

Chapter 6

Entrepreneurship Without Innovation Is Unsustainable

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ABSTRACT

Entrepreneurship has some element of innovation to begin with; however, the meeting of the market gap demands innovative gesture allowing for the vibrance of entrepreneurial entry into the market. Even though the essential market entry is influenced by creative propositions, it has in recent times become subjected to the question of if it is not sustained by innovation, will it cease to be competitive? This chapter will focus on the understanding of entrepreneurship and its benefits, innovation and its benefits, as well as relevant theories to the subject.

INTRODUCTION

Entrepreneurship refers to the identifications of opportunity as well as risk undertaking while undertaking resource mobilisation with a view of profit making. Nonetheless, the sustainability of the enterprise has been linked to the level of innovation in the enterprise. This indeed will indicate how vibrant the enterprise becomes (Scarborough & Cornwall, 2016). Innovation on the other hand refers to creativity that one creates and the way one becomes a combinator in the world one is dealing with (Sawyer, 2013). Innovation refers to creativity and the ability to develop creative thinking which indeed progresses the plot of an entrepreneur's initial endeavours. Though the identification of an opportunity is entrepreneurial, its vibrance is gradually dependent on the vibrancy of its continued existence through innovation. This

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leads to without doubt new product developments and thus creating a competitive advantage for the enterprise.

Entrepreneurship leads to the identification and allocation of resources in the fulfillment of gaps in the market. In the process new goods, knowledge, and processes are brought to the market place (Szirmai, Naudé & Goedhuys, 2011). One of the things associated with entrepreneurship is the managerial function which then leads to deliberate innovation efforts (Turay, 2017).

In addition to the above, entrepreneurial driving forces include the option of choosing between opportunities- and necessities-based enterprises (Stephan & Erker, 2015). It is also known that many people tend to become entrepreneurs due to jobless situations or unemployment. The main purpose of necessity-driven entrepreneurs is for survival, unlike opportunity entrepreneurs. Nonetheless the other option is related to opportunity identification, which can be exploited based on profit making. Alongside this is the motivation of the recognition status and income to become an entrepreneur. Although not every entrepreneur can be guaranteed a high income, on average entrepreneurs earn more than others and with that comes a high and reputable social status (Scarborough & Cornwall, 2016).

It is an understood fact that independence can be enjoyed by entrepreneurs. Independence is related to the ability to control one's life, family time and personal time. Entrepreneurs have a growth ambition factor, and they are known to undertake risks others won't. Therefore it can be concluded that entrepreneurs enjoy the benefits of growing their enterprises and having the satisfaction through learning and achieving business acumen by continuous innovation.

Innovation on the other hand is thought to be the result of creativity and often conducted in the association within research and development laboratories (Turay, 2017). The gaining of a competitive advantage is associated with innovation. The development and improvements of products is one of the key aspects of innovation. One important aspect is the minimizing of costs while increasing profits associated with innovation (Dawid, Decker, Hermann, Jahnke, Klat, König & Stummer, 2017). Business sustainability or survival is another reason for innovation. The sustainability and longevity of business into the future is the purpose of business. Nonetheless, whether entrepreneurship or innovation, there is a common bottleneck impacting both of them, which is sustainability.

Entrepreneurship has some element of innovation to begin with however the meeting of the market gap demands innovative gesture allowing for the vibrance of entrepreneurial entry into the market. Even though the essential market entry is influenced by creative propositions, it has in recent times become subjected to the question of if it is not sustained by innovation whether it will cease to be competitive.

This chapter focuses on the understanding of entrepreneurship, its benefits, innovation and its benefits, as well as relevant theories on the subject.

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