

THE INSTITUTE OF FINANCE MANAGEMENT



FACULTY OF ECONOMICS AND MANAGEMENT SCIENCES

DEPARTMENT OF MANAGEMENT SCIENCES

TUTORIAL ASSIGNMENT/GUIDE

FOR

MSU 08502: ENTREPRENEURSHIP

TUTOR: Miss Mwakalila,s

- Physical contact-Office No 618 Block A
 - (Consultation hours and day)
 - Tuesday 13:00hrs – 15:00Hrs
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PART 1 –FORMULATION OF BUSINESS IDEA AND VENTURE

a) Formulate business idea by considering the following issues

- Background of your business idea
- Business opportunities that your exploiting
- Creativity/Innovative
- Uniqueness (how does your business idea differ from the existing business)
- Clear Focus (What specific issues does your business deal with)
- Profitable in the long run
- Marketability
- Industry in which your business will operate

b).Formulate the business Venture by considering the following

- Formalization of your business Organization – Business name formulation (Make sure that the business name is not owned by any other business by conducting online verification with BRELA) TIN acquisition, Business licensing etc)

- Legal form of your Business Organization (Sole proprietorships, partnership, corporations, franchise etc)
- Business Organization address including email, business logo etc
- Business mission, vision and objectives
- Financial Sources for your business organization (Debt versus equity, venture capital market, informal risk capital etc)
- Composition of management team (Managing Director, Financial Manager, Marketing Manager etc)

PART 2 -DESIGNING OF BUSINESS MODEL BY USING CONVAS MODEL

a. Customer Segmentation

- For whom are we creating value? Who are our most important customers (Mass market, Niche market, segmented, diversified or Multi-sided platforms (or multi-sided markets)
- What job are you doing for the customer? What need are you fulfilling? (Problems, Needs, Habits & Current Alternatives)

b. Value Propositions

- What value do we deliver to the customer? Which one of our customer's problems are we helping to solve? Which customer needs are we satisfying? What bundles of products and services are we offering to each Customer Segment? (Newness, performance, customization, getting the job done", design, brand/status, price, cost reduction, risk reduction, accessibility, and convenience/usability

c. Channels

- Through which Channels do our Customer Segments want to be reached? How are we reaching them now? How are our Channels integrated? Which ones work best? Which ones are most cost-efficient? How are we integrating them with customer routines? (Direct channels eg. Sales force, web sales, own stores or indirect channels eg partners stores and wholesalers)

d. Customer Relationship

What type of relationship does each of our Customer Segments expect us to establish and maintain with them? Which ones have we established? How costly are they? How are they integrated with the rest of our business model? (Personal assistance, dedicated personal assistance, self-services, automated services, communities, co-creation).

e. Revenue streams

For what value are our customers really willing to pay? For what do they currently pay? How are they currently paying? How would they prefer to pay? How much does each Revenue Stream contribute to overall revenues? (Asset sales, usage fees, subscription fees, Lending/Leasing/Renting)

f. Key Resources

What Key Resources do our Value Propositions require? Our Distribution Channels?, Customer relationships?, Revenue Streams? (Physical, intellectual, human, finance etc)

g. Key Activities

What Key Activities do our Value Propositions require? Our Distribution Channels?, Customer Relationships?, Revenue streams? (Production, problem solving, Platform/network)

h. Key Partnerships

Who are our Key Partners? Who are our key suppliers? Which Key Resources are we acquiring from partners? Which Key Activities do partners perform? (Optimization and economy of scale, Reduction of risk and uncertainty, Acquisition of particular resources and activities)

i. Cost Structure

What are the most important costs inherent in our business model? Which Key Resources are most expensive? Which Key Activities are most expensive?
(is it Cost driven, value driven.....e.t.c)

PART 3-OTHER BUSINESS MANAGEMENT ISSUES

- a. Business risk management (identify your business risks and their contingency plan)
- b. Management of business growth (Consider stages of business growth)
- c. Harvesting the business venture (management succession and harvest strategy-liquidity events)

MODALITY OF CONDUCT

- All students should participate in the preparation and presentation of the work
- Marks for presentation will be provided in every tutorial hour
- The completed work should be submitted through Selelamwa@outlook.com