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Book Review

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Introduction

Concepts, Processes, and Practice of Entrepreneurship: A Primer on Innovation and Venture Creation by Milton Rajaratne is a comprehensive examination of entrepreneurship from the perspectives of value, venture, and wealth creation. Drawing on his extensive experience in academia, he discusses entrepreneurship in depth, including its history, theory, and practical applications. The book covers a wide range of topics, including types of entrepreneurs, entrepreneurial processes, modelling of businesses, creation and growth management of ventures, intellectual property rights, and comparative entrepreneurship cultures. This book is organised into five parts that include aspects of entrepreneurship, history and theory of entrepreneurship, entrepreneurship process, entrepreneurship practices, and new trends and topics in

entrepreneurship. Complete with nearly 150 illustrations and numerous real-world cases, the text also introduces new models and hypotheses that facilitate understanding and application. This primer will thus be an indispensable companion to students, researchers, and practitioners interested in the multiple facets of entrepreneurship and its crucial role in economic development.

Part I: Facets of Entrepreneurship

The first part of this book consists of three main chapters: an introduction to entrepreneurship, the entrepreneurial environment and perspectives on entrepreneurs. Chapter One presents key definitions and traces the evolution of Western entrepreneurship literature, from Richard Cantillon's early work in 1755 to Robert Ronstadt's contributions in 1984. It also explores in some depth the relationship between entrepreneurship and economic development, emphasising the function of entrepreneurship in the creation of national wealth. It identifies that an entrepreneurial organisation could be influenced by both its micro and macro environments to contribute toward national development. Chapter Two introduces the entrepreneurial environment, including the distinction between micro and macro levels. The micro-environment pertains to a firm's internal and controllable factors such as its assets, liabilities, intellectual property, skills, and internal stakeholders. On the other hand, a firm's macro-environment encompasses operational, market, national, and international factors that are uncontrollable and external. Volatility of the environment is thought of as being an opportunity and a challenge at the same time, given its elimination of existing opportunities while opening new ones. This chapter introduces a dual-sphere approach: controllable and uncontrollable to come to a better understanding. Drawing on Kim and Mauborgne's (2005) Blue Ocean Strategy, it suggests that perceptive entrepreneurs innovate strategically around challenges presented in saturated "Red Ocean" markets and compete for untapped "Blue Ocean" markets. Chapter Three describes the characteristics, competencies, functions, and categories of entrepreneurs, covering modern perspectives on entrepreneurial types. It also covers the success factors, which are not always met but mentions that entrepreneurship goes further than the business management issue to include socio-economic issues. In addition, an entrepreneur has several responsibilities, including social values, ethics, human rights, consumer rights, employment law, environmental protection, and adherence to standards. According to the type of business ownership and organisation, the entrepreneur might be called a businessman, proprietor, president, CEO or chairman.

Such categorisation is also presented in this chapter through frameworks like one by Clarence Danhof, 1947. Taken together, these chapters serve as a general overview of Western entrepreneurship's developments and core principles, while at the same time providing critical insights into its theoretical and practical dimensions.

Part II: History and Theory of Entrepreneurship

This part of the book encompasses two chapters: the evolution of entrepreneurship and entrepreneurship theory. Chapter Four describes how the concept of entrepreneurship has evolved from ancient times to the present. The focus is on Western entrepreneurship and its development. It enumerates that even though entrepreneurship has been practiced since ancient times, it is only in the last few centuries that it attracted the attention of scholars. It indicates that during the Stone Age, entrepreneurial activities existed while mercantilism, or international trade, banking, trading companies, and colonisation, urged the growth of entrepreneurship during the medieval period. However, the Industrial Revolution marked the turning point because it transformed enterprises from domestic cottage industry systems into factory-based production. Chapter Five synthesises the major theories of entrepreneurship, which are grouped into economic, sociological, psychological, displacement, inducement, environmental, financial, trait, and strategy formation schools of thought. The author shows that new theoretical frameworks are needed, and he discusses the “intervention hypothesis”, which implies that at the heart of entrepreneurship lies intervention meant to take care of societal needs by supplying marketable solutions. Orthodox theories were comprehensive but missed this critical aspect of entrepreneurial intervention. The chapter concludes that the conceptualisation of entrepreneurship during the past centuries has predominantly been carried out within the economics discipline, while the industrial revolution and management revival gave energy to the development of entrepreneurial theory. Overall, the chapters provide a brief overview of the historical background of entrepreneurship and the various theoretical stances that have attempted to explain its nature and functions. The discussion presents a comprehensive picture of entrepreneurship, both as a historical practice and a continuously evolving academic field, shaped by economic, social, and managerial transformations.

Part III: Entrepreneurship Process

This section of the book addresses the entrepreneurship process, incorporating practical aspects like opportunity identification, invention and innovation, registration

of intellectual property, feasibility planning, business modeling, venture creation, and growth management. It operationalises the theoretical input provided in the earlier sections. Chapter Six maintains that entrepreneurship and venture creation are interdependent and that entrepreneurship involves a multi-dimensional sub-process, which starts with the recognition of an opportunity and includes steps such as invention, innovation, business planning, business modelling, venture creation, and finally, growth management, each linked to the other and leading to a sustainable enterprise. Chapter Seven describes the creative process or invention process in innovation. This encompasses the idea generation, preparation, incubation, illumination, and verification stages. Innovation converts these creative ideas into marketable goods, services, or methods through the stages of analytical planning, resource organisation, implementation, and commercialisation. Chapter Eight identifies intellectual property as the venture's most critical asset, representing the unique knowledge encapsulated in products and services. Chapter Nine covers feasibility planning at length, both from a theoretical and a practical perspective. Also known as business planning, feasibility planning assesses whether a business venture is viable, creating vital feasibility or business plans for venture creation. According to Chapter Ten, feasibility plans introduce preliminary business models, while comprehensive business models outline product offerings, markets, profit organisation, growth, and sustainability strategies required for the commencement of business. Chapter Eleven delineates that growth and its management from the start-up period onward play a major role in ensuring the success and continuity of the venture. In summary, this section highlights that the practical processes of entrepreneurship are essential in transforming ideas into successful businesses.

Part IV: Entrepreneurship in Practice

Part Four focuses on the practical dimensions of entrepreneurship, divided into four chapters: production and service ventures, acquisition and mergers, franchising and licensing, neo-entrepreneurial models, and entrepreneurship development programs. This section bridges the theoretical and operational concepts discussed previously by providing practical guidance on launching and managing ventures. Chapter Twelve categorises production ventures as goods and services, which entrepreneurs choose at the time of initiating the venture. This choice is refined into a feasibility plan, allowing entrepreneurs to select an appropriate technology platform: High Tech, Mid-Tech, or Low-Tech. Chapter Thirteen addresses alternative means

of venture creation, including acquisitions, mergers, franchising, and licensing. Acquisitions mean acquiring existing companies to draw on scale and scope economies, and in franchising and licensing, the entrepreneur obtains the right to employ established trademarks, trade names, and business systems in return for royalties. Chapter Fourteen introduces neo-entrepreneurial models, including corporate entrepreneurship, social entrepreneurship, women entrepreneurship, family business entrepreneurship, and hybrid entrepreneurship, all of which reflect evolving practices in contemporary business environments. Chapter Fifteen details entrepreneurship development programs for socially and economically disadvantaged groups, such as vulnerable women, to encourage entrepreneurship and address unemployment, income inequality, and low living standards. This is in line with the debate about whether entrepreneurs are born or made (Drucker, 1985; Schumpeter, 1934; Liñán & Fayolle, 2015; López-Núñez et al., 2020) and the need for entrepreneurship education (Srirejeki, 2021; Sherkat, 2022; Soomro, 2022). In summary, this section outlines key considerations in implementing theoretical entrepreneurship principles into practical business applications.

Part V: New Topics of Entrepreneurship

This fifth section explores contemporary entrepreneurship topics, including comparative entrepreneurship, international entrepreneurship, political economy, and entrepreneurial social responsibility and ethics. Chapter Sixteen asserts that entrepreneurship determines national wealth, and the latter consequently reflects a country's strong capacity for entrepreneurship. The authors of the Global Entrepreneurship Index (GEI) illustrate a valid and strong positive correlation between per capita income and entrepreneurship capacity of every nation considered, as evidenced by Ács et al. (2017). Chapter Seventeen defines international entrepreneurship as the expansion of domestic businesses across borders. Such operations may involve production, services, licensing, merchandising, acquisitions, mergers, franchising, greenfield investments, turnkey investments, public-private partnerships, and other similar activities. Political economy is addressed in chapter Eighteen; it governs market policies, macroeconomic and monetary policies, fiscal policy, development, entrepreneurship development, poverty alleviation, trade policies, and industrial strategies. It is important to note that political economy emerged as societies evolved, aligning government coordination of socio-economic activities with political ideologies. Chapter Nineteen frames entrepreneurship as a broad social

process, having both positive and negative impacts on society. Entrepreneurs create supply chains responsible for roughly \$100 trillion of global GDP. Corporate social responsibility and ethics, arising from increased societal and academic pressures, seek to guide entrepreneurial behavior toward socially responsible and ethical outputs. In general, this section situates entrepreneurship within the broader context of global economic development, international business, governance, and social responsibility, highlighting its multidimensional contributions to modern economies.

Some Observations

The author of this book impressively links theory and practice in his work on entrepreneurship, presenting a seamless link between conceptual frameworks and actual practice. This book introduces new concepts that widen the scope of traditional studies on entrepreneurship, coming at a well-timed and relevant moment. It uniquely covers a wide range of audiences, including students, practitioners, and academics, who are often underrepresented in the entrepreneurship literature. The material covered is extremely comprehensive and rigorously academic, spanning the broad landscape of entrepreneurship. The work draws extensively on seminal works from entrepreneurship and its related root disciplines, such as economics, psychology, sociology and anthropology, in order to establish the grounding of the content in established scholarship. This book makes a valuable asset in fostering a deep understanding of innovation and venture creation among readers across various domains.

Conclusion

This book, *Concepts, Processes and Practice of Entrepreneurship* by Rajaratne, is a comprehensive and academically sound text that bridges the gap between entrepreneurship theory and practice. New concepts are introduced, and seminal scholarly works are integrated in a manner that significantly contributes to the field. Its uniqueness lies in attracting students, practitioners, and academics alike, thereby providing a useful tool in understanding and applying entrepreneurial principles in diverse contexts. It represents a vital contribution to current entrepreneurship literature and encourages further insights into innovation and venture creation.

About the Author

Milton Rajaratne is the author of *Concepts, Processes and Practice of Entrepreneurship: A Primer on Innovation and Venture Creation*. Milton Rajaratne is a Senior Professor and an eminent scholar in Management Studies at the University of Peradeniya in Sri Lanka. He has been in academia for over three decades and is known for his contributions to the fields of economics, entrepreneurship and management studies. His work focuses on various dimensions of entrepreneurship, including value creation, venture formation, and wealth creation through entrepreneurial talents. The book characterises vast knowledge and experience in entrepreneurial processes, business modeling, and venture growth management.

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