

Free article review on importance of entrepreneurship in developing countries

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Entrepreneurship is paramount for any country that wants to achieve economic growth and development. It is the main driver of economic development of many developed countries like USA, Japan and Germany. Entrepreneurship has valuable attributes required for the development of developing countries. Based on this, the intent of the paper is to identify the impact of entrepreneurship on developing countries like Egypt.

Entrepreneurship involves efficient utilization of the available resources or opportunities hence providing the market with new goods and services. This helps in mobilizing the country's idle resources creating an opportunity for economic structural changes. These structural changes are brought by the businesses set by entrepreneurs in their respective regions. Structural development in a country promotes economic growth which raises the economic welfare of the country at large. To induce economic changes, entrepreneurship should form the basic force to perform the intended economic change. Most developing countries need to focus on these elements to stimulate their economic growth.

Entrepreneurs have the following defined attributes. The most common characteristic is that of risk taking. This is the uncertainty element in new ventures taken by entrepreneurs. The motive to develop a business depends on the nature of an individual approach to risk. In entrepreneurship, creativity serves as the main element needed for the success of the business. This is by developing rational ideas on how to win the customer confidence and market forces. The business owner's faces market forces, and are in obligation to formulate strategies and measures to remain competitive in the market.

Confidence is an element of courage. Entrepreneurs also have the courage to face any market condition. This is a crucial attribute, given the operational challenges faced in their endeavors. Entrepreneurs are focused and determined to achieve the set target. They treat past failures as stepping stones on the current success. Defeat serves as an opportunity to excel and are consistent towards success. Competitiveness is another feature that distinguishes entrepreneurs from other people. . An entrepreneur has a positive perspective towards the performance of their activities. They do not hesitate venturing into fields where others have failed as they have the perspective that the failures did not offer their best. High level of discipline is also associated with entrepreneurship . Discipline ensures that entrepreneurs focus all their efforts on making their businesses work. They are always guided by well laid plans on how to conduct their activities. Successful entrepreneurs stick strictly to these plans as they try to achieve well defined objectives.

Entrepreneurs are also self driven people. They are always willing to start things themselves, and they rarely wait for others to handle their problems. Good communication skills are also common with entrepreneurs. This helps them to sell their ideas to the prospective customers effectively, and it is also crucial in motivation of employees. Strong work ethic is another characteristic of entrepreneurs. They are hard working on their activities, and they utilize the available time to the maximum. Passion is another key trait of successful entrepreneurs. They love their work and are willing to spend extra times to ensure that their businesses are successful. Joy in their lives is defined by the success of their entities.

Entrepreneurship is highly essential in economic development, and any government ignores it at its own peril. One of the important roles of entrepreneurship is the promotion of capital formulation. Entrepreneurs make use of their own savings and also borrowed funds to set up their businesses. Making use of idle funds acts as a value addition and helps in the creation of wealth thus contributing to the economic development of a nation. On the other hand, entrepreneurship acts as the major source of job opportunities. Starting from self employment through the small businesses, enterprises grow and end up employing most of the people in a country. It, therefore, plays a pivotal role in reduction of unemployment, resulting in economic development. Entrepreneurship also helps in ensuring equitable distribution of resources. It offers most people in a nation an opportunity to earn income and create wealth hence reducing the gap between the rich and the poor in a society. It also promotes balanced regional development and reduces economic power concentration. This is done by setting up businesses in rural and less developed areas of a country. Creation of industries in such areas is accompanied with development of infrastructure in the form of roads and electricity among others. It also attracts provision of health and education services. This ensures balanced growth in a nation. Therefore, the activity has numerous benefits to the whole society at large. In the overall economy, the economic development is achieved which contributes to the economic stability. This is in terms of market for goods and services, which some promotes international trade through exporting process.

The impact of entrepreneurship is also felt in the Gross National Product and

per capita income. Efficient utilization of available resources, development of new products and new markets helps in increasing the Gross National Product of a country, and the per capita income of the people, which are indicators of economic growth. Through innovation, entrepreneurship improves the standard of living of the people. Innovation creates new products in the most efficient way hence lower costs of production. It, therefore, gives people an access to high quality goods at low prices. Entrepreneurship also promotes a country's export trade. Large scale production forces a country to export some of its produce. This brings foreign exchange needed to import goods and services in a country thus maintenance of a favourable balance of payment.

There are four basic categories of entrepreneurial ventures. The most common one is the small business entrepreneurship. Such ventures have the largest share on entrepreneurship activities. Examples of these ventures are hairdressers, carpenters, barber shops, plumbers, cyber cafes, consultants and electricians. Small businesses are preferred because of the ease to start and manage them. They require little capital, which usually comes from savings and aids from friends and relatives. They also do not demand high levels of skills. Their importance to economic development cannot be ignored by any means. These ventures create job opportunities for the largest portion of the population in developing countries.

Scalable start-up entrepreneurship forms the other group of entrepreneurial ventures. These are businesses that are started like the small enterprises, but the owners have a vision of changing the world. The owners seek to attract new partners who will facilitate in the rapid expansion of such

entities. These ventures have a significant contribution to the development of any economy as they act as the main sources of innovations. If their ideas are well supported, they eventually end up with the creation of large companies that not only make an impact on the parent nation, but the world at large.

Large company entrepreneurship is the other form of entrepreneurial ventures. They require a massive investment of capital and are mostly started by the state. Large companies are the engines of most economies. They employ large numbers of the skilled labour force and act as the major sources of tax revenue to the government. The other venture is in social entrepreneurship. They are formed with the basic objective of solving social needs and problems. Profit maximization is not their main goal, but rather to improve welfare of human beings. Such ventures are extremely beneficial especially in developing countries as they play a substantial role in improving the welfare of the people. They help in fighting poverty and also bridge the gap between the supplies of social amenities by the government. Being a developing nation, Egypt needs to come up with more initiatives that will promote entrepreneurship thus creating a path for economic development. Although the effect of entrepreneurship is already being felt in Egypt, much still needs to be done. The support organizations, for example, require reconstruction to increase their efficiency and reduce the duplication of duties of most of them. Public education is also necessary to remove the negative attitude that citizens have against entrepreneurship and thus development of an entrepreneurial culture in the nation . Incubation requires more resources to enhance accelerated growth of small businesses.

Necessary laws should be brought in to enhance enforcement of contracts.

Doing this will unlock the potential of entrepreneurship in Egypt.

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