

The Relationship Between Entrepreneurship, Innovation And Economic Development

Abstract

Economic growth depends greatly on entrepreneurship and innovation which are key facts that create the current structure of the contemporary economy. This research focuses on the complexities in the relationship between entrepreneurs, innovation, and economic development, explaining how the three components are related to each other. Based on comprehensive reviews of research materials and empirical studies, this paper seeks to highlight how entrepreneurship serves as a vehicle for innovative thinking, sparks creativity, and converts brilliant ideas into commercial ventures. It also examines how innovation provides a basis for further development of new business opportunities, increasing output and sustainability.

INTRODUCTION

Today, a number of studies are conducted in fields such as entrepreneurship, innovation and economic development. The purpose of this paper is to outline several issues regarding entrepreneurial innovation in distinct industrial and condition peculiar settings. Its outline additional information concerning entrepreneurship, innovation, and economic development discourse and supplements existing information by synergizing existing knowledge, filling literature gaps and advancing novel ideas. Which aims at driving decision making, entrepreneurs, and other stakeholders understand the interplay between entrepreneurship and innovation in order to create opportunities that would enable entrepreneurial ventures to flourish, innovation to grow freely, and economic development. (Audretsch et al, 2009).

ENTREPRENEURSHIP INNOVATION AND ECONOMIC DEVELOPMENT

Entrepreneurship is the act of utilization of the available resources that are within the environment or created via innovation in an effort to generate value. Which most of the time includes the creation and management of a new business arena by an individual or a group (E.Brown, 2015). There are elements in the concept of entrepreneurship from the economic and social context and behaviour. There is a relationship between creativity and innovation in new markets, products, processes and technologies. Entrepreneurship involves competitive action to win the market, take action to capitalise on opportunities and risks involved in an actor's insurer. Economics is necessary to study the conditions of a market, to study psychology and motivation of behaviour in sociology, management, and organisational behaviour to study aspects of entrepreneurial innovation. Conceptually it is called entrepreneurs, and innovators since developed into a real innovation always issued.

On the other hand, the chances will come depending on factors associated with the change, creativity and innovation, this means that the opportunities that come will come along with the changes made. if so, the approach that should be done is to take an active stance in developing innovative character to develop management processes that are in business activity (Sołoducho-Pelc, 2015). With the evolution in the industrial world, the competition is very much stiff, thus driving the need for innovation for these companies more efficient and productive terhadap all related business activities. Innovation and creativity are very key factors that refer to the nature of the products and processes. Important for an entrepreneur in changing the way pandan innovation and creativity so that entrepreneurs can take advantage of opportunities that lie in the environment inorder to create value (Kabukcu, 2015). Therefore it is quite necessary for an entrepreneur to have a wide understanding of

developing innovations and creative efforts. Innovation relies on marketing knowledge in various aspects of the industry (Ramli, 2015). We learn to appreciate that human resources at the earliest time can contribute to some extent to preserve the performance of their innovations, thus stimulating their opportunities to build a viable business model and maintain growth in the future and further development (Maes, 2005). Economic actors build their mental models and how to share mental models lead to certain patterns in behaviour; and to investigate how economic actors looking at the economic situation and universal mental construct that came into existence which leads to a wagon effect in entrepreneurial action shows a herd of innovation and contribute to the evolution of the industry life cycle (Grebel, 2004)

FINDINGS & DISCUSSIONS

To rebuild the industry and a better community, countries lower per capita income should commit to the new approach to economic development with help of innovation, as a prerequisite to make smart investments that support a successful strategy, these countries have to develop the infrastructure of analytical required to accurately assess the technology and the economic strength of their urban areas. If not, almost certainly, they will continue to decline as a source of new, enabling technology. (Landstrom, 2006). In the world, countries can split into two groups: developed countries and developing countries. Developed countries is the designation for a country whose standard of living is relatively high through high technology and an equitable economy. While the developing countries are a country with backward infrastructure, and human development index which is less than the global norm.

CONCLUSION & SUGGESTIONS

Based on the assessment results can be concluded that the innovation entrepreneurs play an important role in the economic development of a country. Innovation entrepreneurs can be viewed with the activities conducted by the entrepreneurs in developing their business, development activities can be done by creating a new product, opening a new business or change a business that can compete in an era of global competition. The next activity or entrepreneurial activity begins to show the extent to which the innovation shown by entrepreneurs will have an impact on increasing the number of entrepreneurs in the country so that the population that there will be more productive. With the increasing number of entrepreneurs who have innovative activities and events that affect the labour market and will reduce the number of unemployed in the country. With the reduction of unemployment and rising standards of living it is likely that the country's economic growth will increase rapidly.

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