality trait has been subjected to a lot of criticisms till date. Also, the entrepreneur can be identified by his behaviour (behavioural perspective), that is, the functions, activities and actions as related to perception of opportunities and creation of organisation. The dynamic learning perspective combined entrepreneurial behaviour with the effect of the environment and the ability to learn and adapt has the business grows in discovering an entrepreneur. This has more implications for an entrepreneur in an established large organization.

In the management school context, an entrepreneur is the promoter who uses other people’s capital to exploit opportunities. The economic school of thought asserted that an entrepreneur is the one that brings together the factors of production with the provision of management and the bearing of risks associated with the venture which is subjected to high criticism in modern times.

Schumpeter (1934) referred to an entrepreneur as one that forces ‘creative destruction’ across market and industries by its innovation. Peter Drucker submitted that an entrepreneur is the only one who always searches for change, responds, and exploits it as an opportunity. Glueck (1987) defined an entrepreneur to be an individual who creates a new firm and continues to manage it until it is successful. Mukufa (1981) described an entrepreneur as that person who organises human and material resources for the production of goods and services. He further said that the entrepreneur alone bears the no-insurable risks in his enterprises.

Moreover, an entrepreneur is a person who identifies business opportunities and organizes required resources to initiate successful business activity. The national commission on entrepreneurship defines an entrepreneur as one who takes risks to start a business, works tirelessly to fulfil his visions, foresees a change, and develops new product to take advantage of the change, uses innovations in technology or processes of marketing to take them in new directions, and his committed to growth as far as the market place allows. An entrepreneur is a naturally born or environmentally taught individual that starts a process or manifests itself at various time, at different business configurations. It is quite common for such individuals to be envied or unpopular because their contributions are not often appreciated. The case of Joseph in the bible is an example.

Summarily, an entrepreneur is a creative person who is willing and able to convert valuable new ideas into a successful **innovation** but often outside organizational bureaucracy with some degree of freedom to pursue his unconventional ideas.

**Entrepreneurship Motivations**

The motivations for individual’s involvement in entrepreneurship can be perceived in two ways - opportunity-driven and necessity-driven entrepreneurship. Necessity-driven entrepreneurship is described as “man-must-live” or “last resort” entrepreneurship. It is the entrepreneurship that an individual undertakes entrepreneurial project out of need, poverty, unemployment, under-employment, pressure from families and friends, or other social disasters, when all other options are absent or unsatisfactory among others. Opportunity-driven entrepreneurship is the opposite of necessity-driven entrepreneurship. It is a situation when an individual chooses to dive into entrepreneurship because of his traits, skills, interest, and knowledge or identified opportunity. An individual may abandon his juicy and well-paid employment to be involved in entrepreneurial activities in order to exploit a perceived business opportunity. However, as the economy improves, the necessity-driven entrepreneurship gives way to opportunity-driven entrepreneurial activity known as ‘U- curve’ hypotheses. Global Entrepreneurship Monitor (2017) reported that Opportunity-driven entrepreneurs are more dominant in high-income countries while necessity-driven are more in low-income countries (See GEM annual report for statistics).

However, the result of GEM (2008) indicated that young people tend to be more involved in entrepreneurial activity in every country regardless of the level of GDP per capita. Activities differ depending on age group and level of education. In low-income countries, most people who contemplate entrepreneurship have not completed secondary school while in high-income countries education seems to be as positively related to business start-ups. For instance, in high income countries 57% have post-secondary degree, 38% in middle-income countries and 23% in low income countries. Entrepreneurship involves initiating changes. The phase of entrepreneurial activities in an economy has a great impact on the motivation for entrepreneurship.

**Phases of Entrepreneurial Activities**

The level of entrepreneurship in an economy depends to an extent on the phase of its economic development. The phase of entrepreneurial activities can be prominently explained by Todaro and Smith (2006) that at the early stages of economic development, the primary sector (subsistence agriculture and mining) dominate employment and output, later there are shifts to the secondary (industrial) sector and finally, the tertiary (services) sector becomes the largest in the economy and source of employment.

GEM (2018) highlighted three phases of economies: the factor-driven; Efficiency-driven and innovation-driven. The factor-driven economies are countries with low levels economic development that relies on the primary sector, that is, agriculture. Later extractive industries (like mining, oil and gas) emerge and growth commences but the cravings for job in this sector leads to over-supply of labour. Opportunities arises as people started self-employment. Various institutions and infrastructure, macro-economic stability etc. are put in place which led to the secondary sector or second phase, industrialisation and the growth of manufacturing and commerce. This is the efficiency-driven economies which is opened up in supply chains, and available opportunities for entrepreneurial new venture and small businesses. There will be market efficiency, technological trajectory and trainings. The third is the tertiary sector, that is, services (general, professional, ICT, technological etc.) that accommodates the knowledge economy. This is the ‘innovation-driven’ economies, an environment for genuine innovation enhances entrepreneurs search for opportunities to compete with the key-players in the economy. At this instance, there will be entrepreneurial finance, education, government support, infrastructural policies and regulations that will boost the technological base.

**Degree of Entrepreneurship**

Every organisation, no matter how conventional has an element of entrepreneurial behaviour. The degree of entrepreneurship depends on the combination of **innovativeness** in terms of the type of innovation they are engaged with; **risk-taking** (that is, the higher the innovation, the higher the risk) and **proactiveness** (that is, the acting on the environment rather than reacting to the environment with a focus on implementation with taking responsibility to bring innovation to reality) involvement of the firm. The degree can be low, moderate or high. Low level of entrepreneurship has no impact on the economy.

**Frequency of Entrepreneurship**

The number of times entrepreneurial events takes place within a firm over a given period of time. Low frequency means less entrepreneurial initiatives.

**Intensity of Entrepreneurship**

The assessment of overall level of entrepreneurship in a firm is the combination of the frequency and degree of entrepreneurship.

**Corporate Entrepreneurship/ Intrapreneurship**

Corporate entrepreneurship or intrapreneurship is the introduction of entrepreneurship into an existing corporate organisation. It is the firm’s effort at renewal through innovation and business development through venturing for sustainability and competitive advantage. It is the act of turning new ideas into profitable realities in an existing organisation. It makes an entrepreneur to function as an employee rather than an employer in order to salvage the firm from death by introducing entrepreneurial activities into the venture. This entrepreneur is referred to as ‘intrapreneur’ or ‘champion’. He is a person who focuses on creativity and innovation, and transforms a dream, vision or an idea into a profitable venture within the structure. He could explore either corporate venturing or strategic entrepreneurship as the means of bringing innovation so as to convert the firm into an entrepreneurial organisation. Entrepreneurship is developmental while intrapreneurship is restorative. Entrepreneurs start businesses but intrapreneurs revitalize to counter stagnation.

**Entrepreneurship culture**

It is the introduction of a way of life that encourages entrepreneurship among all cadre of employees and every facet of the organisation. It is a culture that promotes and rewards creativity and innovation in an organisation. It breaks every bureaucracy and conventions for a favourable environment. It inculcates entrepreneurship concept in its mission, moment and life in the firm.

**Creativity**

Creativity is the starting point of entrepreneurship concept. It is the core of and foundation on which innovation stands. It is the predecessor of any invention. It is idea generation that must be new, valuable and useful. The ideas could be generated through proper imagination and use of initiative to identify and fill the existing gap, by seeking solution to identified problem, through previous experience, knowledge of industry and market structures, new knowledge acquired, personal change in perception, observations, survey, internet, inspiration, brainstorming and so on.

**Invention**

Literally speaking, invention means creation or origination. It is bringing into existence something completely new to the world. Invention is the act of developing, designing or creating something, a new theory, system, style, method, machine or process that did not exist before. Invention is a focused application of the human mind to the world that yields an original creation with practical use, that is, technological. Invention is not a linear process, from idea to product to economic impact. Invention is a complex interaction between human creativity, technology and the market place. The consequential effect on the environment makes invention to be referred to as disruptive innovation, radical innovation or breakthrough innovation. Inventions are patentable but patent does not necessarily make it an invention.

**Innovation**

The onset of innovation is creativity. Innovation is the successful implementation of the generated creative ideas. Innovation is the heart of entrepreneurship because without innovation there is no entrepreneurship. In order to categorise any form of business or sector as entrepreneurship, there must be innovation. Innovation literally means renovation or variation. It is the successful implementation of creative ideas within an organization. Innovation is deviating from the norm and doing it ina new and different way to make life better for the populace. Hellriegel, Slocum and Jackson (2005) also described innovation as the process of creating and implementing a new idea, which can take different forms. At the core of Schumpeter’s theory of entrepreneurship is the concept of ‘innovation’, through which he initiated a strong connection between entrepreneurship, technological development and economic progress ([Schumpeter, 1996](#_ENREF_555)). He identified five dimensions of innovation as new ‘combinations of the factor of production’ by an entrepreneur in reforming or revolutionizing the pattern of production:

*1) Introduction of new or improved products/services (Product innovation);*

*2) Introduction of new or improved methods of production (Process innovation);*

*3) Opening of new market (Market innovation);*

*4) Identification of new sources of supply of raw materials (Resource innovation); and*

*5) Creation of new ways of organizing businesses (Organisational innovation).*

Any form of entrepreneurship will automatically fall into any of these dimensions of innovation.

In the lay man’s language, innovation is doing old things in new ways. Innovation is not complete until it is accepted in the marketplace (Mitra, 2012). Inventors and innovators have piloted a number of the greatest successes of the development movement.

**Level of Newness**

Newness is very significant in entrepreneurship. When referring to “new” in Schumpeter terms of innovation. It refers to i) New to the world product/services; ii) New to the market or environment products/services; iii) New to the firm products/service lines; iv) additions to product/service lines; product improvements/revisions; v) New application for existing products/services; vi) repositioning of existing products/services and cost reduction for existing products/services.

**Modes of Innovation**

A firm that does not innovate will die due to the competition within the industry and also globally. There are four ways a firm can be innovative to fall into Schumpeter’s dimensions. The first two are of higher degree in innovativeness, risk-taking and proactiveness which can significantly affect the national economy positively.

1. Invention or revolutionary innovation /discontinuous innovation / radical innovation / breakthrough innovation/ disruptive innovation: These terms means the same thing. This results in products or services that address a gap that that has not been addressed before. An untried technology that is new to the world and change the customers’ way of dealing with the issue. Example is airplane.
2. Dynamically continuous innovation or synthesis: Dramatic improvement over the existing product/service or combining two or more features. Example a laptop.
3. Continuous innovation or incremental innovation / a step-at-a-time innovation/ extension: Improvement on an existing product by adding a feature to make it different from others. Example is 50cl of soft drink aside the 35cl.
4. Imitation or duplication: The copying, adapting, or mimicking the innovation of other forms. Example Dell imitating HP printers.

**Creative Destruction**

Appropriate innovation leads to creative destruction. A concept introduced by Schumpeter where existing products/ service are rendered obsolete due to the introduction of a new one. People tend to go for the newest as against the old. Innovation is a force when accepted in the market place.

**Small -Scale Business**

Small and medium businesses have no standard definition globally and worse off in Nigeria, different bodies have different definitions, but the usual indices are number of employees, annual sales/turnover, working capital, profitability, and total assets in particular. A small business can be viewed as a business with a few number of employees. The legal definition of "small" often varies from country to country and industry to industry, but is generally under 100 employees in the United States while under 50 employees in the European Union.

The American definition of medium scale business by the number of employees is generally under 500 while 250 in the European Union. For instance, in United Kingdom, the Economists Advisory Group classified small scale business according to industry in terms of net assets and turnover ranging between $20,000 to $25,000 in net assets and $50,000 to $500,000 in business turnover. Onuha (1994) submitted that a small-scale business is one whose total assets in capital equipment and working capital are less than N250,000 and employing fewer than 50 persons. The Central Bank of Nigeria (CBN) stated that small business unit is that which capital investment does not exceed N5m including land and working capital or whose turnover is not more than N25m annually (Monetary Policy, 1991). The Small and Medium Industries and Equity Investment Scheme (SMIEIS) postulated Small and Medium Enterprises (SMEs) as any enterprise with a maximum asset base of N200 million excluding land and working capital and with the numbers of staff employed not less than 10 or more than 300.

Moreover, the National Council on Industry (2002) described small business unit as any business whose total investment including working capital but excluding cost of land is above N1.5m but not exceeding N50m and with a workforce of 11 to 35 people. Finally, according to The Small and Medium Development Agency of Nigeria (SMEDAN) (2003) the Micro, Small and Medium Enterprises MSMEs standard as stated below:

* Micro enterprises are those with assets not more than N1.5m and not more than 10 employees.
* Small enterprises are those with assets not more than N50m and not more than 100 employees.
* Medium enterprises are those with assets not more than N200m and not more than 300 employees.

Micro enterprise ≤ 10 employee’s ≤ N 1.5m assets

Small enterprise ≤ 100 employee’s ≤ N50m assets

Medium enterprise ≤ 300 employee’s ≤ N 200m assets

These businesses are normally privately-owned companies, partnerships, or sole proprietorships. Small businesses are common in many countries, depending on the economic system in operation. Typical examples include convenience stores, other small shops (such as a bakery or confectionaries), hairdressers, tradesmen, solicitors, lawyers, accountants, restaurants, guest houses, photographers, small-scale manufacturers etc. Small businesses are usually independent. The small businesses, often located in private homes, are called micro businesses (the term used by international organizations) operated with few (or no) employees other than the owners. When judged by the number of employees, the American and the European definitions are the same i.e. below 10 employees.

**Social Entrepreneurship**

It is one of the new forms of entrepreneurship. It is a way of reducing poverty through the power of an enterprise. It is entrepreneurship that emanated out of passion for the disadvantaged and suffering masses. Entrepreneurship for social and not commercial ventures, emphasizing that life is not all about money but on impacting lives. It involves bringing innovation into social ventures. Such enterprise can be undertaken by private, public, individuals, or group. Often, Non-Governmental Organisations (NGOs) are supposed to be drivers of the initiatives but not all NGOs are social entrepreneurship. Such enterprises are to fill the gap that both the economic and political institutions have not been able to satisfy. They deal with the provision of social amenities such as infrastructure, humanitarian services, health, gender, and education and so on. It is the use of commercial initiatives to solve societal social problems. It is the employment of creativity and innovation to solve unmet social needs of the people. It is a business with primarily social objectives whose surpluses are mainly invested for the social purpose. It could be completely not-for-profit or for-profit for sustainability and growth but not to maximize profit for stakeholders sharing.

**Enterprise**: is the heart of successful innovation. It is the activity of creating business and managing it. An enterprise can also be described as a form of business organisation for economic activity and a legal entity.

**Enterprising:** is the willingness to try or think of new or different ideas or methods. An enterprising business will be engaged in entrepreneurial activity and will be striving to increase its competitiveness.

**Enterprise zone:** is an area where the government encourages new business to start by providing lower taxes and other financial advantages.

**Management**

Management involves the application of management functions such as organising, planning, budgeting, communicating, staffing, human resource management, leading, controlling, directing and co-ordination of a successfully initiated or on-going business. It is ‘the process and maintaining of an environment in which individuals working together in groups, efficiently accomplish selected aims’ (Weilrich & Koontz 2005:4). It is the act of getting things done through others because they want to do it.

**Re-engineering**

It is the fundamental re-thinking and radical redesigning of business processes to achieve dramatic improvements in critical contemporary measure of performance such as cost, quality, service and speed. Kerry (1999) stated that re-engineering emphasizes quality better than the previous ones. In a dynamic and competitive environment, there is need for update in business to cope with modern challenges. Re-engineering is futuristic, giving the future needs of a venture as its focal point rather than reacting to the already existing phenomenon.

**Social Responsibilities:** An enterprise should not be established solely to own all its profit but ploughs back a portion of the profit to the community or society of operation. It assumes the responsibility for and to assist the community in solving some pressing issues. It is a reaction to social issues by accepting responsibility or interventions for programs such as environmental pollutions like air, water, land and sound; truth in advertisement, donations to orphanages centres; scholarships; sports and games; adult literacy centres etc. Organisations involved are usually free from tax payment and the project undertaken advertises them for more patronage.

**Vision:** This is the present or future image in the minds of the entrepreneur on how the organisation would be and what it should achieve. It is the pictorial mind-set of what the venture will look like. It is the conceptualization of the idea that leads to the conception of the enterprise. It is the expression of the internal motivating factor or inner drive that propels the establishment of the venture.

**Mission/Purpose Statement:** It is the statement of the reason for the existence of the organisation values. What the organisation stands for and stands on, that is, conviction. It is the public statement on behalf of the organisation which sets out its raison de’etre in terms of customers’ needs, and manner in which it will be met; its intentions towards stakeholders and rallying point for everyone working in the organisation. It is usually broad in outlook.

**Organisation culture**: Refers to the ways of life in an organisation. They are written or unwritten acceptable code of conduct such as dressing, manners, relationship with the opposite sex, among colleagues, the management etc.

**Business Angel**

The dictionary defines an angel in two perspectives, a messenger of God or a kind person. Angels exist in spiritual realms and also in every sphere of life. Business angels are usually high-worth (net worth individuals with immense access to funds wealth or immeasurable connections capable of waking a business on the brink. **Angel** is an individual who enjoys seeing a business grow, watching a start-up venture mature by directly investing into it, receiving an equity stake, and often act as a business adviser to the founder. They can also bring valuable skills and contact to a business. Another group of angels also do not have the physical cash to invest in a business but they control so much respect that their involvement in your business or an ordinary mention of their names in a business transaction is enough to do wonders. Business angels also work with others where a larger sum is required for business in a syndicated programmed. Business Angel is a serial investor who will make more than one investment in a year. Once he believes in a business he can invest at any stage of the business. Sometimes a business angel’s strong belief in a business can propel the business from a possible failure to an instant success. Two important examples of business angels known worldwide are Warren Buffet and Richard Branson. There are some distinguishing traits of an Angel – (i) Accept lower returns than a capitalist when involved in an enterprise. (ii) Minority shareholders to avoid being a threat to the business control. (iii) Make longer-term investments but easy exit route from a venture capitalist. (iv) Make quick investment decisions that will save money and time. (v) Hardly make more than one investment in a business at a time. (vi) Invest their skill actively or connection where they are needed.