

IQRA National University

Department of Business Administration

Spring- Semester 2020 (Final Assignment)

Course Title: Entrepreneurship

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Semester 3rd MBA (2.5)

Q1.

You have selected an entrepreneur from your interest and thoroughly read his/her biography book. Please share ten key learning points taken away from your selected entrepreneur. What inspiration did you get from this entrepreneur?

The Everything Store is the story of Amazon, from its founding as an online bookstore to its rise as a commerce giant. The book covers the book generally sequentially, leaving arrangement to aggregate topics into sections, for example, its way of life and advancement issues in the mid 2000s and its acquisitions in mid-2000s. We've decided to talk about the book carefully sequentially, which permits you to see its steady pace of progress and the quantity of equal high-potential activities living whenever.

- Bezos's life with that of Amazon and describes how Bezos's family believes in his idea, invests a significant amount of money in the startup. Apparently, the book attempted to be as good as conceivable in covering its topic. It did as such in incredible detail, with a lot of exploration. Jeff Bezos' significant other Mackenzie was quite not a fan, yet she's not actually impartial comparable to its topic.
- Starting of Amazon after graduating from Princeton in 1986, he found his way to the computer-driven hedge fund D.E. Shaw. He left before reward time to establish Amazon, helped by what he calls his "lament minimization structure." What will be immaterial when you're 80? Also, what will you lament? Bezos seems to be a polarizing figure who has roused numerous individuals yet damaged others. A portion of his thoughts are insane to the point that workers call them "fever dreams," and his tirades are unhinged to the point that inside they are known as "nutters." The creator proceeds to

portray how Bezos wins the ventures of different VCs, beats a great deal of obstacles, remains lean, stays with the costs exceptionally low by remaining economical, forms the organization around the client by concentrating on client satisfaction and to at last observes Amazon through an IPO. “The Everything Store” by author Brad Stone. That’s an overstatement — but the meticulously reported book has plenty of gems for anyone who cares about Amazon, Jeff Bezos, entrepreneurship, leadership or just the lunacy it took to build a company in less than two decades that now employs almost 90,000 people and sold \$61 billion worth of, well, almost everything last year.

- The book also describes in detail, Amazon’s remarkable venture into selling other products and services, including the Amazon web services cloud platform, a game changer, that propelled Amazon into the ‘Big 4’ of Apple, Microsoft, Amazon and Facebook. Good things aside, the Author takes an objective approach and talks about how Amazon bullied the book publishers to accept their terms, by not letting them sell their books on Amazon platform, and later forced them to sell books via Kindle e-book platform, even if they did not want to. The author also mentions how Amazon bots scan through the web for cheaper prices and then adjust the pricing of the items accordingly, sometimes for loss, and later use this as a forceful tactic to acquire companies that are of strategic interest to Amazon (like Zappos).
- Brad Stone describes Amazon’s culture as “especially challenging, and it begins with Bezos, who believes that truth springs forth when ideas and perspectives are banged against each other, sometimes violently.” He can be kind, but is volatile and unsparing of those who make mistakes. Brad Stone collected a list that he calls Bezos’s “greatest hits.” They range from: “Does it surprise you that you don’t know the answer to that question?” to: “Why are you ruining my life?” He is also a man of many contradictions. While his fans say he is distinguished by his relentless quest for truth, Brad Stone calls the happy platitudes that Bezos generally uses to explain his company to outsiders. Internally, top executives who are selected to implement Bezos’s ideas are sarcastically known as “Jeff Bots,” which is not exactly a sign of a healthy, open corporate culture.
- Despite all the surrounding Amazon, Bezos has not really revolutionized the book industry at all. In essence, he is a middleman, and he will likely be outflanked by companies that sell their wares directly to consumers. To begin with, publishing houses themselves could sell their books online.” And new technologies promise to cut costs even further by allowing consumers to download books via the Internet. Books can be printed out on traditional computer printers or put into a new notebook-sized computer

device that displays books on its screen a page at a time.” Amazon considers whether distribution is a commodity or a core competency.

- The article also cites B&N, Borders, CVS, and Walmart as threatening juggernauts that would inevitably move online. “Ingram and Barnes & Noble have enough distribution sites to offer overnight delivery at no extra cost to about 80% of the U.S. The best Amazon can offer right now is delivery in three to seven business days, and that's if it has the book in stock.” Wal-Mart has resources Amazon can't even dream of. Indeed, Amazon failed at many things it tried, from auctions to venture capital, and at the time of the Barron's story its internal financial analysis showed that at its rate of spending, the company wouldn't be profitable for decades. But Bezos, who had been on a relentless quest for growth, was able to do what most of us could never do: rewire Amazon and his own brain to begin a drive for efficiency that ultimately crushed the nonbelievers.
- Later, just as Amazon was being categorized as a low-margin retailer, Bezos succeeded not easily in transforming it into a true technology company, one that provides basic computer infrastructure such as storage and computing power to other companies. Brad Stone says this business, Amazon Web Services, brought in \$2.2 billion in revenue in 2012. Along the way, Bezos has broken many of the rules about business and leadership in ways big and small. Brad Stone resists the easy Steve Jobs comparison, but Bezos clearly isn't a joy to work for.
- Bezos has never hesitated to do what is impossible for most leaders, like selling products from other merchants alongside his own, a decision that caused a huge amount of corporate infighting but turned the company into a platform for small online merchants. That move, Brad Stone says, “powers a good deal of its success today.” (Bezos was not the least bit disturbed by the internal tension.) Brad Stone, perhaps wary of being accused of narrative fallacy, doesn't draw many grand conclusions, but he is clearly a believer in the company.
- The Author concludes the book by revealing how he got in touch with Bezos's biological father, who was apologetic for leaving Bezos during his childhood, but feels that, it was the right thing to do for Bezos's well-being. The author also mentions Bezos's father got back in touch with Bezos, apologizing for not treating Bezos, as well as he should have. In the early Amazon days, Bezos had setup a bell that would ring every time an order was placed on amazon.com, he later got it removed when the bell started ringing very often. Amazon's face off with Barnes & Nobles, and how it overcame the challenge and won the battle to be the leading book seller.

- Amazon company owes its success to Jeff Bezos' unique way of thinking. The company always open to changes, rewrites the rules day after day and never stops improving itself. Started as an online book retailer but has become the Everything Store after all. Even though Jeff Bezos says that his journey has just begun, the company makes \$75 billion per year already. Overall, I found The Everything Store to be a fascinating book, well worth reading if you want to understand more about the principles behind Amazon and how the company does what it does.

I got the following inspiration from this biography book.

you're working for yourself and not working for some other individual's prosperity.

As an entrepreneur, you're hypothetically responsible for when and the amount you're paid. Since how much cash you have, is subject to how hard you work for the business objectives you have set out for yourself to accomplish. Fulfillment of Turning Failures into Achievements
Entrepreneurs would inform you regarding the amount they love entrepreneurship. In any case, behind the blinded love they have towards entrepreneurship they reliably face difficulties and psychological barriers consistently. You will begin to understand that numerous individuals do not have the confidence in you, some would ceaselessly attempt to drag you down and demotivate you. So in case you're feeling that entrepreneurship is simple, you're off-base. Best entrepreneurs have experienced failure multiple times throughout their life. Nonetheless, they drive forward through these failures and continuously work towards their goals, ultimately succeeding.

Q2.

What are the product classification types and explain it with relevant examples from the Pakistan?

➤ **Product Classification:**

Within the category of consumer products, there are four main classifications: convenience goods, shopping goods, specialty goods, and unsought goods. When we

classify the vast array of consumer goods on the basis of shopping habits, we distinguish among convenience, shopping, specialty, and unsought goods. A product can be a business product or a consumer product. If the end user of the product is the consumer, then the product is a consumer product. The consumer usually purchases:

Convenience Good:

A convenience product is a consumer product that takes little thought, is routine, purchased often, appeals to a large target market, and the consumer purchases with little planning. frequently, immediately, and with minimal effort. Examples include soft drinks, soaps, and newspapers. Staples are convenience goods consumers purchase on a regular basis. A buyer might routinely purchase Heinz ketchup, toothpaste, and Ritz crackers. Impulse goods are purchased without any planning or search effort, like candy bars and magazines. Emergency goods are purchased when a need is urgent umbrellas during a rainstorm, boots and shovels during the first winter snow.

Shopping Good:

Shopping Products are those the consumer characteristically compares on such bases as suitability, quality, price, and style. Examples include houses and cars furniture, clothing, and major appliances. Homogeneous shopping goods are similar in quality but different enough in price to justify shopping comparisons. Examples are washers, dryers, or a fridge. Heterogeneous shopping goods differ in product features and services that may be more important than price. Example of heterogeneous shopping are Computer.

Specialty Goods:

Specialty Products are products where are consumer are concern with the brand image and the quality of their purchases. Consumers don't really want substitutes and are brand royal have unique characteristics or brand identification for which enough buyers are willing to make a special purchasing effort. Examples include iPhones, Alkaram Cloths etc.

Unsought Goods:

Products that consumers either do not know about or would never think of buying are those the consumer does not know about or normally think of buying, such as They are often items that people buy out of a sense of fear or danger, such as life insurance or fire extinguishers. Another example is batteries; no one ever thinks to buy a battery until their old ones die and need replacement. Other classic examples are life insurance, cemetery plots, and gravestones. Unsought goods require advertising and personal-selling support.

➤ Industrial-goods Classification

We classify industrial goods in terms of their relative cost and the way they enter production process. Industrial goods are classified into materials and parts, capital items, and supplies and business services.

Materials and parts:

Materials and parts are goods that enter the manufacturer's product completely. They fall into two classes: raw materials and manufactured materials and parts. Raw materials thusly fall into two significant gatherings: ranch products (wheat, cotton, domesticated animals, organic products, and vegetables) and normal products (fish, blunder, rough oil, iron metal). Manufactured materials and parts fall into two classes: segment materials (iron, yarn, concrete, wires) are normally created further—pig iron is made into steel, and yarn is woven into fabric. The normalized idea of segment materials for the most part makes cost and provider unwavering quality key buy elements and segment parts (little engines, tires, castings). Segment parts enter the completed product with no further change in structure, as when little engines are placed into vacuum cleaners and tires are put on autos. Most manufactured materials and parts are sold legitimately to industrial users. Price and service are major marketing considerations, with branding and advertising less important.

Capital items:

Capital items are long-lasting goods that facilitate developing or managing the finished product. They fall into two groups: installations and equipment. *Installations* consist of buildings (factories, offices) and heavy equipment (generators, drill presses, mainframe computers, elevators). Installations are major purchases. They are usually bought directly from the producer, whose sales force includes technical staff, and a long negotiation precedes the typical sale. Producers must be willing to design to specification and to supply postsale services. Advertising is much less important than personal selling.

Supplies and business services:

Supplies and business services are short-term goods and services that facilitate developing or managing the finished product. Supplies are of two kinds: maintenance and repair items (paint, nails, brooms) and operating supplies (lubricants, coal, writing paper, pencils). Together, they go under the name of MRO goods. Supplies are the equivalent of convenience goods; they are usually purchased with minimum effort on a straight-rebuy basis. They are normally marketed through intermediaries because of their low unit value and the great number and geo- graphic dispersion of customers. Price and service are important considerations because suppliers are standardized and brand preference is often not high.

Business services include maintenance and repair services (window cleaning, copier repair) and business advisory services (legal, management consulting, advertising). Maintenance and repair services are usually supplied under contract by small producers or from the manufacturers of the original equipment. Business advisory services are usually purchased on the basis of the supplier's reputation and staff.

Q3.

There are few rules for successful human resource practices because each company is different and human resource management is complex. So please mention top five best HR practices in the entrepreneurship. Which were discussed in class?

MOST SUCCESSFUL HUMAN RESOURCE PRACTICES:

There are scarcely any guidelines for successful human resource practices in light of the fact that each company is extraordinary and human resource the executives is intricate. Albeit standard practices and rules are anything but difficult to get a hold of, they offer little understanding into how to make the endeavor's human resource the executives a wellspring of feasible upper hand. These practices can be utilized as benchmarks by others, however the genuine test is to modify them to the exceptional setting of every enterprise.

Best Compensation Practices:

Pay fairness is equally important, and so is a transparent process that enables people to see how pay is determined. Rewards must relate directly to what the company wants its people to accomplish.

Employees today are more likely to move to another company with better offerings. Not only that, but it's easier than ever for employees to research this information. Workers are regularly sharing just about every piece of information they can online. That includes compensation and benefits information. With that data, employees can evaluate employers based on what they've found.

A photo-image printing firm empowers employees to determine what skills are needed to do the job and then rewards them for proficiency and for their ability to teach others. They grade themselves.

A communications equipment maker sets compensation for each employee at the level of customer satisfaction. An annual customer survey and a measure of product service and reliability are used.

A software services consultant offers customized pay packages with cafeteria-style benefits. A menu of annual salary, hourly salary, or a blend can foster mutual risk sharing between employer and employee.

Best Training Practices:

Training is an investment in human resources, and exceptional training can be a source of SCA for the enterprise. Skill-intensive training improves the current level of employee productivity. It enables workers to better understand their managers' roles, it helps employees manage themselves, and it prepares people for promotion to management ranks. Training new and existing employees can be a company's biggest challenge, especially in a rapidly changing business environment.

Here are seven key steps you should consider to best Training practices:

1. Benchmark against the competition
2. Survey your employees
3. Align training with management's operating goals
4. Run it like a business
5. Weave it into your company's culture
6. Keep innovating
7. Measure results

Best Job Autonomy:

Employees with the authority and responsibility to do their jobs often display stronger motivation, better work quality, higher job satisfaction, and lower turnover. Job autonomy is a key component in making a company a great place to work. The companies that are well-known for being the best places to work for train, trust and empower their people to think and act on their own. HR plays a vital role in shaping autonomy at work and if they fail to create one, then they will not be able to successfully recruit and retain the best talent.

Best Career Advancement:

Employee advancement does not always mean promotion up the ladder in the bureaucracy. Indeed, with increasing emphasis on flatter organizations, Everything you

need to know about career development. A career is sequence of separate but related work activities that provide continuity, order and meaning to a person's life. The career development is the process of conversion of personal career plan into action in order to achieve career goals. There are three key heroes who share responsibility for an employee's career development- the employee, the organization, and the manager. A career development system includes a variety of components for use in the organizations. In order to increase the efficiency of the system, the HR managers must have complete knowledge about these tools since they play a role of consultant when employees and supervisors use this system. Plus, they are responsible for designing and developing an effective career development system for their organization.

Best Quality of Life:

Increasingly people are merging work with family life. Outside concerns about things such as child care, working spouses, and parental leave all influence job performance. People are concerned about their total quality of life, not just the on-the-job part. The best companies to work for recognize this and make it possible to realistically combine personal values and job requirements

Q4.

You are going for a startup how will you implement processes of business environment analysis?

Answer:

PROCESSES OF BUSINESS ENVIRONMENT ANALYSIS:

Most of the time, we think and analyze very quickly, and we are quite unaware that we are doing so. Sometimes, though, we must be more conscious of our thinking, and do our analyzing in systematic ways. This is the case when we are thinking about the environment for entrepreneurship. We want to make sure we are being comprehensive and analytical. Four separate (although sequentially related) tasks are required for a comprehensive entrepreneurial analysis: scanning, monitoring, forecasting, and assessing.

Scanning:

How does this comprehensive process begin? It starts by glancing around. Scanning

the environment is the procedure by which the entrepreneur initially distinguishes the environment's key components and their qualities. It is an observation framework for early discovery. The objective of scanning is to identify change that is now in progress. Fruitful scanning gets significant changes early, giving the new venture enough lead time to adapting gets significant changes early, giving the new venture enough lead time to adapt. The prospective entrepreneur scans innumerable sources of data. The Wall Street Journal, Business Week, and the Economist are solid sources for obtaining the broad picture. Television provides a general and continual source of data through Cable News Network (CNN), network news, special reports, and documentaries. More specialized business programming is becoming increasingly popular on cable channels like MSNBC. Surfing the Internet has become an important scanning activity. In addition, through “people-to-people” interactive scanning, like Web logs (blogs), entrepreneurs consult with a variety of professionals and experts outside their fields of expertise. Accountants, lawyers, engineers, consultants, and, yes, even professors are available to the entrepreneur for information and advice. Scanning gives the entrepreneur a sensitivity to environmental conditions that sometimes looks like intuition.

Monitoring:

Monitoring is the process of tracking the evolution, development, and sequence of critical events that affect the future business' survival and profitability. Data from the scanning procedure are utilized in the monitoring procedure. Specific trends and occasions are checked continuously to affirm or negate forecasts about how they will influence the firm. Monitoring is less broad and in this manner more focused than scanning. The business person follows explicit periodicals, counsels select specialists, and even convenes focus groups. The consequence of the monitoring procedure is macro environment impact and influence the firm. The monitoring model, in any case, isn't reality; rather, it is a functional form of circumstances and logical results. For example, consider Charlie Ayers, also known as Chef Charlie around Google corporate headquarters. Ayers ran the cafeteria at Google for six years. During that time, he carefully monitored the eating habits and the tastes and preferences of the Google workforce. The folks who worked at Google were the future target market for Ayers' own new venture. They were also potential sources of finance: A lot of Google employees became quite rich when the company went public. Ayers honed his recipes and tried new dishes. “I did most of my research on them,” he said. His restaurant, Calafia, in Redwood City, California, is a success and has been featured in the New York Times.

Forecasting:

Forecasting enables the entrepreneur to develop plausible projections for the future. These can be projections for components, for example, value level, the heading of financing costs, or future situations for circumstances and logical results. For instance, a run of the mill estimate may be: If the cash flexibly develops at above-target rates, inflation will happen. In this manner, contributions for forecasts are the information gathered from monitoring.

Forecasting includes a series of techniques that provide insight into the future. The specific techniques chosen for a task should correspond to the type of data used as input, and the nature of the desired forecast. When forecasting is used to help search for new business opportunities and to uncover potential macro environmental constraints on these opportunities, the following five-step process is suggested.

1. Choose the macro environmental variables that are critical to the new venture. These will probably relate to the firm's resource base. For example, if a business generally hires low-wage, entry-level people, the minimum-wage costs and payroll taxes are critical variables.
2. Select the sources of data for the forecast. These will probably be those the entrepreneur has been monitoring. Data sources can be found in many places, including the local university or library. Internet searches can also produce forecasts.
3. Evaluate various forecasting techniques. Forecasters use different techniques and therefore sometimes produce different forecasts. For example, a firm might see a forecast that says the stock market is going up, and therefore conclude that this is a good time to go into business. But just how closely linked are the stock market and the firm? And is the stock market a leading indicator (the economy will be getting better) or a lagging indicator (the economy has already topped and may now be heading down)?
4. Integrate forecast results into a plan for the creation of the new venture. These outcomes will presumably incorporate asset levels, asset accessibility, and deals forecasts. In the event that deals are anticipated to go up 5 percent to 6 percent, the firm should likewise anticipate expanded costs.
5. Keep track of the critical aspects of the forecast, meaning compare actual results with forecasted results. If and when a gap appears, it is time for another forecast, beginning at step 1. If the forecasts indicate that the industry can expect 3 percent to 4 percent gains for the coming year (as is frequently predicted in the restaurant industry), it can plan for this level of sales increase. If the industry falls short of the forecast, it may have problems with

its customer base and product offerings. If the industry achieves higher-than-forecasted gains, it had a good year and might raise its forecast for the following year.

Assessing:

Assessing the environment is the most troublesome and significant of the four environmental analysis errands. Here the business visionary needs to answer that generally troublesome of inquiries: What does everything mean? Understanding is an artistic expression, as is appraisal. In a poker game, players can concede to what cards are appearing, the past wagers made, and the estimation of the cards they are holding. A few players hold, some crease, and others raise their wagers. Since their appraisals are unique, their conduct is extraordinary. In assessing most enterprising chances, there are barely any realities that individuals would concur can be summed up. It is some of the time called enterprising understanding or vision. In the event that one is in the retail area, one should filter, screen, break down, and estimate, in light of the fact that every year little changes in the environment realize enormous changes in the opposition. Remotely produced open door acknowledgment happens after the business visionary chooses to begin a business. The person in question filters the environment for circumstances, and creates a lot of conceivable outcomes—yet which prospects should the beginning business visionary seek after? The business visionary must have a few standards from which to pick. Thus, he or she filters these possibilities, then compares their requirements against his or her skills, resources, experiences, and desires. Usually, but not always, the entrepreneur decides which business opportunity to pursue based on his or her skills, abilities, experiences, and preferences. The exception is when the entrepreneur needs very specialized expertise. Here, he or she may hire outside people. Internally driven opportunity recognition precedes the decision to start a business. The individual sees a need or a problem related to his or her own experiences at work, a hobby, or some strong belief or value that he or she holds. The individual might have the option to take care of the problem alone, just a short time later understanding that others have a similar problem and are happy to pay to get it settled. Regularly, the entrepreneur begins to think about the problem and its answer as a business opportunity simply after this acknowledgment. In different cases, this acknowledgment may strike the individual when the person in question has recognized the problem. In either case, the desire to begin an endeavor comes after the entrepreneur perceives the problem to be tackled, and regularly only one "opportunity" is thought of. A general preferred position of this procedure is that the entrepreneur will commonly work superbly of coordinating this opportunity with the interests and skills of the people seeking after it. Also, the entrepreneur will demonstrate probably some degree of interest before

the person in question chooses to "put it all on the line." On the drawback, we discover the way that individuals who "bumble" over circumstances identified with their own life along these lines may have less inspiration and less abilities expected to effectively begin and maintain a business.