

Comprehensive Notes On

Entrepreneurial Skills

Class X - Employability Skills

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1 Session 1: Entrepreneurship and Society

1.1 Earning a Living

 **What It Is:** People generally earn a living through two main ways: **Wage Employment** (working for a person/organization and getting paid) and **Self-Employment** (starting a business to satisfy people's needs).

 **Why It Matters:** Understanding these paths helps us make informed choices about our future careers and financial independence.

 **How It Works / Analogy:** Think of a doctor. If they work for a hospital, they are wage employed. If they run their own clinic, they are self-employed.

1.2 The Entrepreneur

 **What It Is:** An entrepreneur is a self-employed person who is always trying to make their business better by taking risks and trying new ideas.

 **Why It Matters:** Entrepreneurs are the engine of society. They bring fresh ideas to the market, create jobs, and push progress forward.

 **How It Works / Analogy:** Ramu sits at his plant shop and just waits for customers (Businessman). Ramya actively walks around to sell her plants, seeds, and flowers, constantly growing her business (Entrepreneur).

Customer Demands

Entrepreneurs must understand what the customer actually wants to buy:

- **Needs:** Basic requirements (e.g., food, water).
- **Wants:** Specific desires (e.g., a fancy phone).
- **Demands:** A want backed by the ability to pay for it. Entrepreneurs identify demands and fulfill them!

1.3 Role of Entrepreneurs in Society

Entrepreneurs actively contribute to the growth and betterment of society.

Role	Explanation
Fulfil Customer Needs	They find out what people want and use creativity to provide business ideas that meet those demands.
Use Local Materials	They use resources available around them, producing products at a low cost and supporting local suppliers.
Help Society	Some work towards saving the environment, building schools, and giving back to the community.
Create Jobs	As businesses grow, they need more people, resulting in new employment opportunities.
Sharing of Wealth	When an entrepreneur succeeds, the people working for them also earn more money, improving their quality of life.
Lower Price of Products	As more entrepreneurs sell the same product, competition increases, driving prices down for customers.

NCERT Activity Bharti, the Jewellery Queen

Bharti from Bihar identified that girls in her area loved earrings (Demand). She bought jute from a local farmer (Local Resource) and started making earrings. As her business grew, she hired two local women (Created Jobs), allowing them to earn and save money. Bharti perfectly demonstrates the role of an entrepreneur in uplifting society!

2 Session 2: Qualities and Functions of an Entrepreneur

2.1 Qualities of an Entrepreneur

★ **What It Is:** Qualities are the specific ways a person behaves and thinks that lead them to success.

🔍 **Why It Matters:** Having a great idea isn't enough. It's the mindset and character of the entrepreneur that turns an idea into a successful reality.

💡 **How It Works / Analogy:** Like an athlete needs stamina and dedication, an entrepreneur needs confidence and persistence.

- **Confident:** They believe in themselves and their abilities.
- **Keep Trying New Ideas:** They are never satisfied with just the old way.
- **Patient:** They understand that success takes time.
- **Creative:** They think differently about business ideas and problem-solving.
- **Take Responsibility:** They own their mistakes and learn from them.
- **Make Decisions:** They think carefully, then take action.
- **Hard Working:** They put in maximum effort for the company.
- **Do Not Give Up:** They stay positive and push through difficulties.

2.2 Functions of an Entrepreneur

⚙️ **What It Is:** Functions are the daily, practical activities an entrepreneur performs to run their business.

🔍 **Why It Matters:** You can have the qualities, but you must put them into action. Functions are how a business actually operates.

Function	Description
Making Decisions	Deciding what to produce, how much to sell, and where to sell it.
Managing the Business	Planning the future, arranging raw materials, hiring, and directing the team.
Divide Income	Spending money to buy material, paying rent, and giving salaries.
Taking Risk	Facing the chance of things going wrong (e.g., lost items, theft).
Create New Ideas	Developing new methods, ideas, or products to increase income and importance.

3 Session 3: Myths about Entrepreneurship

 **What It Is:** A myth or misconception is a false belief or opinion about something.

 **Why It Matters:** Believing these myths might stop you from starting your own business and realizing your true potential.

The Myth (Misconception)	The Truth (Reality)
Every business idea needs to be unique.	You can take an existing idea and just do something different with it (e.g., adding luxury cars to a regular rental business).
You need a lot of money to start.	Capital is needed, but you can start small with whatever you have or can borrow, then grow bigger.
Only big businesses are entrepreneurs.	No business is too small. A taxi driver (like Sheila) who adds special services for customers is an entrepreneur!
Entrepreneurs are born, not made.	Anyone can be an entrepreneur! It starts with a mindset—believing anything is possible and working hard for it.

4 Session 4: Entrepreneurship as a Career Option

 **What It Is:** A career is a line of work a person takes for life. Entrepreneurship is a valid, exciting career path.

 **Why It Matters:** Recognizing entrepreneurship as a career empowers students to aim to be job creators, rather than just job seekers.

 **How It Works / Analogy:** Becoming an entrepreneur isn't instant; it's a journey consisting of three core stages: Enter, Survive, and Grow.

The Career Process of an Entrepreneur

1. **ENTER:** The entrepreneur is just starting and entering the market to do business. (e.g., starting a small grocery store).
2. **SURVIVE:** The business remains in a competitive market. Even with other stores around, the entrepreneur survives by doing well.
3. **GROW:** The business is stable, and the entrepreneur expands (e.g., opening a chain of four more stores).

5 Comprehensive Question Bank

5.1 Multiple Choice Questions (MCQs)

1. A person working for an organization and getting paid for it is engaged in:

- | | |
|--------------------|----------------------|
| A. Self-employment | C. Entrepreneurship |
| B. Wage employment | D. None of the above |

Answer: B. Wage employment

2. Ramya walks around to get customers and sells seeds with her plants. She is an:

- | | |
|----------------|-----------------|
| A. Employee | C. Entrepreneur |
| B. Wage earner | D. Unemployed |

Answer: C. Entrepreneur

3. Which of the following is NOT a role of an entrepreneur in society?

- | | |
|--------------------------|-------------------------------------|
| A. Creating jobs | C. Increasing the price of products |
| B. Using local materials | D. Fulfilling customer needs |

Answer: C. Increasing the price of products

4. Wealth sharing by an entrepreneur means:

- | | |
|--|------------------------------|
| A. Giving all money to charity | C. Keeping all profits |
| B. Helping employees and related businesses grow | D. Taking money from society |

Answer: B. Helping employees and related businesses grow

5. Bharti makes earrings using jute from a local farmer. This shows she is:

- | | |
|--------------------------|-----------------------|
| A. Creating a new method | C. Dividing income |
| B. Using local materials | D. Taking a huge risk |

Answer: B. Using local materials

6. If an entrepreneur is faced with a problem and keeps trying, they have the quality of:

- | | |
|--------------------|--------------------------|
| A. Being patient | C. Not giving up |
| B. Being confident | D. Taking responsibility |

Answer: C. Not giving up

7. Taking responsibility for actions means:

- | | |
|---|--------------------------|
| A. Blaming others | C. Hiding from employees |
| B. Accepting your mistakes and learning | D. Firing people |

Answer: B. Accepting your mistakes and learning

8. Deciding what to produce or sell is which function?

- A. Managing the business
- B. Taking risk

- C. Making decisions
- D. Dividing income

Answer: C. Making decisions

9. Paying rent and salaries comes under which function?

- A. Taking risk
- B. Divide income

- C. Making decisions
- D. Create new method

Answer: B. Divide income

10. The chance of something going wrong, like theft or fire, is called:

- A. Risk
- B. Management

- C. Growth
- D. Demand

Answer: A. Risk

11. Which of the following is a misconception?

- A. Anyone can be an entrepreneur
- B. You need a lot of money to start

- C. Small businesses can be entrepreneurial
- D. You can improve an existing idea

Answer: B. You need a lot of money to start

12. Sheila the taxi driver proves that:

- A. Taxis make a lot of money
- B. You don't need a big business to be an entrepreneur

- C. Taxis are unique ideas
- D. Driving is wage employment

Answer: B. You don't need a big business to be an entrepreneur

13. The career process of an entrepreneur starts with:

- A. Grow
- B. Survive

- C. Enter
- D. Fail

Answer: C. Enter

14. Remaining in a competitive market is called:

- A. Entering
- B. Surviving

- C. Growing
- D. Managing

Answer: B. Surviving

15. Opening a chain of stores after a few successful years shows:

- A. Entry
- B. Survival

- C. Growth
- D. Risk avoidance

Answer: C. Growth

5.2 Assertion-Reasoning Questions

Options for all questions:

- A) Both A and R are true and R is the correct explanation of A.
- B) Both A and R are true but R is not the correct explanation of A.
- C) A is true but R is false.
- D) A is false but R is true.

1. **Assertion (A):** When more entrepreneurs sell the same product, the price goes down.
Reason (R): Increased competition forces entrepreneurs to lower prices to attract customers.
Answer: A. Both are true and R correctly explains A.
2. **Assertion (A):** An entrepreneur must have a completely unique idea that has never been done before.
Reason (R): A person can take an existing idea and do something different with it.
Answer: D. A is false (it is a misconception) but R is true.
3. **Assertion (A):** Entrepreneurs are born, not made.
Reason (R): Becoming an entrepreneur requires learning skills and changing your way of thinking.
Answer: D. A is false but R is true.
4. **Assertion (A):** Sheila, who runs a taxi and offers newspapers and TV to customers, is an entrepreneur.
Reason (R): Entrepreneurs constantly try new ideas to satisfy customer needs and grow their business.
Answer: A. Both are true and R explains A.
5. **Assertion (A):** An entrepreneur only focuses on their own profits and does not help society.
Reason (R): Entrepreneurs create jobs and often contribute to building schools or hospitals.
Answer: D. A is false but R is true.

5.3 One-Word / Brief Answer Questions

1. A person working for a company and getting a salary is engaged in what?
Answer: Wage employment.
2. What is the term for a product or service that people want and are willing to pay for?
Answer: Demand.
3. What quality helps an entrepreneur to not get angry at a shouting customer?
Answer: Patience.
4. What function involves hiring people and arranging raw materials?
Answer: Managing the business.
5. What is the chance of something going wrong in a business called?
Answer: Risk.
6. What is the initial money required to start a business called?
Answer: Capital.
7. Which career stage involves expanding the business to other cities?
Answer: Grow.
8. Is the statement "You need a lot of money to start a business" a truth or a myth?
Answer: Myth.

9. What quality does Zafar show when he says "I take responsibility for my mistake"?

Answer: Responsibility.

10. What role is an entrepreneur fulfilling when they hire local women?

Answer: Creating jobs.

5.4 Differentiate Between

Wage Employment	Self-Employment (Entrepreneurship)
You work for an organization or a boss. You receive a fixed salary/wage.	You are your own boss and run a business. You earn profit, which can vary based on risk and success.
You usually follow instructions given by managers.	You make the decisions and take the risks.

Needs	Demands
Basic requirements for human survival (e.g., water, food). A person must have them regardless of money.	Products or services that people want and are ready to pay for. A person must have the money to back up their desire.

Enter (Stage 1)	Grow (Stage 3)
The entrepreneur is just starting the business in the market. The goal is to get the first customers.	The business is already stable and surviving well. The goal is to expand, like opening a chain of stores.

5.5 Short Answer Questions

1. **How do entrepreneurs help society by lowering the price of products?**

Answer: When multiple entrepreneurs sell the same product, competition increases. To attract customers, they lower prices and improve quality, which benefits the society.

2. **List any three qualities of a successful entrepreneur.**

Answer: Three qualities are being confident, being creative (thinking differently), and being hard-working.

3. **What is the difference between Ramu the businessman and Ramya the entrepreneur?**

Answer: Ramu just sits at his shop waiting for customers. Ramya actively looks for customers, adds new products (seeds and flowers), and takes risks to grow her business.

4. **Explain the myth that entrepreneurs are born, not made.**

Answer: People mistakenly think only certain people have the talent for business. In reality, entrepreneurship is a mindset and a set of skills that anyone can learn and practice.

5. **What does it mean when an entrepreneur "divides income"?**

Answer: It means the entrepreneur spends the money earned from the business to buy raw materials, pay building rent, and give salaries to their employees.

6. **How did Bharti, the Jewellery Queen, use local materials?**
Answer: Bharti bought jute directly from local farmers in her village to make earrings, which helped the local economy and reduced her costs.
7. **Why does an entrepreneur need to be patient?**
Answer: Business success doesn't happen overnight. Problems take time to solve, and an entrepreneur must wait patiently for their hard work to show results without giving up.
8. **What is meant by capital in business?**
Answer: Capital is the initial money used to start a business.
9. **Why is Sheila the taxi driver considered an entrepreneur?**
Answer: Even though a taxi is a small business, Sheila innovated by providing newspapers, a TV, and helpful contacts to her customers, showing creativity and a desire to improve her service.
10. **What is the "Survive" stage in a career process?**
Answer: After entering the market, an entrepreneur must keep their business alive and running well despite competition from other similar businesses.

5.6 Long Answer Questions

1. **Explain any four roles that entrepreneurs play in the growth of a society.**
Answer: 1. **Fulfilling Customer Needs:** They identify what the market demands and use their creativity to provide products/services. 2. **Creating Jobs:** As their business grows, they hire more staff, reducing unemployment in the area. 3. **Sharing Wealth:** By paying employees and buying from local suppliers, they distribute wealth and improve the living standards of the community. 4. **Using Local Materials:** They source raw materials locally, which saves costs and boosts the local agricultural or manufacturing sector.
2. **Describe the five main functions of an entrepreneur.**
Answer: 1. **Making Decisions:** Deciding daily on what to produce, how much, and where to sell. 2. **Managing the Business:** Planning the future, hiring people, arranging materials, and directing the team. 3. **Dividing Income:** Distributing the money earned to pay for rent, salaries, and raw materials. 4. **Taking Risk:** Dealing with uncertainties like theft, fire, or the failure of a new idea. 5. **Creating New Ideas:** Continuously innovating new methods or products to stay relevant and increase income.
3. **Discuss any three common myths about entrepreneurship and explain the reality behind them.**
Answer: **Myth 1: You need a lot of money.** Reality: A business doesn't need massive capital. You can start small with what you have or can borrow, and grow gradually. **Myth 2: The idea must be unique.** Reality: You can take a common idea (like selling clothes) and just do it better or differently than others. **Myth 3: Entrepreneurs are born.** Reality: Entrepreneurship is a skill and a mindset. Anyone who believes in themselves and works hard can learn to be an entrepreneur.
4. **With the help of an example, explain the three stages of an entrepreneur's career process.**
Answer: The three stages are Enter, Survive, and Grow. For example, Sanjana starts a small grocery store in her locality. This is the **Enter** stage. Later, many other grocery stores open nearby, but Sanjana's store does well and beats the competition. This is the **Survive** stage. Finally, after five years, Sanjana opens a chain of four more grocery stores in the same city. This expansion represents the **Grow** stage.

5. **How do the qualities of taking responsibility and not giving up help an entrepreneur succeed? Give an example.**

Answer: Taking responsibility means that when an entrepreneur makes a mistake (like launching a product that fails), they do not blame others. Instead, they learn from it. Not giving up means they stay positive and try a new approach instead of shutting down the business. For example, if Susheela tries to sell tyres in a new market and fails, a good entrepreneur will accept the mistake, plan better, and try again, ensuring future success.

5.7 Case-Study / Competency-Based Questions

Case Study 1: Aditi lives in a small town where she noticed people complaining about hair fall, but they couldn't afford expensive imported shampoos. She researched and found local herbs that are good for hair. She started a small business making herbal shampoos using these local herbs. She started with just ₹5,000 borrowed from her family. Initially, people were hesitant, but she patiently explained the benefits. Soon, her demand increased, and she hired three local women to help her package the shampoos.

1. **What specific customer demand did Aditi identify?**

Answer: She identified the demand for an affordable hair fall solution (shampoo) in her town.

2. **Which myth of entrepreneurship does Aditi's story break regarding capital?**

Answer: It breaks the myth that you need a lot of money to start a business, as she started with only ₹5,000.

3. **How is Aditi contributing to her society (Give two ways)?**

Answer: She is using local materials (herbs) and creating jobs by hiring three local women.

4. **Which entrepreneurial quality did Aditi show when people were initially hesitant to buy?**

Answer: She showed patience and did not give up; instead, she patiently explained the benefits to her customers.

Case Study 2: Ganesh started a car rental business. There were already 20 other car rental businesses in his city. To stand out, he took a risk and bought 5 luxury cars (like BMW and Mercedes) with a bank loan, offering them for special occasions like weddings. No one else was doing this. He carefully planned his finances to ensure he could pay back the loan, pay his drivers, and cover car maintenance. Over 10 years, he expanded his fleet to 200 cars.

1. **Which myth of entrepreneurship is broken by Ganesh starting a car rental business?**

Answer: The myth that every business idea needs to be unique. Car rental is common, but he just added a different idea (luxury cars) to it.

2. **Which function of an entrepreneur is Ganesh performing when he pays his loan, drivers, and maintenance?**

Answer: He is performing the function of Dividing Income.

3. **Buying luxury cars with a bank loan represents which entrepreneurial function?**

Answer: Taking Risk.

4. **Expanding his fleet to 200 cars over 10 years puts Ganesh in which stage of the career process?**

Answer: He is in the "Grow" stage.