

Department of Electrical Engineering

Assignment

Date: 14/04/2020

Course Details

Course Title: Entrepreneurship

Module: 6th

Instructor: --

Total Marks: 30

Student Details

Name: Fayaz Ullah

Student ID: 13854

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

Answers

Question No (1)

Part (a)

Characteristics of Entrepreneur:

- 1): **Passion:** For any entrepreneur to be successful, they have to deep passion. It is not just the to make money, it is the passion to solve a problem and meet the needs of others through their business or idea.
- 2): **Risk Taking:** Another characteristic of entrepreneurs is that they are not afraid to take risks. They have an appreciation for the balance between risk and reward.
- 3): **Hard Work:** No one is successful in life without putting in the hard work. Yes, luck does play a part but you can't overlook the importance of hard work.
- 4): **Vision:** Vision is another essential characteristic that every successful entrepreneur has. Vision is what propels most entrepreneurs to success, because until they see what they pictured they won't stop. Without a clear picture of the future, just anywhere will look like the destination.
- 5): **Communication Skills:** Entrepreneurs need to be strong verbal communicators as speaking with potential employees, customers and investors is usually the way an outsider is first introduced to you or your company.
- 6): **Understand What You Offer:** As an entrepreneur, you need to know what you offer, and how it fits into the market.

Part (b)

1): **Resources as a Source of Competitive Advantage:**

Resources are the basic building block to a firm's functioning and performance, the input into the production process. They can be combined in different ways.

2): **Entrepreneurial 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

3): **Assessing the Attractiveness of a 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.

4): Window of Opportunity:

The period of time when the environment is favorable for entrepreneurs to exploit a particular new entry.

5): Information on a New Entry:

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.

6): Resources must be:

Valuable: enables a firm to pursue opportunities, neutralize threats, and offer valuable product and services to the customers

Rare: Possessed by few, (potential) competitors

Inimitable: Replication of this bundle of resources would be difficult or costly for the potential competitors.

Question No (2)

Part(a)

Benefits of Entrepreneurship:

These are the main benefits of entrepreneurship.

Offering Jobs:

When an entrepreneur becomes a great entrepreneur in his entrepreneurship so he decides to register or make an organization to run his business successfully through workers so he offers jobs to the people.

Example: My father has the firm or organization of construction namely ARCO Construction in which many people work and we offer jobs to the people. We have engineers, technical staff, labors, site staff, and accountant.

Work where you want:

Entrepreneurs can work from anywhere where there's an Internet connection. You have complete freedom to live where you want and go where you want.

Example: Nowadays people have started online business in Pakistan namely click pay earn and parpal are online businesses in Pakistan. People just sit at homes watch some videos and they earn money.

Giving knowledge to others:

Good entrepreneurs they pass their knowledge to other people about entrepreneurship.

Example: One of the great entrepreneurs Bill Gates, he is a role model for people. From his abilities people learn how to start business, what should be in you and with you for example skills, knowledge, revenue, and confidence etc.

Part(b)

Both inventors and entrepreneurs are able to come up with new ideas, and share some common characteristics, however, the key difference is that **inventors** are usually focused on the tangible invention, while **entrepreneurs** are more focused on the business opportunity.

Venture Profile

Entrepreneur: Sam Walton

Samuel Moore Walton (March 29, 1918 – April 5, 1992) was an American businessman and founder of **Walmart** and **Sam's Club**. In 1940, Walton took a job as a sales trainee at a J.C. Penney store in Des Moines, Iowa. He was fired out of job.

Walton had a wife and child to support, so he decided to strike out on his own. Putting up \$5,000 of his own money and \$20,000 borrowed from his father-in-law, at the age of 27, Walton purchased a Ben Franklin variety store in Newport, Arkansas.

Through hard work Walton soon tripled his business, and by 1950, he owned the leading Ben Franklin store in a six-state region. Walton opened Walton's Five & Dime in the summer of 1950. Throughout the 1950s, using borrowed money and the profits from stores he already owned, Walton acquired one variety store after another. By 1960, he was the proud owner of 15 stores. He opened his first Wal-Mart in 1962 in Rogers, Arkansas.

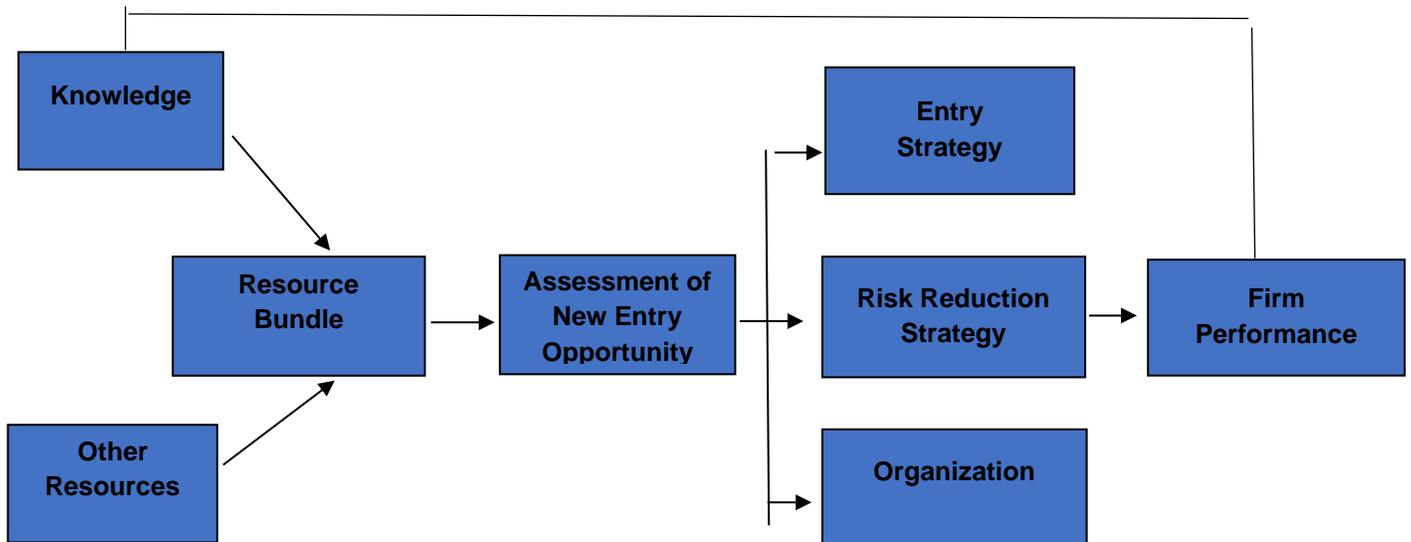
By 1969, there were 18 Wal-Marts throughout Arkansas and Missouri. By the end of 1980, Walton had 276 stores. In 1983, Walton launched the first of his Sam's Wholesale Clubs. In 1985, Forbes magazine pronounced him the richest man in America, with an estimated worth of \$2.8 billion. By 1987, Walmart had become the third-largest retailer in the United States.

On March 17, 1992, President George Bush presented Walton with the Medal of Freedom for his entrepreneurial spirit and his concern for his employees and community.

Question No (3)

Part (a)

Block Diagram:



Knowledge:

Market Knowledge: Possession of Information, technology, know-how, and skills that provide insight into a market and its customers

Technological Knowledge: Possession of 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 different ways as this bundle of resources provides a firm its capacity to achieve superior performance.
- Resources must be rare, valuable and inimitable.

Assessment of New Entry Opportunity:

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.

The period of time when the environment is favorable for entrepreneurs to exploit a particular new entry.

Risk Reduction Strategy:

A new entry involves considerable risks for the entrepreneur.

- Risk refers to the probability and magnitude of downside loss.

- The risk comes from uncertainty over market demand, technological, development of the actions of competitors.

Organization:

Organization planning begins when the senior management team identifies the company's short- and long-term objectives. Once those goals have been defined and refined so that they are clear and attainable, it's essential to formulate specific strategies and plans to achieve those objectives.

Organization planning ensures that there is a vision for the business so that the employees know and understand how their day-to-day jobs contribute to the company as a whole.

Part (b)

Product Planning is the ongoing process of identifying and articulating market requirements that define a product's feature set. Product planning is the process of creating a product idea and following through on it until the product is introduced to the market.

Generation of New Product Ideas:

The first step in product planning and development is generation of ideas for the development new/innovative product.

Ideas may come from internal sources like company's own Research and Development (R&D) department, managers, sales-force personnel etc.; or from external sources like, customers, dealers, competitors, consultants, scientists etc.

Screening of Ideas:

Screening of ideas means a close and detailed examination of ideas, to determine which of the ideas have potential and are capable of making significant contribution to marketing objectives. In fact, generation of ideas is not that significant as the system for screening the generated idea.

The ideas should be screened properly; as any idea passing this stage would cost the firm in terms of time, money and efforts, at subsequent stages in product planning and development.

Market Research:

There are two parts of this stage: The first is to look at what competition is already out there in the market, what their share of the market is and where their strengths and weaknesses are, to ascertain where the best opportunities might be to gain an advantage or unique selling point.

Introducing the Product:

The data acquired from market research, the company creates the product and releases it in a limited marketplace. Initially, it's limited to either a specific region or a number of cities.

Test Marketing:

A sample of the product is tested in a well-chosen and authentic sales environment; to find out consumers' reaction. In view of consumers' reactions, the product may be improved further.

Commercialization:

After the management is satisfied with the results of test marketing, steps are taken to launch a full-fledged programme for the production, promotion and marketing of the product. It is the stage where the new product is born; and it enters its life cycle process.

Examples:**Apple and iPod:**

A great example of a product plan and development that changed the world is the iPod.

McDonald's:

A company that consistently excels at product planning is McDonald's. They're motivated by the "Five P's" – People, Product, Promotion, Place and Price. Travel the world, and you'll find McDonald's is different in nearly every country.