Innovation and Entrepreneurship:Lecture 31

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Syllabus

Course Content:

Unit I: Introduction to Entrepreneurship: Entrepreneurs; entrepreneurial personality and intentions - characteristics, traits and behavioral; entrepreneurial challenges.

Unit II: Entrepreneurial Opportunities: Opportunities. Discovery/ creation, Pattern identification and recognition for venture creation: prototype and exemplar model, reverse engineering.

Unit III: Entrepreneurial Process and Decision Making: Entrepreneurial ecosystem, Ideation, development and exploitation of opportunities; Negotiation, decision making process and approaches, Effectuation and Causation.

Unit IV: Crafting business models and Lean Start-ups: Introduction to business models; Creating value propositions-conventional industry logic, value innovation logic; customer focused innovation; building and analyzing business models; Business model canvas, Introduction to lean startups, Business Pitching.

Unit V: Organizing Business and Entrepreneurial Finance: Forms of business organizations; organizational structures; Evolution of Organisation, sources and selection of venture finance options and its managerial implications. Policy Initiatives and focus; role of institutions in promoting entrepreneurship.

OUTLINE OF LECTURE 31

- Organizing Business
- Entrepreneurial Finance

Organizing Business

- **Organizing** involves assigning tasks, grouping tasks into departments, delegating authority, and allocating resources across the **organization**.

- During the **organizing** process, managers coordinate employees, resources, policies, and procedures to facilitate the goals identified in the plan.

How do I start an organizing business?

For organizing business, we have to work on following 7 steps:

1. STEP 1: Plan your **Business**.
2. STEP 2: Form a legal entity.
3. STEP 3: Register for taxes.
4. STEP 4: Open a **business** bank account & credit card.
5. STEP 5: Set up **business** accounting.
6. STEP 6: Obtain necessary permits and licenses.
7. STEP 7: Get **Business** Insurance.

What is Organising in business?

- **Organizing** or **organising** is the establishment of effective authority relationships among selected work, persons and work places in order for the group to work together efficiently.

- Or the process of dividing work into sections and departments.

How can I become a professional organizer and make money?

Are you interested in becoming a professional organizer?

1. Love people. ...
2. Invest in **professional** association memberships.
3. Invest in training and education.
4. Invest in conferences.
5. Think about a training program.
6. Get coaching from another **organizer**.
7. Get your website going.
8. **Do** freebies if necessary.

How do professional organizers get clients?

Finding Clients with Your Professional Organizing Certification

1. Begin with people you know. The best starting point for any business is to start with people you know (who could use your services) and **get** them on board!
2. **Get** on social media. An important 21st-century tool to market your business and find **clients** is social media.
3. Create your target audience.
4. Advertise.
5. Boast the benefits.

What does an organizer do?

- **Organizers** are employed by companies or individuals to clean, arrange, and tidy their workspaces or homes.
- They work with clients to implement efficient organizational systems and processes and to identify areas for improvement.

Entrepreneurial Finance

- **Entrepreneurial finance** is the process of making **financial** decisions for new ventures (i.e. startups).

- New ventures are inherently different from established ventures, as are entrepreneurs inherently different from conventional business managers.

What is Finance?

- Finance is a broad term that describes activities associated with banking, leverage or debt, credit, capital markets, money, and investments.
- Basically, finance represents money management and the process of acquiring needed funds.
- Finance also encompasses the oversight, creation, and study of money, banking, credit, investments, assets, and liabilities that make up financial systems.

What is financing in entrepreneurship?

- **Financing** is the process of providing funds for business activities, making purchases, or investing.
- **Financial** institutions, such as banks, are in the business of providing capital to businesses, consumers, and investors to help them achieve their goals.

What are the sources of entrepreneurial finance?

Best Common Sources of Financing Your Business or Startup are:

- Personal Investment or Personal Savings.
- **Venture Capital**.
- **Business Angels**.
- Assistant of **Government**.
- **Commercial Bank Loans** and Overdraft.
- Financial Bootstrapping.
- Buyouts.

Why do entrepreneurs need finance?

- Firms **need finance** to: start up a business, eg pay for premises, new equipment and advertising.
- Run the business, eg having enough cash to pay staff wages and suppliers on time.
- Expand the business, eg having funds to pay for a new branch in a different city or country.

What are the three types of finance?

- The **finance** field includes **three** main subcategories:
  - Personal **Finance**,
  - Corporate **Finance**, and
  - Public (government) **Finance**.
- **Financial** services are the processes by which consumers and businesses acquire **financial** goods.

Personal Finance

- Personal finance includes the purchasing of financial products such as credit cards, insurance, mortgages, and various types of investments.
- Banking is also considered a component of personal finance since individuals use checking and savings accounts, and online or mobile payment services such as PayPal and PhonePay.

Corporate finance

- Corporate finance refers to the financial activities related to running a corporation, usually with a division or department set up to oversee those financial activities.
- A large company may have to decide whether to raise additional funds through a bond issue or stock offering.
- If a company thrives and decides to go public, it will issue shares on a stock exchange through an initial public offering (IPO) to raise cash.
- In other cases, a company might be trying to budget its capital and decide which projects to finance and which to put on hold in order to grow the company. All of these types of decisions fall under corporate finance.

Public (government) Finance

- Public finance includes tax, spending, budgeting, and debt issuance policies that affect how a government pays for the services it provides to the public.

- The federal government helps prevent market failure by overseeing the allocation of resources, distribution of income, and economic stability.

- Regular funding is secured mostly through taxation.

Financial Services

- Financial services are not the same as financial goods.
- Financial goods are products, such as mortgages, stocks, bonds, and insurance policies.
- Financial services are tasks—for example, the investment advice and management a financial advisor provides for a client.