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Development of entrepreneurial skills in the innovation sector

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Abstract. The innovation sphere could not flourish without the entrepreneurial skills development of people, who participate in the production relations in this sphere. To possess skills in the innovation sphere means to provide a new approach to the work with additional solutions to a challenge your enterprise currently faces. The paper examines the particularities of entrepreneurial skills' shaping as the main condition for development of the innovation sphere. The following entrepreneurial skills are considered: the ability of a person to carry out economic activities, which is effected through the economic gene of production; the ability of a person to entrepreneurial arbitration; a person's ability to undertake actions, defined as entrepreneurial spirit; the ability of a person to integrate with the internal and external business environment.

1. Introduction

Due to western economic sanctions against Russia the development of the innovation sphere of the Russian economy is an important task which solution will improve national production driven by modern achievements in science and technology, increase the competitiveness of economic entities at both the federal and the state levels, as well as the level of the economy as a whole.

Today one may state that the expected breakthrough in the field of industrial use of high-tech developments, inventions and technologies went wrong. As a result, selling of high-tech products on the market is fragile in the domestic economy. The lack of positive dynamics from 2010 to 2016 in terms of the number of large and medium-sized enterprises that carried out innovative activities should be considered as one of the trends of the period under review [1].

All this determines the relevance of any research addressing the development of the innovation sphere.

An entrepreneur leads all production processes, including those taking place in the innovation sphere. Therefore, the entrepreneurial skills development of people who participate in the production relations is crucial for an economic success. These skills are abilities and competencies that form the perfect mix of unique knowledge and values that make companies competitive. The aim of this paper is to analyse the particularities of entrepreneurial skills' shaping as one of the main conditions for development of the innovation sphere.

2. Methods

In accordance with the resource-oriented approach, a business entity, like any socio-economic system, manufactures a product that can be conceived of as the production function $Q = F(A, T, M, O, Inf, Ins)$, where Q is the manufactured product, A is a human factor, T is a technical-technological factor; M stands for a material and resource factor, O stands for an organizational factor, Inf means an informational and Ins - institutional factors of product creation [2]. In accordance with the resource-based view, resources are given the major role in helping companies to achieve higher organizational performance.



3. Results and Discussion

Let us consider some fundamental thesis according to the behavior of an individual entrepreneur. We assume that the principles of behavior of an individual entrepreneur are also characteristic for all business entities. Indeed, according to P. Drucker, “Entrepreneurship is based on the same principles, regardless of whether the entrepreneur is a functioning large institution or an individual who opens his enterprise. It makes almost no difference whether the entrepreneur is operating in the production sector or in the service sector, in the state or another sector. The operational principles of entrepreneurial organizations and the problems they face in many respects are similar [3].

1. The ability of a person to carry out economic activities through the implementation of the economic gene of production.

Proposed and introduced into scientific circulation by Professor Oleg V. Inshakov the notion of an economic gene for the production (ecogene of a product) is essential for understanding the genesis of any economic activity. Obviously, the concept of an ecogenic product is important in the theoretic substantiation of the main features of entrepreneurial activity in the innovation sphere. The legitimacy of the use of a resource-based view to the innovation sphere of management is confirmed by the conclusions of J. Schumpeter. According Schumpeter entrepreneurs deal with the implementation of “new combinations of production factors” [4].

Engaging in an economic activity, a person always makes as a result of s/he activity one or another product. Handling with the future product as a kind of model, a businessman develops his entrepreneurial skills. These skills involve designing, creating, shaping of the production process of a future product, using the necessary production factors. This corresponds to the logic of the modern theory of factors of production, that identifies entrepreneurship as a controlling force organizing the process of combining all the resources involved in the production of goods and services [5].

Obviously, the process of “improving” the ecogenic product is nothing more than innovation, which, according to Schumpeter, can be aimed at creating a new product, using new production technologies, creating new types of organizations, developing new sources of raw materials and new markets.

2. The ability of a person to provide an entrepreneurial activity of arbitration.

The purpose of the functioning of any business entity (including individual entrepreneurs) is to extract profits, primarily due to the difference in the prices of purchase and sale.

In essence, we consider activity of arbitration as an activity of a business entity aimed at obtaining entrepreneurial profits due to the difference between the production resources it acquired on the market and the goods produced by this entity from these resources in the framework of the relevant production process and then offered to them again on the market. An entrepreneur, offering a ready-to-use product on the market, acts as the owner of resources – the “price-taker”, and when acquiring resources on the market, the entrepreneur appears to be a consumer – the “price-searcher”. Pricing, which consists in the constant implementation of entrepreneurial assessments, is the most initial element of entrepreneurial behavior, aimed at the constant search for opportunities for arbitration, that is, for making a profit [6].

According to P. Drucker, the entrepreneurial function is characteristic of human activity in general, it “is not a specific property of a particular group of people or a class of people; it is inherent in any activity and burdens any actor”.

And, finally, entrepreneurship according to P. Drucker, “is more a behavioral than a personal feature”, that is, the ability characteristic of the behavior of any individual, and not exclusively for individuals.

The arbitrage behavior of an entrepreneur can be identified in “all transactions aimed at making profit, even in those enterprises that process certain means and resources through the production process into ready-to-use products”.

Therefore, the ability to arbitrate should be considered as an exertion by any person of entrepreneurial behavior in a market environment that is developed and reinforced by the individual in the form of entrepreneurial skill.

Obviously, while offering its product on the market, the entrepreneur is looking for new markets and for new resources. Therefore, entrepreneurial arbitration should be viewed as an innovative ability of an entrepreneur, which, according to P. Drucker is aimed at creating the development of new sources of raw materials and new markets.

3. The ability of a person to undertake actions, defined as entrepreneurial spirit.

A significant role in the implementation of entrepreneurial activity is played by such a person's ability as entrepreneurial spirit. It's an attitude and approach to thinking that actively seeks out change, rather than waiting to adapt to change. It's a mindset that embraces critical questioning, innovation, service and continuous improvement. This ability is typical of each individual.

"Entrepreneurial spirit is a quality of an individual involved in a business activity manifested as energy, resourcefulness, ingenuity, practical thinking and efficiency in solving problems, primarily due to the ability to effectively solve tasks, persistence, leadership, change management, networkbuilding, and strategic thinking. Without entrepreneurial spirit, success in entrepreneurial activity is impossible".

Each person in different situations for themselves seeks to take various steps aimed, in general, at improving his or her condition or position. This striving is accompanied in practice by the manifestation on the part of an individual of such personal qualities as purposefulness, independence, decisiveness, initiative, energy, resourcefulness, ingenuity, riskiness, sharpness, efficiency, practicality, etc. Differences or boundaries between these concepts, which are mostly of special psychological qualities, are quite blurred, but, nevertheless, each of them has its own individual semantic content, expressing a certain, quite imaginable, human quality and all of them, in aggregate, integrally constitute shape of such a thing as the entrepreneurial nature of the individual. Therefore, enterprise should be presented as a collective definition, combining the meaning and meaning of many qualitative concepts typical for an individual.

All of these personal qualities characterize different facets of entrepreneurship, which, from an ordinary person, basically "do" an entrepreneur, form his personal potential. Moreover, being present in each person in varying degrees, and in varying degrees, they "make" him an entrepreneur. When definitions are used in everyday life - "highly" enterprising person or "light" enterprising person, then, first of all, they imply a degree of expression of the general level of all these qualities in an individual.

It is obvious that an entrepreneur, showing in his activity an entrepreneurial activity developed and embedded in the relevant skills, accompanies his work with innovative activity. Innovation and enterprise are equal and mandatory conditions that determine the economic development of any business entity. Thus, the development according to P. Drucker consists of sudden bursts of entrepreneurial and innovative energy [7].

4. The ability of a person to build relations with internal and external environment.

This quality, characteristic of business entities, is determined by their ability to build or organize relationships with the partners. You can build or organize relations with the internal environment - within the enterprise (organization, company, project). The result of this process is the harmonization of relations and interests of all employees of the enterprise and, as a result, the successful organization of all internal business processes.

Relations with the external environment are relations of a business entity (enterprises, organizations, firms) about their production activities with other parties to contractual relations operating in the external environment. The result of this process is also the harmonization of relations and interests with all the entities with which the enterprise (organization, firm) interacts: customers, suppliers, partners, intermediaries, government officials, competitors, contractors, external shareholders, etc. As a result, the successful organization of all business processes for interaction [8].

Much attention is paid to ensuring and forming relationships within the business environment in the methodology of a well-known scientist and practice of I. Adizes [9, 10]. Adizes called the process of ensuring a relationship of mutual understanding and trust between the members of a business community integration. At the same time, the main outcome of the integration process of a business entity, both inside and outside itself, is effectiveness in the long term.

It is obvious that by building or organizing relations in the course of its production activity, an entrepreneur is always looking for new forms for such processes. Therefore, the ability to build relationships should be considered as an innovative quality of an entrepreneur, developed and consolidated in him as a skill.

4. Conclusion

Entrepreneurial skills are formed, consolidated and, finally, realized by separate individuals due to certain abilities, characteristic to each individual in varying degrees. These separately identified abilities determine his general entrepreneurial ability, as well as his ability to engage in entrepreneurship in the innovation sphere. This is, first of all, the ability of a person to do business, which can be represented as his ability to form an ecogene of a product, using production factors. To form an ecogenic product means to realize the process of production of the product, using the appropriate factors of production.

Further, for carrying out entrepreneurial activity in the innovation sphere, an entrepreneur shows, in varying degrees for each person, the ability to arbitrate - the desire to constantly carry out entrepreneurial assessments in order to derive benefit from the difference between prices for acquired resources – conditions and products produced by an entrepreneur of relevant production factors. Thanks to the ability of people to arbitrate, entrepreneurs also put together, consolidate and, finally, implement in practice relevant skills.

Another important ability, which is also peculiar in varying degrees to each person, which is formed of skills, becomes permanent and also manifests itself in the entrepreneur in the implementation of his entrepreneurial activity, this enterprise is the ability to do something. This quality of the entrepreneur constantly encourages him to carry out innovative and innovative actions, steps and actions in the framework of business activities.

And finally, an entrepreneur, in order to carry out his activities, manifests in the innovation sphere in the form of entrenched skills, the characteristic ability of people to varying degrees for building or organizing relationships in the course of their production activities.

Thus, for the successful business activity in the innovation sphere, it is necessary to pay attention to development and consolidation of specific entrepreneurial skills based on the individual's abilities: to carry out economic activities through the realization of the economic gene, to master entrepreneurial arbitration, to undertake actions, and finally build relations with the internal and external environment. Development of entrepreneurial skills is seen as vital to promoting innovation, competitiveness and economic growth of the region.

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