

Distinguishing Characteristics of Entrepreneurship and Wage Employment

Point of Difference	Entrepreneurship	Wage Employment
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| 1. Meaning | Starting and running your own business. | Working for someone else and earning a salary or wage. |
| 2. Objective | To create profit and grow the business. | To earn a fixed income regularly. |
| 3. Risk | High risk involved (profit or loss). | Low or no risk (fixed income). |
| 4. Income | Not fixed – depends on business success. | Fixed – monthly salary or wages. |
| 5. Decision Making | Entrepreneur makes all business decisions. | Employer makes the decisions; employee follows. |
| 6. Freedom to Work | More freedom and flexibility. | Less freedom; must follow rules and timings. |
| 7. Innovation | Often involves new ideas and innovation. | Usually routine work assigned by the employer. |
| 8. Ownership | Owned and controlled by the entrepreneur. | No ownership; works under an employer. |

Meaning of Wage Employment :

Wage employment means working for someone else and getting paid a fixed amount as salary or wages for the work done.

In Simple Words:

When a person works under an employer and gets paid regularly (weekly, monthly, or daily), it is called wage employment.

Example:

A teacher working in a school

A doctor working in a hospital

A worker in a factory

Section D: Answer the following questions from the worksheet:

1. Who is an entrepreneur?

Ans - An entrepreneur is a person who starts and manages a business by taking financial risks in order to make a profit. They identify opportunities, organize resources, and take initiative to create value.

2. Define the term business.

Ans - Business refers to an economic activity involving the production, purchase, and sale of goods and services with the main aim of earning profit.

3. Describe an idea of a business that you think is an opportunity in your neighbourhood.

Ans - Example: A homemade snacks delivery service for office workers and students. Many people prefer hygienic, homemade food but don't have time to cook. This business can provide healthy and tasty options at reasonable prices.

4. On an A4 sheet draw and describe three different businesses in your neighbourhood.

Ans - (You'll need to draw this part on paper, but here's a description you can use:)

- a. Grocery Store – Sells daily food and household items.
- b. Tailor Shop – Offers clothing alteration and stitching services.
- c. Mobile Repair Shop – Repairs phones and sells accessories.

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5. What would you like to do after your studies: business, entrepreneurship or service? Why?

Ans - Example answer I would like to become an entrepreneur because I want to start my own company, create job opportunities, and contribute to the growth of my community and country.

6. Explain the importance of an entrepreneur and its role in nation's growth.

Ans - Entrepreneurs are important because they create jobs, introduce new products and technologies, boost the economy, and help reduce poverty. They promote innovation and contribute to the economic development of the country.

7. Describe how an entrepreneur generates employment and helps in country's economy.

Ans - An entrepreneur sets up a business, which needs workers for various tasks. By hiring people, they generate employment. Their business also pays taxes and contributes to economic growth, helping the country develop.