

Department of Electrical Engineering

Assignment

Date: 14/04/2020

Course Details

Course Title: Entrepreneurship

Module: 6th

Instructor: --

Total Marks: 30

Student Details

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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

①

Q1 a) Explain in your own words what are the main characteristics of entrepreneurship.

Ans Following are the characteristics of entrepreneurship.

① Self Motivation ↪

One of the most important characteristics of entrepreneurship is self motivation. You have to push yourself if you want to succeed. Being an entrepreneur you are not supposed to answer anyone else, and that sometimes means that it's hard to get moving without anyone to make you. You need to be dedicated to your plan and keep moving ahead - even if you are not receiving an immediate response.

② Understand what you offer ↪

Being an entrepreneur, you need to understand what you are offering and how it fits into the market. Whether it's a product or service, you need to know where you fit in. This also includes knowing whether you are high end, middle of the road or bargain.

③ Take Risks ↪

A successful entrepreneur knows that it's important to take risks sometimes. Understanding calculated risks that are more likely to pay off is an important part of being an entrepreneur. You'll need to be willing to take a few risks to succeed.

#### ④ Know How to Network

②

Knowing how to network is an important part of entrepreneurship. Who you know, sometimes is an important part of success. Being able to connect with others and recognize partnership opportunities can take you a long way as a business owner.

#### ⑤ Basic Money Management Skills & Knowledge

We often think of successful entrepreneurs as "big picture" people who don't worry so much about managing the day to day. And it's true that you might have an accountant or other team members to help to manage the business. However, if you want to be successful, you should still have basic money management skills and knowledge, that how money works so that you know where you stand, and so that you run your business on sound principles.

#### ⑥ Flexibility

To a certain degree, you need to be flexible as an entrepreneur. Be willing to change as needed. Stay on top of your industry and be ready to adapt changes in processes and product as they are needed. You also need flexibility in your thinking. This is an essential part of the problem-solving. You want to be able find unique and effective solutions to issues.

## ⑦ Passion -

Finally, successful entrepreneurs are passionate. They feel deeply about their product or service or mission. Passion is what will help you find motivation when you are discouraged and it will drive you forward. Passion is a fuel for successful entrepreneurship.

⑧ Ques Describe how entrepreneurial resources can create generation of a new entry opportunity.

## Ans Entrepreneurial Resources -

The ability to obtain, and then recombine, resources into a bundle that is valuable and rare.

⇒ Entrepreneurs combine the resources into such a different way 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.

## Generation of a New Entry Opportunity - Resources must be

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

4) Market knowledge - Possession of information, technology, know-how, and skills that provide insight into a market and its customers. (4)

5) Technological knowledge - Possession of information, technology, know-how and skills that provide insight into ways to create new knowledge.

### Information to a New Entry

The prior market and technological knowledge used to create the potential new entry can also be of benefit and assessing the attractiveness of a particular opportunity.

### Window to Opportunity

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

(5)

Q20 "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 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 capitalised 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 smartphones and apps have revolutionised work and play across the globe. Smartphones are not exclusive and wealthy countries or people. As a growth of the smartphone market continues, technological entrepreneurship can have a profound, long lasting impact on the world.

### 3. Community Development

(6)

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.

Q.20 "Entrepreneur vs. Inventor". what is the difference between them? (7)

Write "Venture Profile" of a typical entrepreneur in your own words.

Ans. Generally 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.

An inventor creates something for the first time, while the entrepreneur falls in love with the new venture.

### Venture Profile

#### Ali Baba Group

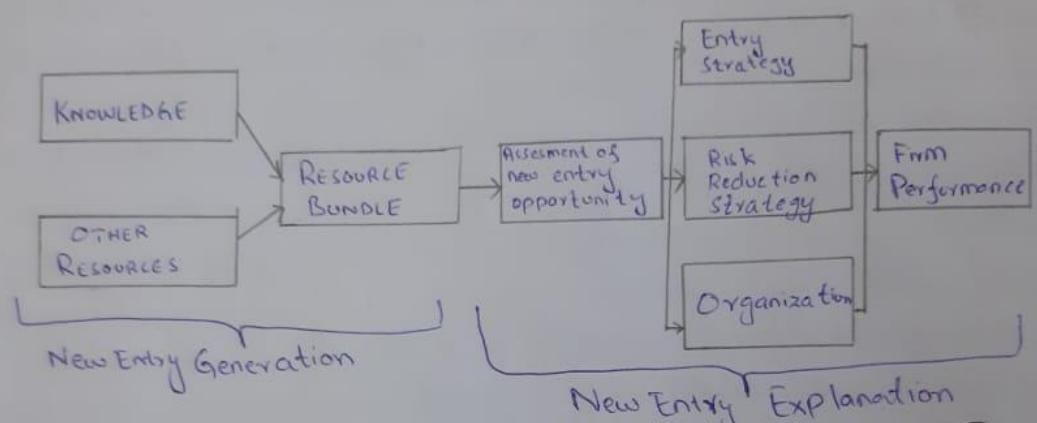
Alibaba Holding Limited also known as Alibaba is a Chinese multinational technology company specialising in e-commerce, retail, Internet and technology. Founded on 4<sup>th</sup> April 1999 in Hangzhou, Zhejiang, the company provides consumer to consumer (C2C), business to consumer, and business to business sales service via web portals, as well as electronic payment services, shopping search engines and cloud computing services. It owns and operates a diverse array of businesses around the world in numerous sectors and is named as one of the world's most admired companies by Fortune.



At closing time on the date of its initial public offering US\$ 25 billion, the world's highest in history <sup>(8)</sup>  
19<sup>th</sup> September 2014, Alibaba's market value was US\$ 231 billion. It is one of the top most valuable and is the 69<sup>th</sup> biggest public companies in the world by Global 2000 list. In January 2018, Alibaba became the second Asian company to break the US\$ 500 billion valuation mark, after its competitor Tencent. As of 2018, Alibaba has the 9<sup>th</sup> highest global brand valuation.

Q NO: 3

Part "A" Draw a block diagram from Entrepreneurial entry strategy and explain the blocks by writing six blocks-lines at least with examples for each box.



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, 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.

## INFORMATION ON A NEW ENTRY:-

- Prior knowledge and information search
- More knowledge ensures a more efficient search process
- Such cost time and money.

Comfort with Making a Decision under Uncertainty  
The trade-off between more information and 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 other.

Q.3)  
Part (B) Discuss the examples Product and Development Process.

Ans:-

• IDEA STAGE:-

Ideas may come from internal sources like company's own Research and Development (R and D) Department, managers, Sales-force personal 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 concept of product in view of the required size, shape, design, weight, color 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 sale 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 the test marketing, steps are taken to launch a full-flaged programmed for the production, promotion and marketing of the product. It is the stage where the new products is born and it enters it if life cycle process.