

**Subject: Business Economics**

**Course: B.A., 6<sup>th</sup> Semester, Undergraduate.**

**Paper No: 651**

**Paper Title: Entrepreneurship and Family Business.**

**Unit No.: 2 (Two)**

**Title: Creative Issues and Idea Processing**

**Lecture No: 1 (One)**

**Title: Creativity – Meaning and Management.**

## **Glossary**

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### **Entrepreneur**

An entrepreneur is an individual who, rather than working as an employee, runs a small business and assumes all the risks and rewards of a given business venture, idea, or good or service offered for sale. The entrepreneur is commonly seen as a business leader and innovator of new ideas and business processes.

Entrepreneurs play a key role in any economy. These are the people who have the skills and initiative necessary to take good new ideas to market and to make the right decisions that lead to profitability. The reward for taking the risk is the potential economic profits the entrepreneur could earn.

### **Entrepreneurship**

The capacity and willingness to develop, organize and manage a business venture along with any of its risks in order to make a profit. The most obvious example of entrepreneurship is the starting of new businesses.

### **Creativity**

It is a mental characteristic that allows a person to think outside of the box, which results in innovative or different approaches to particular task

**Motivation:** Motivation is a personal drive to accomplish; it is “the process of prompting and sustaining goal-directed behavior”

**Creative Person:** Creative persons have some characteristics that differentiate them from other normal human beings. Followings are the characteristics of creative person:

- Unconventional
- Independent
- Sensitive
- Not motivated by money
- Visionary
- Intelligent
- Possessing high physical energy and drive
- Humble and proud
- Intuitive

#### **Freedom –**

There are many ways to develop a road map of where we're going. Whether employees are included in the process is not crucial to creativity. What is crucial is giving employees a lot of latitude in determining how they're going to get there.

**Resources** – the big ones are time and money. Setting unrealistic deadlines can derail creativity. Money can also affect creativity. As Amabile points out, keeping resources too tight, "...pushes people to channel their creativity into finding additional resources, not in actually developing new products or services." On the other hand, beyond a certain "threshold of sufficiency", more money doesn't help.

**Challenge** – this is management's ability to match the right job to the right person. The ideal job stretches a person but not to the breaking point. To do this successfully, managers need to understand their employees quite well.