

Uncertainty as the substratum of entrepreneurship

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Abstract

© 2015, Mediterranean Center of Social and Educational Research. All rights reserved. The article addressed the stochastic issues of modern business environment, the content of the concepts of uncertainty and risk. The basis of the concept of business initiatives are defined through the prism of ontology of venture activities. It is proved that the risk enhances the capabilities of a subject and increases its adaptive capacity due to the timely actions. That is why the risk becomes the property of a particular resource that can improve the sustainability of a business entity acting in the face of uncertainty. The sources of uncertainty and risk are shown, being conditional to the implementation of particular subject activity in the business sector. From the standpoint of this study, risk is considered as an attribute of entrepreneurship, which is sure to arise in situations where alternatives are possible, realized in many outcomes. There is uncertainty about a particular outcome, and at least one of the outcomes is harmful. In a broad sense, the risk is understood as a solution associated with the choice of a wide variety of complementary or alternative options, the result of which is internally and unavoidably inherent with uncertainty. Thus, the risk is a characteristic of solutions made by the subject, reflecting the uncertainty of achieving the objectives of its activities. Uncertainty, acting as a substrate of entrepreneurship, is implemented in various alternative ways of achieving subjective goals. Under these conditions, the venture of business activity is manifested most clearly, and the risk is acquiring attribute qualities as an immanent feature of the modern business environment.

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Keywords

Entrepreneurial risk, Entrepreneurship, Social dynamics, Social interaction, Stochastic attributes, Uncertainty