# **Difference Between Entrepreneur and Intrapreneur**

As both entrepreneur and intrapreneur share similar qualities like conviction, creativity, zeal and insight, the two are used interchangeably. However, the two are different, as an **entrepreneur** is a person who takes a considerable amount of risk to own and operate the business, with an aim of earning returns and rewards, from that business. He is the most important person who envisions new opportunities, products, techniques and business lines and coordinates all the activities to make them real.

On the contrary, an **intrapreneur** is an employee of the organization who is paid remuneration according to the success of the business unit, for which he/she is hired or responsible.

The primary difference between an entrepreneur and intrapreneur is that the former refers to a person who starts his own business with a new idea or concept, the latter represents an employee who promotes innovation within the limits of the organization. In this article excerpt, we are providing you wit some other important points of distinction between the two.

| **BASIS FOR COMPARISON** | **ENTREPRENEUR** | **INTRAPRENEUR** |
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| Meaning | Entrepreneur refers to a person who set up his own business with a new idea or concept. | Intrapreneur refers to an employee of the organization who is in charge of undertaking innovations in product, service, process etc. |
| Approach | Intuitive | Restorative |
| Resources | Uses own resources. | Use resources provided by the company. |
| Capital | Raised by him. | Financed by the company. |
| Enterprise | Newly established | An existing one |
| Dependency | Independent | Dependent |
| Risk | Borne by the entrepreneur himself. | Taken by the company. |
| Works for | Creating a leading position in the market. | Change and renew the existing organizational system and culture. |

### Definition of Entrepreneur

An entrepreneur is an individual who conceives the idea of starting a new venture, take all types of risks, not only to put the product or service into reality but also to make it an extremely demanding one.  He  is someone who:

* Initiates and innovates a new concept,
* Recognises and utilises opportunity,
* Arranges and coordinates resources such as man, material, machine and capital,
* Take suitable actions,
* Faces risks and uncertainties,
* Establishes a startup company,
* Adds value to the product or service,
* Takes decisions to make the product or service a profitable one,
* Is responsible for the profits or losses of the company.

Entrepreneurs are always the market leader regardless of the number of competitors because they bring a relatively new concept in the market and introduce change.

### Definition of Intrapreneur

An intrapreneur is nothing but an entrepreneur within the boundaries of the organisation. An intrapreneur is an employee of a large organisation, who has the authority of initiating creativity and innovation in the company’s products, services and projects, redesigning the processes, workflows and system with the objective of transforming them into a successful venture of the enterprise.

The intrapreneurs believe in change and do not fear failure, they discover new ideas, looks for such opportunities that can benefit the whole organisation takes risks, promotes innovation to improve the performance and profitability, resources are provided by the organisation. The job of an intrapreneur is extremely challenging; hence they are appreciated and rewarded by the organisation accordingly.

From last few years, it has become a trend that large corporations appoint intrapreneur within the organisation, to bring operational excellence and gain competitive advantage.

## Key Differences Between Entrepreneur and Intrapreneur

The important distinguishing points between entrepreneur and intrapreneur, are given in the following points:

1. An entrepreneur is defined as a person who establishes a new business with an innovative idea or concept. An employee of the organisation who is authorised to undertake innovations in product, service, process, system, etc. is known as Intrapreneur.
2. An entrepreneur is intuitive in nature, whereas an intrapreneur is restorative in nature.
3. An entrepreneur uses his own resources, i.e. man, machine, money, etc. while in the case of an intrapreneur the resources are readily available, as they are provided to him by the company.
4. An entrepreneur raises capital himself. Conversely, an intrapreneur does not need to raise funds himself; rather it is provided by the company.
5. An entrepreneur works in a newly established company. On the other hand, an intrapreneur is a part of an existing organisation.
6. An entrepreneur is his own boss, so he is independent to take decisions. As opposed to intrapreneur, who works for the organisation, he cannot take independent decisions.
7. This is one of the salient features of an entrepreneur; he is capable of bearing risks and uncertainties of the business. Unlike intrapreneur, in which the company bears all the risks.
8. The entrepreneur works hard to enter the market successfully and create a place subsequently. In contrast to Intrapreneur, who works for organization-wide change to bring innovation, creativity and productivity.

### Conclusion

Since, last few decades, it has been noticed that people give more value to innovations, which lead to the rise in the number of startup companies year on year. This is because the world is changing rapidly with the advancement in technology. It has also resulted in the competition among companies. Now, if the enterprise wants to stand in competition with other enterprises, it should bring something new in their products. Entrepreneur and Intrapreneur play a major role here, to enter into new business and even markets.