

19.1: Why It Matters- Entrepreneurship

Why discuss the role of entrepreneurship in small business?



Figure 19.1.1: What do all of these items have in common? They all represent the efforts of entrepreneurs.

The American psyche often equates size with success, applying a “get big or get out” standard to industries ranging from agriculture and energy to social enterprise. Indeed, that phrase (decades before a variation became associated with living large) was the mantra of Secretary of Agriculture Earl Butz, whose policy changes supported the growth of major agribusiness corporations at the expense of the small family farm.

However, if American history has taught us anything, it’s that we are in charge of our destiny and our definition of success. Success can be achieved at any size and from any number of incubators (kitchen, garage, dorm room) and ad hoc office spaces.

Large financial institutions and corporations are often considered to be the engines of our economy, but big business is only half of the story—literally. While the majority of small businesses don’t operate at scale (roughly 70 percent have less than 100 employees) their cumulative economic impact is significant. Through inventions and innovations, entrepreneurs also shape how and how well we communicate, learn, live and experience life. Entrepreneurship matters not only because of the employment and productivity impact, but because small businesses contribute to the resilience of their communities and the nation and, by extension, to stability globally.

In this module, we’ll define small businesses and entrepreneurship, provide perspective on the opportunities and the risks, discuss common motivations and traits and finally the steps involved in developing a business plan.

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