

Department of Electrical Engineering

Assignment

Date: 14/04/2020

Course Details

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

Student Details

Name: ABDUL BASIT Student ID: 13684

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

Q1 (a) Explain in your own words what are the main entrepreneur characteristics?

Ans: An *entrepreneur* is a person who undertakes a venture with some profit potential and involving a considerable amount of risk and therefore, entrepreneurship is the venture undertaken by the entrepreneur. The most obvious example of entrepreneurship is the starting of a new business.

CHARACTERISTICS OF ENTREPRENEURSHIP

Ability to take Risks

This is the first and foremost trait of entrepreneurship. Starting any business involves a considerable amount of risk of failure. Therefore, the courage and capacity to take the said risk are essential for an entrepreneur.

Innovation

It basically means generating a new idea with which you can start a business and achieve a substantial amount of profits. Innovation can be in the form of a product, i.e., launching a product that no one is selling in the market. It can also be in the form of process, i.e., doing the same work in a more efficient and economical way.

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.

Leadership

An entrepreneur has a vision. However, it takes a lot of resources to turn that vision into reality. One of these resources are the people that the entrepreneur hires to perform various functions like production, supplying, accounting, etc.

Open Minded

A good entrepreneur realizes that every situation can be a business opportunity. Thus can be utilized for the benefit of the organization.

Confident and Well Informed

An entrepreneur needs to be confident about his ideas and skills. This confidence also inspires the confidence of the people working for him as well as the other stakeholders involved in his business.

Q1(b) Describe how entrepreneurial resources can create generation of a new entry opportunity?

First off we have to define what New entry refers to: Offering a new product to an established or new market or Offering an established product to a new market.

Resources as a Source of Competitive Advantage .

- Resources are the basic building blocks to a firm's functioning and performance; the inputs into the production process. Resources must be:
- Valuable.(able to neutralize the threat by availing the opportunities with motive to provide valuable product and services to customer.
- Rare.(possession of few or in the form of valuable customers)
- Inimitable. (It would be too costly or difficult to offer services to customers.)

Q2 (a): “Benefits of Entrepreneurship” discuss and explain its different factors by giving examples for every factor from everyday real life?

Ans: BENEFITS OF ENTREPRENEURSHIP

1. Entrepreneurs Spur Economic Growth

New products and services created by entrepreneurs can produce a positive effect, furthering economic development.

For example, a few information technology companies made up in Pakistan during the 2000s The industry quickly expanded and many other sectors benefited from it. Businesses in associated industries—such as call center operations, Education and training institutes nurtured a new class of IT workers who were offered better, high-paying jobs. Infrastructure development organizations and even real estate companies capitalized on this growth as workers migrated to cities where employment was growing.

2. Entrepreneurs Add to National Income

Entrepreneurial ventures help generate new wealth. New and improved products, services or technology from entrepreneurs enable new markets to be developed and new wealth to be created.

For example, the water supply in a water-scarce region will, at times, forces people to stop working to collect water. This will impact their business, productivity, and income. Imagine an innovative and automatic pump that can fill people's water containers automatically. This type of innovation ensures people are able to focus on their jobs without worrying about a basic necessity like water. More time to devote to work translates to economic growth.

For a more contemporary example, smartphones and apps have revolutionized work and play across the globe. Smartphones are not exclusive to wealthy countries or people. As the growth of

the smartphone market continues, technological entrepreneurship can have a profound, long-lasting impact on the world.

3. Community Development

Entrepreneurs regularly nurture ventures by other like-minded individuals. They also invest in community projects and provide financial support to local charities. This enables further development beyond their own ventures.

Some famous entrepreneurs, such as Bill Gates, have used their money to finance good causes, from education to public health. The qualities that make one an entrepreneur are the same qualities that help motivate entrepreneurs to pay it forward.

Q2(b) “Entrepreneur Vs. Inventor” what is the difference between them?

Write “Venture Profile” of a typical entrepreneur in your own words (min 200 words).

Ans: An inventor is someone who is focused almost solely on creating and building a product, process, or service that can solve the problems that someone might have. An inventor strives to perform cutting edge research that’s essentially never been done before

WHILE

Entrepreneur individuals who are focused primarily on creating a business and increasing shareholder value. While the business may be centered around a specific product or service, entrepreneurs will usually know more about marketing a product to investors and prospective customers than they do about creating and developing a product.

VENTURE PROFILE

Haji Muhammad Ali (STUDENT BIRYANI)

A small shop owner named his small business venture, cafe student from where he would sell students of nearby schools biryani from home made recipes. Today, the same venture is one of largest local food chains in Pakistan and is a household name, *Student Biryani*.

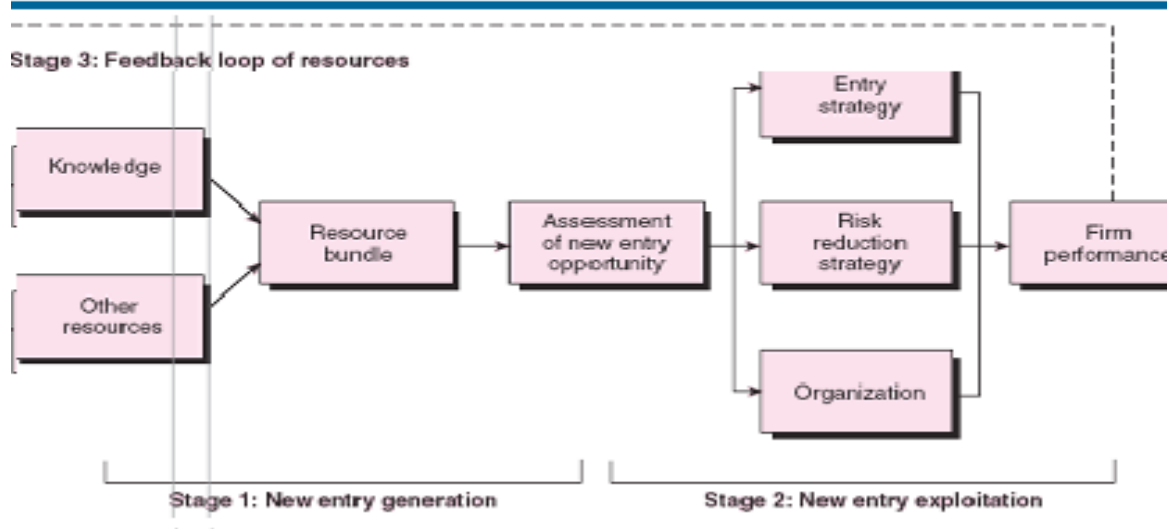
Founded by Haji Muhammad Ali in 1969, Student Biryani was prepared only in one tumbler (Deig) catering to around 40 servings. Today, the company has hundreds of employees in scores of branches in Pakistan as well as abroad.

Sheer hard work, dedication to his business has made Student Biryani a local as well as an international success today and it continues to grow even further with more branches being established even outside Pakistan. Asides from serving biryani, the restaurant serves other dishes like shami kabab, nihari, chicken burgers, chicken nuggets, karhai, rabri, rasmalai. They often have deals catering to local events in the country. They also cater for home or corporate events.

People on their way to spend a day at the beach often pick up a *daig* of biryani on their way. But they have also branches in Middle East along with in America which speaks volume of their efficiency in terms of expanding their business to reach out maximum territory

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.

Ans;



Resources as a Source of Competitive Advantage

Resources are the basic building blocks to a firm's functioning and performance; the inputs into the production process. They can be combined in different ways. A bundle of resources provides a firm its capacity to achieve superior performance. Creating a Resource Bundle That Is Valuable, Rare, and Inimitable. Entrepreneurs need to draw from their unique experiences and knowledge.

Market knowledge - Information, technology, know-how, and skills that provide insight into a market and its customers.

Technological knowledge - Information, technology, know-how, and skills that provide insight into ways to create new knowledge. Assessing the Attractiveness of a New Entry Opportunity

Depends on the level of information and the willingness to make a decision without perfect information.

- Information on a New Entry

- Prior knowledge and information search
- More knowledge ensures a more efficient search process.
- Search costs include time and money.

Comfort with Making a Decision under Uncertainty

The trade-off between more information and the likelihood that the window of opportunity will close provides a dilemma for entrepreneurs.

- Error of commission - Negative outcome from acting on the perceived opportunity.
- Error of omission - Negative outcome from not acting on the new entry opportunity.

Being a first mover can result in a number of advantages that can enhance performance. These include:

- Cost advantages.
- Less competitive rivalry.
- The opportunity to secure important supplier and distributor channels.
- A better position to satisfy customers.

Risk is derived from uncertainties over market demand, technological development, and actions of competitors. Two strategies can be used to reduce these uncertainties:

- Market scope strategies - Focus on which customer groups to serve and how to serve them.
- Imitation strategies - Involves copying the practices of others.

Q3(b) Discuss with examples Product Planning and Development Process.

Ans;

- Idea stage.

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.

- Concept stage.

Those product ideas which clear the screening stage must be developed into a product concept – identifying physical features, benefits, price etc. of the product. At this stage product idea is transformed into a product concept i.e. a product which target market will accept.

- Product development stage.

Product development encompasses the technical activities of engineering and design. At this stage, the engineering department converts the product concept into a concert form of product in view of the required size, shape, design, weight, colour etc. of the product concept. A model or prototype of the product is manufactured on a limited scale. Decisions are also made with regard to packaging, brand name, label etc. of the product.

- Test marketing stage.

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 programmed for the production, promotion and marketing of the product. It is the stage where the new product is born; and it enters it life cycle process.