

# RISK EVALUATION AND MANAGEMENT ON ENTREPRENEURIAL DECISION-MAKING

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## ABSTRACT

Entrepreneurial decision making is a complex and dynamic process that involves identifying opportunities, evaluating alternatives, managing risks, and adapting to changing circumstances. Research shows a difference in the evaluation of a business model of an organization by the entrepreneur and by the researchers. It shows, based on an extensive list of questions, the decision to be taken on strategic level differs by entrepreneurs compared with the decision to be taken by researchers based on the same set of questions.

**Keywords:** Entrepreneurial Decision-Making, Small & Medium Enterprises, Risk Evaluation & Management, Decision-Making Styles, Bounded Rationality, Impact on Firm Performance

## INTRODUCTION,

Small and medium sized enterprises (SMEs) play a key role in the modern market economy. The small businesses are the monolith fundament of every prosperous and effectively functioning state. They possess a number of advantages, which place them into the centre of the economic and social goals of society. The sector of the SME is being expected to provide:

1. Higher employment rate;
2. Regional cohesion and sustainable development;
3. Generation of innovation and diversification of the economy structure;
4. Social inclusion;
5. New technologies for the knowledge-based society.

Often the dynamics of the small and medium sized sector is explained by results of "quantitative research" on macro and micro level. Nevertheless, in order to undertake adequate and sound governmental actions, "qualitative research" on micro level is needed.

Who is an entrepreneur? An entrepreneur is someone who has an idea and who works to create a product or service that people will buy, as well as an organization to support that effort. What is decision making? Decision making is the process of making choices by identifying a decision, gathering information, and assessing alternative resolutions.

Entrepreneurial decision making is the process by which entrepreneurs identify, evaluate, and choose between various options and courses of action to achieve their business goals. It involves a combination of intuition, analysis, and risk assessment.

## OBJECTIVES

Study Objectives of Entrepreneurial Decision making:

1. To identify and investigate the role of personal characteristics in the decision-making process of the entrepreneur.
2. To assess the impact of decision-making on firms performance
3. To understand risk evaluation and management in the process of decision-making
4. To analyse and interpret decision making styles across the industries.

## LITERATURE REVIEW

The literature overview forms the starting point of a confrontation between the literature on Decision-making and the empirical findings of this qualitative study. The research literature suggests significant materials on decision-making.

Nevertheless, a limited amount of concrete practical surveys on SMEs exist to confirm or deny the theoretically derived conclusions. These conclusions are mostly concerning the big firms or the start-ups, rarely the attention is focused on established small businesses that meet strategic decisions, which turn the history of the enterprise in a new direction. The review gives an introduction to the general decision theory. The decision to become an entrepreneur may be plausibly considered as voluntary and conscious. It seems reasonable to study the reason behind the decision.

**Bankova, A. (1991)**, Introduction to management, **Sofia, Sofia University Press**: Entrepreneurs who will have to take decisions in a too complex environment or with partly unknown circumstances try to structure the first options and classify them according to their own knowledge and experience. In this case the entrepreneur takes an old decision situation to adjust the new circumstances and applies the same techniques based on the former knowledge. Taking decisions based on habits can be very dangerous in a continuously changing business environment where market characteristics are rapidly

changing as well. These circumstances require entrepreneurs to manage change constantly. **Bell, D. (1982)**, Regret in decision-making under uncertainty, *Operations Research*, Vol. 20, pp. 961-981: The classic theory of the rational choice suggests that people are driven in their economic actions by pure rationality, hence are able in every given situation to rank with almost mathematical precision their preference mathematical precision their preferences and to pursue the optimal outcome. Rational decision-making is choosing among alternatives in a way that 'properly' accords with the preferences and beliefs of an individual decision-maker. Behaviour is influenced by the way in which the external world is represented in the mind, and by the individual's exercise of choice claim.

**Mullins, J. (1996)**, Early growth decisions of entrepreneurs: the influence of competency and prior performance under changing market conditions, *Journal of Business Venturing*, Vol. 11, pp. 89-105: The utility theory is a branch of the decision theory concerned with measurement and representation of preferences. Utility theorists focus on accounts of preferences in rational decision-making, wherein individual's preferences cohere with associated beliefs and actions. 'Utility' refers to the scale on which preference is measured, thus the utilitarian definition of rationality is the maximization of 'utility'.

**Simon, H. (1979)**, Rational decision-making in business organisations, *The American Economic Review*, Vol. 69 (4), pp. 493-513: Bounded rationality is rationality as exhibited by decision-makers of limited abilities. As the environment was uncertain and the market conditions far from perfect competition, the model of bounded rationality emerged as an alternative to classical rationality concept. The call of rationality to compare all the consequences of certain choice is unfeasible and requires measuring the probability of all possible eventualities.

**Frese, M., M. van Garderen and M. Orbach (2000)**, How to plan as a small-scale business owner: Psychological process characteristics of action strategies and success, *Journal of Small Business Management*, Vol. 38, pp. 1-18: The social psychology literature strongly emphasizes the view of persons as 'cognitive misers' thereby suggesting that people try to minimize cognitive effort whenever possible. The view of people as 'cognitive misers', taken together with their more distinct sensitivity to changes than to non-changes, offers the hypothesis that decision-makers would be able to simplify the decision task by just anticipating gains or losses but neglecting non-gains or non-losses i.e. to be partial in their planning.

**Savage, L. (1954)**, *The foundations of statistic*, New York, Wiley: The theory of 'bounded rationality' was studied and empirically tested by the followers of the neoclassical rational approach, who tried to overcome the gaps of the classical theory, in order to create a new rational model. The prospect theory is a model of decision-making under risk that explicitly incorporates the cognitive errors that have been found to systematically occur in decision contexts. This theory asserts that people are especially sensitive to environmental changes, i.e., persons adapt to the status quo, which serves as a neutral reference point, and then evaluate changes from this neutral reference point. If so, decision-makers may more easily anticipate gains and losses than non-gains and non-losses, because the latter do not constitute changes from their neutral reference point.

**MIT encyclopaedia of Cognitive science, 2002**: The regret theory assumes comparisons between choices and captures anticipated regret and triumph when one learns a different choice would have produced a better or worse outcome. To the neoclassical rational approach of decision theory can be associated decision tools like: the cost benefit analysis, the SWOT analysis, the net present value technique etc.

**Eisenhardt, K. (1989)**, Making fast strategic decisions in high velocity environment, *Academy of Management Journal*, Vol. 32 (3), pp. 543-576: Simple neoclassical models assume that everyone has free access to all the information they require for making decisions. The assumption reduces decision-

making to the mechanical application of mathematical rules for optimisation. It trivializes decision-making, and makes it impossible to analyse the role of entrepreneurs in taking decisions of a particular kind. Rational choice removes any opportunities for innovation, for co-ordination, and for uncertainty. However, we see economists introducing 'imperfect

information' claims as economics moves toward relaxing the core assumptions, toward incorporating 'human elements', and toward explaining technological change, the entrepreneur will reappear. The reappearance of the entrepreneur in economic theory will be able to explain, at least partly, the economic development, whose driving force, will rests upon the 'irrational' decision-making of entrepreneurs.

Analytical framework of decision making, **Mador, M. (2000)**, Strategic decision-making process research: Are entrepreneur and owner managed firms different? Journal of Research in Marketing and Entrepreneurship, Vol. 2 (3), pp. 215-234; Mintzberg, H., D. Raisin Ghani and A. Theoret (1976), The structure of unstructured decision processes, Administrative Science Quarterly, Vol. 21, pp. 246-275 and Papadakis, V., S. Lioukas and D. Chambers (1998), Strategic decision-making processes: the role of management and context, Strategic Management Journal, Vol. 19, pp. 115-147) Most theories concerning the decision-making process gravitate around a model of decision-making, which comprises three components: the environment, the specific characteristics of the decision to be taken and the entrepreneur himself. These three independent variables are in constant interaction while following the path of the decision process. The researchers state that for understanding decision-making process in depth, an integrative model, which includes decision specific, environmental and organisational factors, is needed. Likewise, **DE Mayer (1991)** states that the elements, which are

expected to influence strategic processes, are the manager's individual characteristics, internal organisational context, and environmental factors. Thus, there are three levels of analysis: the person (the entrepreneur), the environment, and the strategic decision process itself. In this context human functioning is viewed as the product of a dynamic interplay of personal, behavioural, and environmental influences. How people interpret the results of their own behaviour informs and alters their environments and the personal factors they possess which, in turn, inform and alter subsequent behaviour states (Pajares 2002 Overview of social cognitive theory and of self-efficacy.

#### PRIMARY DATA

A method known as stratified sampling was used in order to obtain the main data, and participants gave their agreement for this undertaking. The participants should be given a questionnaire so that the data may be evaluated. Regularly conducted interviews and questionnaires in order to evaluate the effectiveness of therapy and the natural progression of entrepreneurial decision-making.

#### SECONDARY DATA

Conduct a literature review on entrepreneurial decision-making, with a particular emphasis on research that are connected to decision-making.

#### DATA ANALYSIS

Both quantitative and qualitative approaches to analysis should be used. For the purpose of assessing survey and clinical evaluation data, statistical methods should be used. Utilize a questionnaire in order to get qualitative questionnaire data.

#### DEMOGRAPHIC FACTORS

Particulars	Frequency	Percentage	
	Below 30	58	47.93
	Above 30	63	52.07
	<b>Total</b>	<b>121</b>	<b>100.00</b>
<b>GENDER</b>	Female	67	55.37
	Male	51	42.15
	Prefer Not to Say	3	2.48
	<b>Total</b>	<b>121</b>	<b>100.00</b>
<b>INCOME LEVEL</b>	Low	50	41.32
	Middle	66	54.55
	High	5	4.13
	<b>Total</b>	<b>121</b>	<b>100.00</b>
<b>GEOGRAPHICAL LOCATION</b>	Urban	81	66.94
	Suburban	28	23.14
	Rural	16	13.22
	<b>Total</b>	<b>121</b>	<b>100.00</b>

<b>EDUCATIONAL LEVEL</b>	Bachelor's Degree	67	55.37
	Master's/Advance Degree	54	44.63
	<b>Total</b>	<b>121</b>	<b>100.00</b>
<b>MARITAL STATUS</b>	Single		56.20
	Married	52	42.98
	Divorced	1	0.83
	<b>Total</b>	<b>121</b>	<b>100.00</b>

The interpretation of the data for the research, which focuses on the risk assessment and management of entrepreneurial decision-making based on demographic considerations

47.93 percent of the people are under the age of 30, which is a significant proportion of the population. Those who are older than 30 years old make up the remaining 52.07 percent. The bulk of the sample is comprised of females, which accounts for 55.37 percent of the total. Males make up 42.15 percent of the total population of the people. A very tiny percentage of people, 2.48 percent, would rather not reveal their gender. The majority of people, which accounts for 54.55 percent of the population, have a moderate income level. Roughly 41.32 percent of the population has a low income level. The proportion of people that have a high income is rather low, coming in at 4.13 percent. 66.94 percent of the population lives in urban regions, which is the geographical location of the majority. Twenty-three point fourteen percent of the population lives in suburban regions. Rural regions are home to the remaining 13.22 percent of the population. The majority of the population, which accounts for 55.37 percent, has a Bachelor's degree. The persons that are still present, which accounts for 44.63 percent, possess a Master's degree or above. The majority of people, which accounts for 56.20 percent, do not have a partner. Close to 42.98 percent of people are married. Only 0.83 percent of people are divorced, which is a very modest rate.

This data suggests that there is a relatively even distribution of age among the individuals, with a slight skew towards younger entrepreneurs. Females are more likely to be entrepreneurs than males, and individuals with middle income levels are the most common. The majority of entrepreneurs reside in urban areas, and have a Bachelor's degree. The majority of entrepreneurs are single.

## ANALYSIS

**Respondents believe that identify and assessing potential business opportunities is a key aspect of effective decision-making.**

S.NO	Responses	Frequency	Percentage
1	Strongly Agree	72	59.5%
2	Agree	44	36.4%
3	Neutral	4	3.3%
4	Disagree	1	0.8%
	<b>Total</b>	<b>121</b>	<b>100</b>

**Interpretation:** The survey results show that a significant majority of respondents (95.9%) either strongly agree (59.5%) or agree (36.4%) with the statement that identifying and assessing potential business opportunities is a key aspect of effective decision-making. This indicates a strong consensus among participants regarding the importance of recognizing and evaluating business opportunities as a fundamental component of effective decision-making in the business context. A small percentage of respondents (3.3%) express a neutral stance on the matter, and only 0.8% disagree with the statement. Overall, the data suggests a widespread belief among participants that proactively identifying and thoroughly assessing potential business opportunities is crucial for making effective decisions in the realm of entrepreneurship.

**Risk should be embraced as an inherent part of entrepreneurial decision-making rather than avoided.**

S.NO	Responses	Frequency	Percentage
1	Strongly Agree	62	51.2%
2	Agree	55	45.5%
3	Neutral	4	3.3%
	<b>Total</b>	<b>121</b>	<b>100</b>

**Interpretation:** The survey results indicate that a significant majority of respondents (96.7%) either strongly agree (51.2%) or agree (45.5%) with the statement that risk should be embraced as an inherent part of entrepreneurial decision-making rather than avoided. This suggests a prevailing mindset among entrepreneurs that acknowledges the importance of embracing risk in the pursuit of entrepreneurial opportunities.

A small percentage of respondents (3.3%) are neutral on the matter, indicating a relatively minor proportion of entrepreneurs who neither strongly agree nor disagree with the idea of embracing risk. Overall, the data implies a positive attitude towards risk-taking in the entrepreneurial context, emphasizing the belief that navigating and embracing risks is an integral aspect of successful decision-making in entrepreneurship.

#### Market research significantly influences my decision-making process as an entrepreneur.

S.NO	Responses	Frequency	Percentage
1	Strongly Agree	62	51.2%
2	Agree	56	46.3%
3	Neutral	2	1.7%
4	Disagree	1	0.8%
	<b>Total</b>	<b>121</b>	<b>100</b>

#### Interpretation:

The survey data indicates that a majority of respondents (51.2%) strongly agree that market research significantly influences their decision-making process as entrepreneurs. Additionally, 46.3% agree with this statement. This suggests a high level of recognition among entrepreneurs regarding the importance of market research in guiding their business decisions. A small percentage of respondents (1.7%) are neutral, indicating that there is a relatively low number of entrepreneurs who neither agree nor disagree with the statement. Furthermore, only 0.8% of respondents disagree with the notion that market research influences their decision-making process. This minority suggests that, overall, entrepreneurs are inclined to acknowledge the value of market research in shaping their strategic choices.

In summary, the majority of entrepreneurs in this survey express a positive view towards the impact of market research on their decision-making, emphasizing the perceived significance of gathering and analysing market information in their entrepreneurial endeavours.

#### Financial feasibility is the primary factor I consider when making significant business decision.

S.NO	Responses	Frequency	Percentage
1	Strongly Agree	52	43%
2	Agree	50	41.3%
3	Neutral	14	11.6%
4	Disagree	4	3.3%
5	Strongly Disagree	1	0.8%
	<b>Total</b>	<b>121</b>	<b>100</b>

#### Interpretation:

The data indicates that a considerable majority of respondents, accounting for 84.3%, either strongly agree or agree that financial feasibility is the primary factor they consider when making significant business decisions. This suggests a strong emphasis on financial considerations in the decision-making process among the surveyed individuals. A smaller percentage (11.6%) remains neutral, and only a minimal fraction (3.3%) expresses disagreement. Overall, the results highlight the overarching importance of financial feasibility in shaping the decision-making criteria for significant business decisions.

#### External factors, such as conditions, strongly influence my decision-making.

S.NO	Responses	Frequency	Percentage
1	Strongly Agree	51	42.1%
2	Agree	54	44.6%
3	Neutral	10	8.3%

4	Disagree	6	5%
	<b>Total</b>	<b>121</b>	<b>100</b>

**Interpretation:**

The data suggests that a majority of respondents, totalling 86.7%, either strongly agree or agree that external factors, such as economic conditions, strongly influence their decision-making. This indicates a high awareness and acknowledgment among the surveyed individuals of the impact that broader economic conditions have on their decision-making processes. A small percentage (8.3%) remains neutral on the statement, and 5% express disagreement. Overall, the results highlight the significant influence of external factors, particularly economic conditions, on the decision-making practices of the surveyed individuals.

**Respondents actively involve my team or seek external advice when making significant business decision.**

S.NO	Responses	Frequency	Percentage
1	Strongly Agree	45	37.5%
2	Agree	62	51.7%
3	Neutral	10	8.3%
4	Disagree	2	1.7%
5	Strongly Disagree	1	0.8%
	<b>Total</b>	<b>120</b>	<b>100</b>

**Interpretation:**

The data reveals that a substantial majority of respondents, comprising 89.2%, either strongly agree or agree that they actively involve their team or seek external advice when making significant business decisions. This indicates a prevalent collaborative and consultative approach among the surveyed individuals, emphasizing the importance of collective input in decision-making. A small percentage (8.3%) remains neutral on the statement, and only a minimal fraction (1.7%) expresses disagreement. Overall, the results highlight a positive inclination towards team involvement and external advice-seeking in the decision-making process for significant business decisions.

**Past experience heavily shapes my approach to decision-making in my entrepreneurial journey.**

S.NO	Responses	Frequency	Percentage
1	Strongly Agree	55	45.45
2	Agree	56	46.28
3	Neutral	7	5.79
4	Disagree	3	2.48
	<b>Total</b>	<b>121</b>	<b>100</b>

**Interpretation:**

The data suggests that a significant majority of respondents, totalling 92.5%, either strongly agree or agree that their past experiences heavily shape their approach to decision-making in their entrepreneurial journey. This indicates a strong influence of personal history and lessons learned on how individuals navigate and make decisions in the entrepreneurial context. A small percentage (5.8%) remains neutral on the statement, and only a minimal fraction (2.48%) expresses disagreement. Overall, the results highlight the prominent role of past experiences in shaping decision-making approaches among the surveyed individuals.

**Ethics considerations are a top priority in my decision-making process as an entrepreneur.**

S.NO	Responses	Frequency	Percentage
1	Strongly Agree	47	38.84
2	Agree	54	44.63
3	Neutral	14	11.57
4	Disagree	6	4.96
	<b>Total</b>	<b>121</b>	<b>100</b>

**Interpretation:**

The following table contains participants answers to a statement that inquired about the ethics to consider by an entrepreneur when making-decision. 39.2% of respondents strongly agree, 45% agree, 11.7% neutral and 4.2% disagreed. This table is explaining that not everyone believe in the statement. This represents a total of 100% of respondents.

A total of 15.9% of the respondents are members of the minority view, which is comprised of those who disagree and neutral with the statement. 44.2% of respondents expressed some degree of agreement with the statement that the ethics consideration are a top priority in decision-making process as an entrepreneur. This indicates that a substantial number of respondents hold this belief.

**Innovation is a key factor in my decision-making process for business growths.**

S.NO	Responses	Frequency	Percentage
1	Strongly Agree	66	54.55
2	Agree	44	36.36
3	Neutral	8	6.61
4	Disagree	3	2.48
	<b>Total</b>	<b>121</b>	<b>100</b>

**Interpretation:**

The data indicates a strong emphasis on innovation in the decision-making process for business growth. A substantial majority of respondents, accounting for 91.7%, either strongly agree or agree that innovation is a key factor in their decision-making. This suggests a prevailing recognition among the surveyed individuals that fostering innovation is crucial for achieving business growth. A small percentage (6.7%) remains neutral, and only a minimal fraction (1.7%) expresses disagreement. Overall, the results highlight a positive inclination towards prioritizing innovation as a strategic element in business decision-making.

**Personal values and goals strongly influence my entrepreneurial decisions.**

S.NO	Responses	Frequency	Percentage
1	Strongly Agree	51	42.15
2	Agree	57	47.11
3	Neutral	8	6.61
4	Disagree	5	4.13
	<b>Total</b>	<b>121</b>	<b>100</b>

**Interpretation:**

The data shows that a significant majority of respondents, comprising 90.8%, either strongly agree or agree that their entrepreneurial decisions are strongly influenced by their personal values and goals. This suggests that personal convictions and aspirations play a substantial role in shaping the decision-making processes of the surveyed individuals. A small percentage (6.7%) remains neutral on the statement, and only a minimal fraction (2.5%) expresses disagreement. Overall, the results underscore the importance of aligning entrepreneurial decisions with personal values and goals for the majority of participants.

**Respondents view failures as opportunities for learning and improvement in my decision-making process.**

S.NO	Responses	Frequency	Percentage
1	Strongly Agree	70	57.9%
2	Agree	43	33.5%
3	Neutral	5	4.1%
4	Disagree	2	1.7%
5	Strongly Disagree	1	0.8%
	<b>Total</b>	<b>121</b>	<b>100</b>

**Interpretation:**

The data indicates a positive and constructive mindset among the respondents regarding their perception of failures. A substantial majority, comprising 91.4% of participants, either strongly agree or agree that they view failures as opportunities for learning and improvement in their decision-making process. This suggests a prevailing belief in the value of setbacks as a catalyst for personal and professional growth. Only a small percentage express a more reserved stance, with 4.1% being neutral and 2.5% disagreeing to some extent. Overall, the results highlight a prevalent attitude of resilience and a willingness to extract valuable lessons from failures among the surveyed individuals.

**Striking a delicate balance between social responsibility and profitability is a critical aspect of my decision-making.**

S.NO	Responses	Frequency	Percentage
1	Strongly Agree	40	33.1%
2	Agree	63	52.1%
3	Neutral	13	10.7%
4	Disagree	3	2.5%
5	Strongly Disagree	2	1.7%
	<b>Total</b>	<b>121</b>	<b>100</b>

**Interpretation:**

The following table contains replies to a statement that questions the need of striking a delicate balance between social responsibility and profitability is a critical aspect of making decision.

Over the course of the survey, 52.1% of respondents expressed some level of agreement with the statement that strict legal action must be taken against wilful defaulters. Of those respondents, 33.1% strongly agreed, 52.1% agreed, 10.7%, and neutral with the statement. The total of, 2.5% disagree and 1.7% strongly disagree of those who responded are of the opinion that the statement is incorrect. The overwhelming majority of responders, which accounts for 85.2%, are in agreement with the statement.

The high percentage of agreement suggests that, in general, the surveyed individuals recognize the importance of incorporating social responsibility alongside profitability in their decision-making processes. This alignment with the idea of balancing social and financial considerations could be reflective of a growing awareness of corporate social responsibility and its impact on business practices.

**FINDINGS OF THE STUDY ON RISK EVALUATION AND MANAGEMENT ON ENTREPRENEURIAL DECISION-MAKING****On Identifying and Assessing Opportunities:**

- A significant majority (95.9%) of respondents strongly agree or agree that identifying and assessing potential business opportunities is a key aspect of effective decision-making.

**On Embracing Risk:**

- A vast majority (96.7%) of respondents strongly agree or agree that risk should be embraced as an inherent part of entrepreneurial decision-making rather than avoided.

**On the Importance of Market Research:**

- A majority (97.5%) of respondents strongly agree or agree that market research significantly influences their decision-making process.

**On Financial Feasibility as a Primary Factor:**

- A considerable majority (84.3%) of respondents strongly agree or agree that financial feasibility is the primary factor they consider when making significant business decisions.

**On the Influence of External Factors:**

- A majority (86.7%) of respondents strongly agree or agree that external factors, such as economic conditions, strongly influence their decision-making.

**On Collaborative Decision-Making:**



- A substantial majority (89.2%) of respondents strongly agree or agree that they actively involve their team or seek external advice when making significant business decisions.

#### **On Past Experiences Shaping Decision-Making:**

- A significant majority (92.5%) of respondents strongly agree or agree that their past experiences heavily shape their approach to decision-making in their entrepreneurial journey.

#### **On Prioritizing Innovation:**

- A substantial majority (91.7%) of respondents strongly agree or agree that innovation is a key factor in their decision-making process for business growth.

#### **On Aligning Decisions with Personal Values:**

- A significant majority (90.8%) of respondents strongly agree or agree that their entrepreneurial decisions are strongly influenced by their personal values and goals.

#### **On Viewing Failures as Learning Opportunities:**

- A substantial majority (91.4%) of respondents strongly agree or agree that they view failures as opportunities for learning and improvement in their decision-making process.

#### **On Balancing Social Responsibility and Profitability:**

- The overwhelming majority (85.2%) of respondents agree or strongly agree that striking a delicate balance between social responsibility and profitability is a critical aspect of their decision-making.

### **SUGGESTIONS:**

1. Be a proactive opportunity hunter: Systematically identify and vet potential ventures with market research and expert guidance.
2. Embrace risk, but manage it: Implement a risk management framework, diversify your portfolio, and build financial reserves.
3. Fuel decisions with data: Invest in analytics tools, track progress, and adapt based on insights.
4. Seek wisdom in collaboration: Build a diverse team, leverage advisors, and network with industry leaders.
5. Embrace lifelong learning: Invest in training, stay updated on trends, and view failures as growth opportunities.
6. Balance profit with purpose: Integrate social responsibility into your core values and build relationships with stakeholders.

### **CONCLUSIONS:**

This study on risk evaluation and management in entrepreneurial decision-making paints a compelling picture of the key factors that drive success. The findings reveal a strong emphasis on proactive identification and assessment of opportunities, coupled with a healthy acceptance of risk as an inherent part of the entrepreneurial journey. Data-driven decision-making, informed by thorough market research and a focus on financial feasibility, emerges as another crucial element.

The study also underscores the importance of collaboration and seeking external advice, highlighting the value of collective wisdom in navigating complex decisions. Additionally, the findings emphasize the significant role of past experience in shaping decision-making approaches, and the crucial lesson of viewing failures as opportunities for learning and growth.

Furthermore, the study highlights the growing awareness of the need to balance social responsibility with profitability. Striking this delicate balance is not just an ethical imperative, but also a strategic one, as it fosters long-term sustainability and builds trust with stakeholders.

In conclusion, this study offers valuable insights for aspiring and established entrepreneurs alike. By embracing a comprehensive approach that integrates opportunity assessment, risk management, data-driven decision-making, collaboration, continuous learning, and a commitment to social responsibility, entrepreneurs can navigate the challenges and seize the opportunities that lie ahead, ultimately achieving success in their ventures.

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