

Department of Electrical Engineering

Assignment

Date: 14/04/2020

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Course Details

Course Title: Entrepreneurship Module: 6th  
Instructor: Sir Shahid Latif -- Total Marks: 30

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Student Details

Name: M.Farhan Ali Student ID: 13032

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Q1.	(a)	Explain in your own words what are the main entrepreneur characteristics?	Marks 5
			CLO 1
	(b)	Describe how entrepreneurial resources can create generation of a new entry opportunity?	Marks 5
			CLO 1
Q2.	(a)	“Benefits of Entrepreneurship” discuss and explain its different factors by giving examples for every factor from everyday real life.	Marks 5
			CLO 1
	(b)	“Entrepreneur Vs. Inventor” what is the difference between them? Write “Venture Profile” of a typical entrepreneur in your own words (min 200 words).	Marks 5
			CLO 1
Q3.	(a)	Draw a block diagram for Entrepreneurial entry strategy and explain all the blocks by writing at least six lines with examples for each box.	Marks 5
			CLO 1
	(b)	Discuss with examples Product Planning and Development Process.	Marks 5
			CLO 1

Question #01 (part A)

Answer: Main Entrepreneur Characteristics

1. **Creative:** Entrepreneurship starts with an idea. To be successful, you need to always be thinking of new ideas and better ways if doing things.
2. **Motivated:** Entrepreneurs are their own boss, which means there's no one telling them to do things. You must in charge of your own time and how you spend it.
3. **Personality:** To be successful in business, you have to know business. If you're a people person and know how to get people to listen to you, you could be a successful entrepreneur.
4. **Patience.** You must be patient and ready to continue even you lose the first battle. It is important because the war is still not finished. This is only the beginning of your journey as an entrepreneur.
5. **Risk taking:** This is indeed one of the most critical questions: Are entrepreneurs taking enough risk? Yes, each business startup is at some level risky. However, more important is how a successful entrepreneur takes a risk? The word **calculated risk** is the most appropriate word for this characteristic.
6. **Visionary:** Every entrepreneur needs to be a visionary. Without a vision for the future of his venture, he or she would just be working aimlessly without reaching any point of success.
7. **Great talent:** Talent is something inborn in an entrepreneur. But, sometimes talent is something that can be easily replaced with knowledge and skills.
8. **Honesty:** Honesty is vital in every case. But sometimes honesty, being real, can be the most significant enemy of an entrepreneur in some complex conditions.

(Part b)

Answer:

Entrepreneurial resources can be defined as Assets, both tangible and intangible, that are mobilized by entrepreneurs in the process of building a business, organization, or other initiative. Entrepreneurial resources include sources of financing such as lines of credit and investment capital, but may also include abstract resources such as knowledge of a

particular field or technology, or networks of contacts who can be called upon to contribute financial support, publicity, or other benefits to a growing enterprise.

the above mentioned resources can help in generation of a new entry opportunity, having these resources can solve many problem in starting a new business.

### **Question#02 (part A)**

**Answer:**

- **Opportunity to create your own destiny:**

Owning a business provides an entrepreneur the independence and the opportunity to achieve what is important to them.

Entrepreneurs want to decide what they want in their lives, and they use their businesses to make their desire a reality (come true).

Example:

- **Opportunity to make a Difference**

More and more entrepreneurs are starting businesses because they see this as an opportunity to make a difference in a route or way that is personally important to them.

**Example:** many people start business to get rich and get more money, which they were unable to get in a job.

- **Opportunity to reach your full potential.**

For entrepreneurs there is little difference between work and play. Entrepreneurs see their business as a vehicle of self expression of personal desire and eventual self actualization of their personal goals – the pinnacle of their career success.

**Example:** huge business like import export, in which a person reaches to his full potential of making strategies and taking tough decisions.

- **Societal Responsibility and Recognition.**

Small business owners are among the most admired, respected and trusted individuals of society. Customers have shown their trust and faithfulness over their years for their business. Help to contribute employment, business opportunity in a particular locality or area.

**Example:** Shopkeepers, newspaper sellers

- **Opportunity to engage in work of their choice**

Small business owners tend to engage in business that gives them personal satisfaction. Though they may work long hours and engage in very industrious work that is beneficial to their organization and themselves. Most of all the work they engage in helps to benefit the community, society and the nation.

**Example:** online tutoring, personal trainer

## **(Part B)**

### **Answer:**

- **Difference between inventor and Entrepreneur:**
- An **inventor** is likely the most creative individual of the three. Someone who invents a product is simply looking to create a new product that has never before been made. In most cases, an inventor isn't trying to place this invention on the market.
- On the other hand, an **entrepreneur** is someone who focuses almost exclusively on trying to take a product and fit it into a market wherein it can sell to customers or clients. Entrepreneurs usually create companies surrounding the product that they want to place on the market, which is why most individuals who create startups are considered to be entrepreneurs

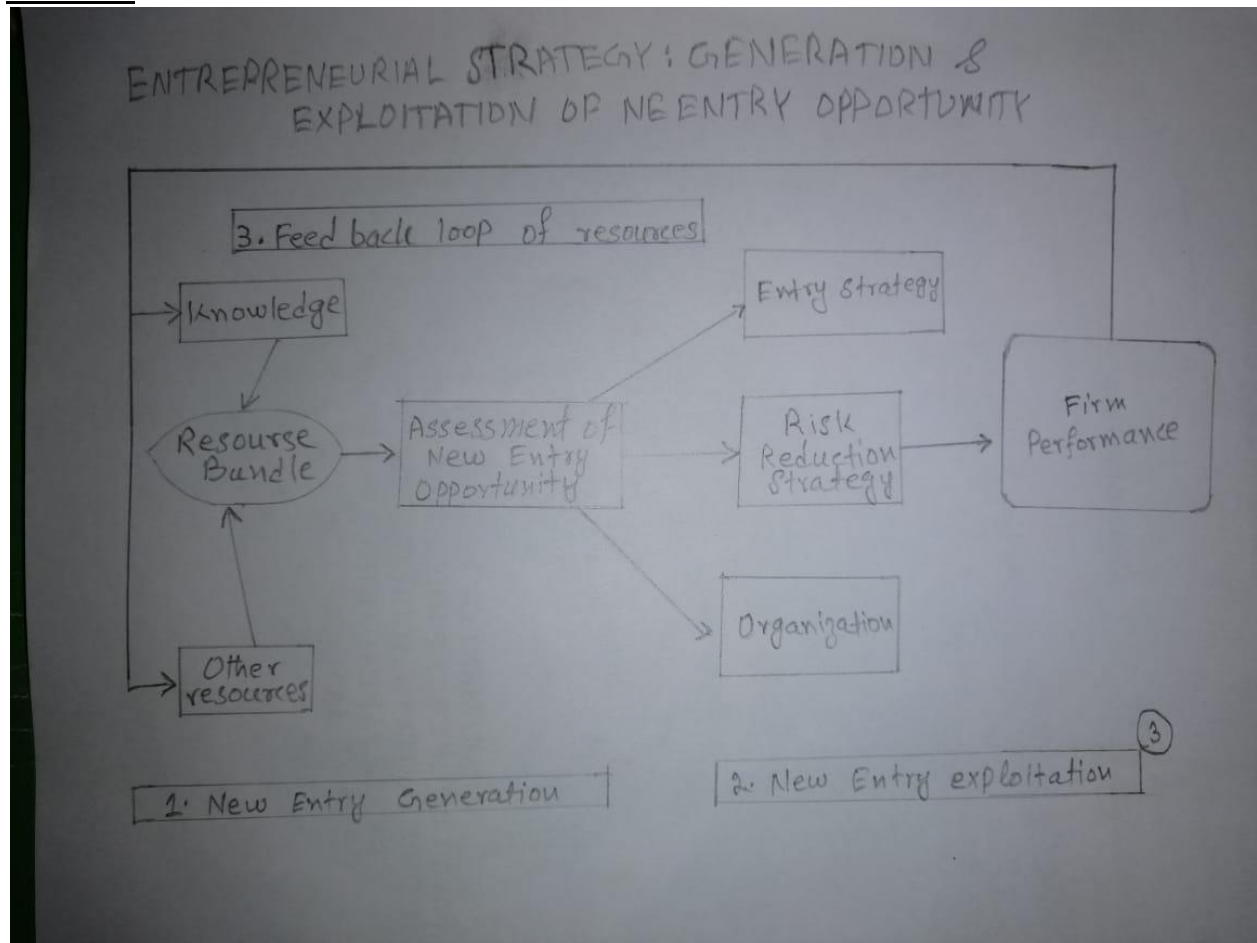
### **Venture profile of an Entrepreneur:**

**LARRY PAGE:** Lawrence 'Larry' Page is an American Computer Scientist and an internet entrepreneur who co-founded Google with Sergey Brin in 1998. Larry Page is the CEO of Google's parent company Alphabet Inc. Born on March 26, 1973, in East Lansing, Michigan, his father was a Ph. D in Computer Science and a professor at Michigan State University and his mother an instructor in computer programming. A voracious reader in his youth, Page spent a lot of time poring over Science & Technology books and magazines. Page always liked to invent things and at the age of 12 knew that someday he was going to start a company. Page holds a Bachelor of Science in Computer Engineering from the University of Michigan, with honors and a Master of Science in Computer Science from Stanford University.

Page took over as the CEO of Google in 2011 taking over the reins from Eric Schmidt and stepped down and handed over the charge to Sundar Pichai in 2015. Page is now the CEO of Alphabet and Sergey Brin its President.

## Question#03 (Part A)

Answer:



- **Knowledge:** Information on a new entry More knowledge ensures (prior knowledge): Entrepreneur starts from a position of less ignorance. Less time is spent on information search.

Market knowledge - information, technology, know-how, and skills that provide insight into a market and its customers. Technical knowledge – Information, technology, know-how, and skills that provide insight into ways to create new knowledge.

- **Resources:** The ability to obtain, and then recombine, resources into a bundle that is valuable and rare. Entrepreneurs combines the resources into such a different ways as this bundle of resources provides a firm its capacity to achieve superior performance For

Example: A high skilled workforce will be useless if the organization's culture, teamwork, communication does not support them.

Resources must be:

1. **Valuable:** enables a firm to pursue opportunities, neutralize threats, and offer valuable product and services to the customers
2. **Rare:** Possessed by few, (potential) competitors
3. **Inimitable:** Replication of this bundle of resources would be difficult or costly for the potential competitors

- **Assessment of new entry Opportunity:** The entrepreneur needs to determine whether it is in fact valuable, rare, and inimitable by assessing whether the new product or the new market are sufficiently attractive to be worth exploiting and developing. The prior market and technological knowledge used to create the potential new entry can also be of benefit in assessing the attractiveness of a particular opportunity.
- **Entry strategy:** entry strategy is a planned distribution and delivery method of goods or services to a new target market. In the import and export of services, it refers to the creation, establishment, and management of contracts in a foreign country.

#### **Competitive Advantages of 'being first'**

1. First mover develop a cost advantage
2. First mover face less competitive rivalry
3. First movers can secure important channels
4. First movers are better positioned to satisfy customers
5. First mover gain expertise through participation

#### **Disadvantages of 'Being First'**

1. **Demand Uncertainty:** Considerable difficulty in accurately estimating the potential size of the market, how fast it will grow, and the key dimensions along which it will grow
2. **Technological Uncertainty:** Considerable difficulty in accurately assessing whether the technology will perform and alternate technologies will emerge and leapfrog (game) over current technologies
3. **Uncertainty of Customers:** Customers may have considerable difficulty in accurately assessing whether the new product or service provides value for them

- **Risk reduction strategy:** Risk is derived from uncertainties over market demand, development, technological, and actions of competitors.

Two strategies can be used to reduce these uncertainties:

**Market scope strategies** – focus on which customers groups to serve them.

**Imitation strategies** – Involves copying practices of others.

**(Part B):**

▪ **product planning and development process.**

Criteria should be:

- **All inclusive and quantitative to screen the product carefully.**
- **Established to evaluate the new idea in terms of:**

Market opportunity

Production factors.

Need for the product idea must exist

Characteristics & attitudes of consumers that might buy the product, size & nature of market

Share of that market that product could capture

**Competition:**

competing producers, prices, & marketing policies should be evaluated

Product should be able to compete successfully with products already on the market by having features that will meet or overcome current or anticipated competition

• **Marketing system**

New product should be compatible with existing management capabilities & marketing strategies

Firm should be able to use its marketing experience & other expertise in this new product effort

Example: GE would have less difficult time adding a new kitchen appliance to its line than P&G

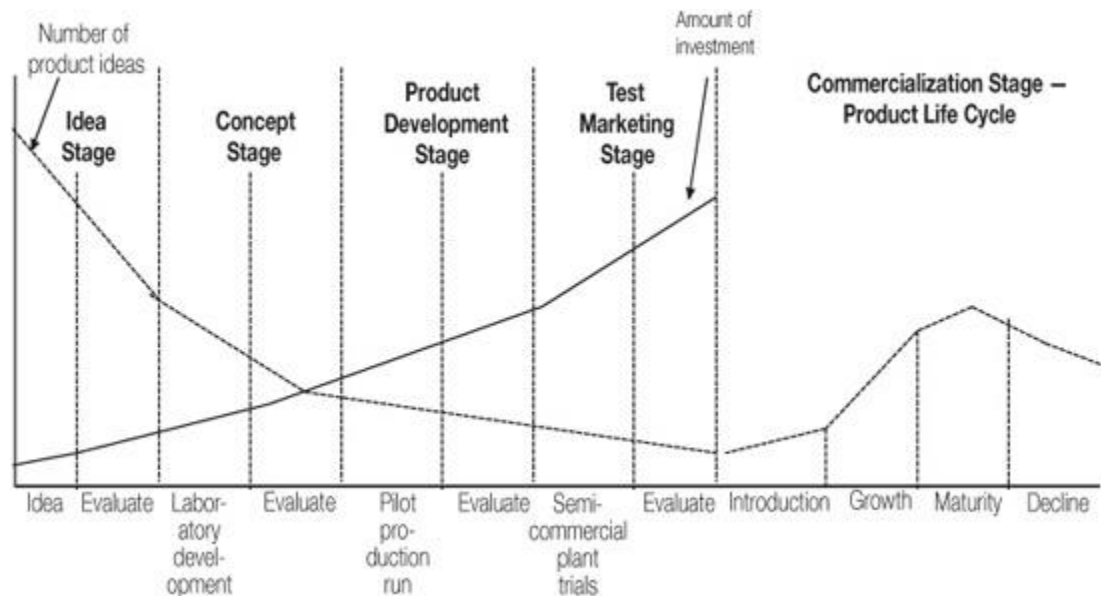
**Financial factors :**

product should be able to be supported by & contribute to Co. financial structure

Break even point & Long term profit outlook for product need to be determined

### **Production factors:**

- if the new product idea cannot be integrated into existing manufacturing processes, not only is the new idea less positive- but new plan & production cost – plant space need to be determined
- **Divided into five major stages:**
  - **Idea stage.**
  - **Concept stage.**
  - **Product development stage.**
  - **Test marketing stage.**
  - **Commercialization.**



**The Product Planning and Development Process**

**End of paper**