



MPU3232

ENTREPRENEURSHIP

<b>Assessment Methods</b>			<b>Total</b>
<b>Coursework</b>			<b>100%</b>
1.	Idea Generation	20 marks	
2.	Student Pitching	30 marks	
3.	Business Plan Report	50 marks	
<b>TOTAL</b>		<b>100 marks</b>	

# What is Entrepreneurship?

The process brought about by individuals of identifying new opportunities and converting them into marketable products or services.



## Who is an Entrepreneur?



One who creates a new business in the face of risk and uncertainty for the purpose of achieving profit and growth by identifying opportunities and assembling the necessary resources to capitalize on them.

# WHO IS AN ENTREPRENEUR?

IN THE U.S., APPROXIMATELY 4% OF THE ADULT POPULATION IS ACTIVELY INVOLVED IN STARTING A BUSINESS AT ANY GIVEN TIME.

ONE OUT OF EVERY TWO ADULTS HAS TRIED TO START A BUSINESS AT SOME TIME IN HIS OR HER LIFE.

**Source:** Entrepreneurship 3rd Ed., Lambing and Kuehl; Prentice Hall; Pg 25





DARE  
★  
RISK  
★  
DREAM

*Entrepreneurship is  
about...  
those who **DARE TO  
DREAM** the  
dreams and are  
foolish enough  
to try and **MAKE  
THEIR DREAMS  
COME TRUE.***

*~ Vinod Khosla*

# WHAT DOES IT TAKE TO BE SUCCESSFUL?

“THE IDEA IS NOT WHAT IS  
IMPORTANT.

IN ENTREPRENEURSHIP; IDEAS  
ARE A DIME A DOZEN.  
DEVELOPING THE IDEA,  
IMPLEMENTING IT, AND  
BUILDING A SUCCESSFUL  
BUSINESS ARE THE  
IMPORTANT THINGS.”



A GREAT QUOTE BY MARY  
KAY ASH

"Once in your life, try something.  
Work hard at something.  
Try to change.  
Nothing bad can happen."

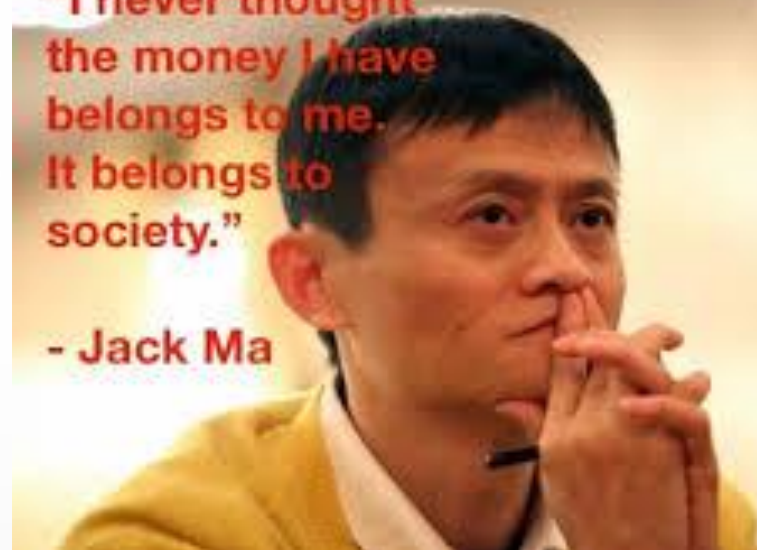
Jack Ma  
Founder & Executive Chairman  
Alibaba Group

STANFORD  
BUSINESS



"I never thought  
the money I have  
belongs to me.  
It belongs to  
society."

- Jack Ma

An infographic featuring a photograph of Jack Ma on the left. He is wearing a light yellow polo shirt and has his hands raised in a gesturing motion. The background of the infographic is a mix of orange, teal, and blue, with the word 'Alibaba' repeated in a large, faint font at the top. On the right side, there is a teal box containing the text 'NET WORTH: \$21.8B'. Below this, in a lighter teal box, it says 'MAJOR ASSETS: 7.3% OF ALIBABA' and '48.5% OF ALIPAY'S PARENT CO.'. At the bottom right, an orange banner identifies him as 'JACK MA ALIBABA FOUNDER'. In the bottom left corner, there is an orange box with the 'Bloomberg' logo.

NET WORTH: **\$21.8B**

MAJOR ASSETS: 7.3% OF ALIBABA  
48.5% OF ALIPAY'S PARENT CO.

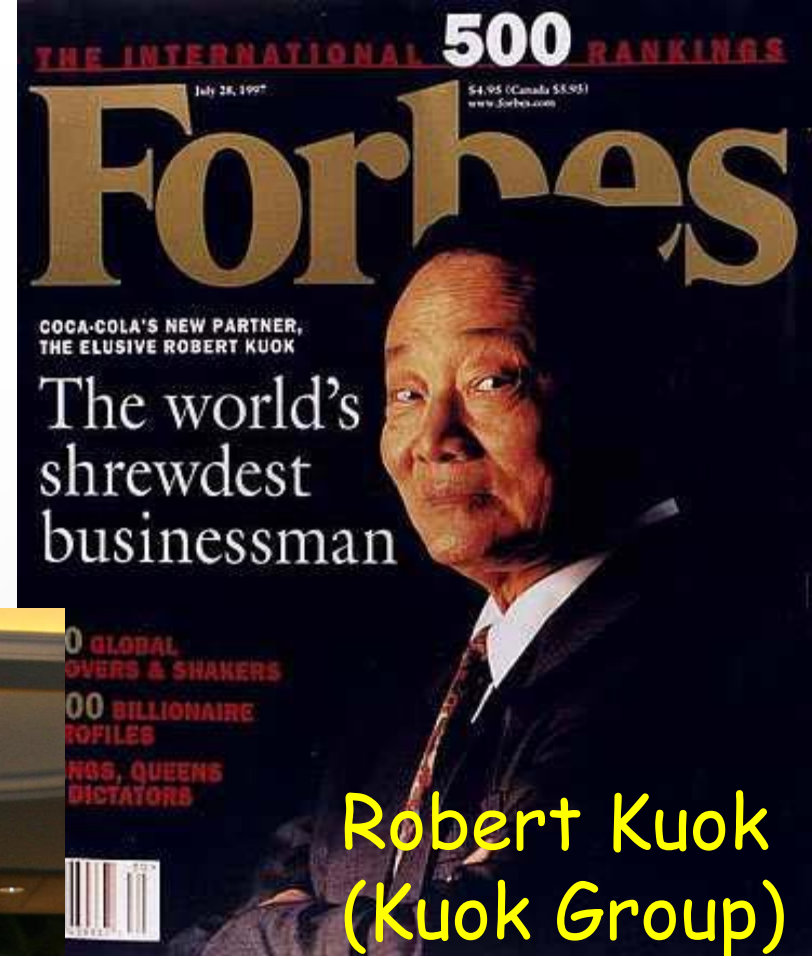
**JACK MA**  
ALIBABA FOUNDER

Bloomberg





Tony Fernandes  
(Air Asia)



Robert Kuok  
(Kuok Group)



Maznah Hamid  
(securiforce)



Steven Sim  
(Secret Recipe)



Ananda Krishnan  
(Astro)



WHY BECOME AN  
ENTREPRENEUR?

# WHY BECOME AN ENTREPRENEUR?

The three primary reasons that people become entrepreneurs and start their own firms



Desire to be their own boss

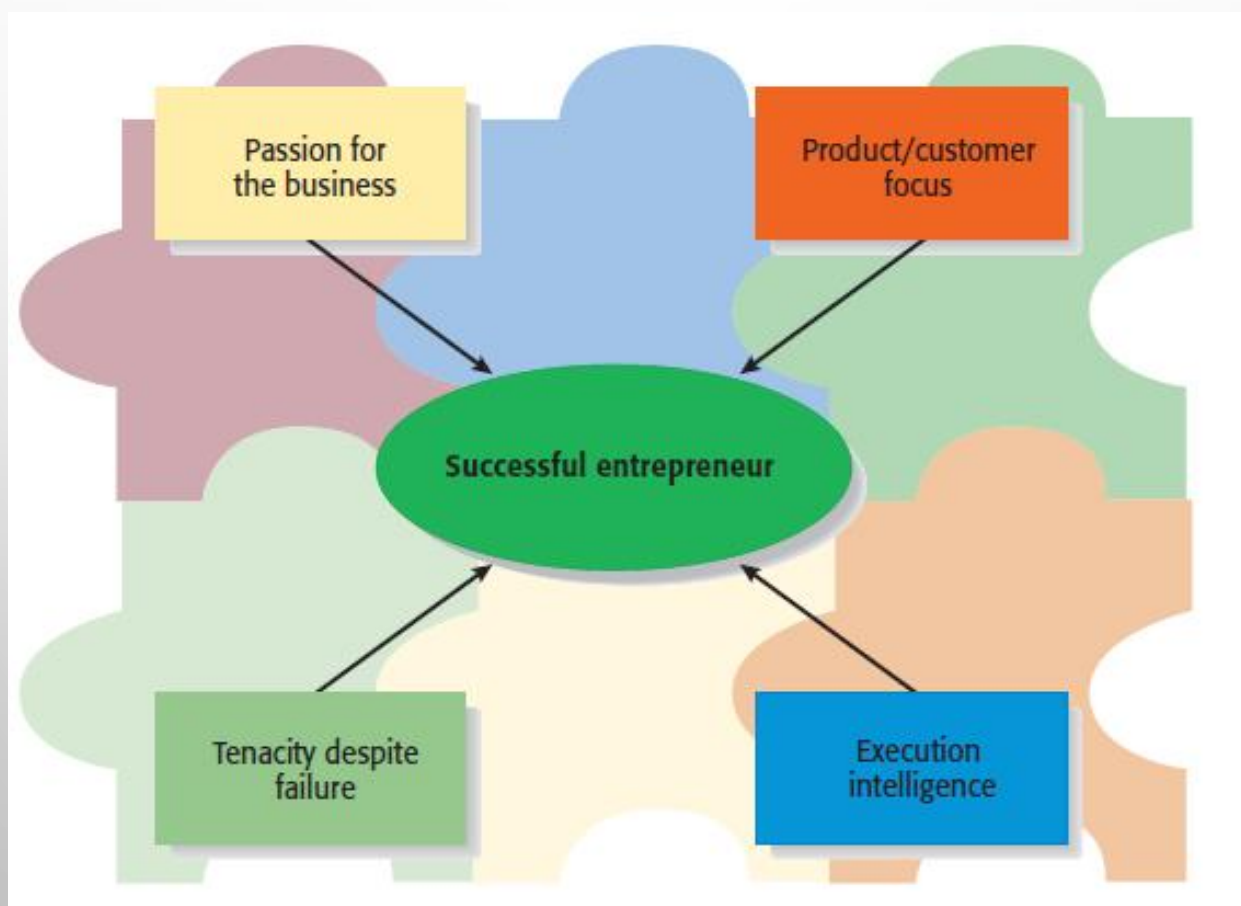
Desire to pursue their own ideas

Financial rewards

# CHARACTERISTICS OF SUCCESSFUL ENTREPRENEURS

1 OF 3

## Four Primary Characteristics





# CHARACTERISTICS OF SUCCESSFUL ENTREPRENEURS

2 OF 3

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- **PASSION FOR THE BUSINESS**
  - THE NUMBER ONE CHARACTERISTIC SHARED BY SUCCESSFUL ENTREPRENEURS IS A PASSION FOR THE BUSINESS.
  - THIS PASSION TYPICALLY STEMS FROM THE ENTREPRENEUR'S BELIEF THAT THE BUSINESS WILL POSITIVELY INFLUENCE PEOPLE'S LIVES.
- **PRODUCT/CUSTOMER FOCUS**
  - A SECOND DEFINING CHARACTERISTIC OF SUCCESSFUL ENTREPRENEURS IS A PRODUCT/CUSTOMER FOCUS.
  - AN ENTREPRENEUR'S KEEN FOCUS ON PRODUCTS AND CUSTOMERS TYPICALLY STEMS FROM THE FACT THAT MOST ENTREPRENEURS ARE, AT HEART, CRAFTSPEOPLE.

# CHARACTERISTICS OF SUCCESSFUL ENTREPRENEURS

3 OF 3

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- TENACITY DESPITE FAILURE
  - BECAUSE ENTREPRENEURS ARE TYPICALLY TRYING SOMETHING NEW, THE FAILURE RATE IS NATURALLY HIGH.
  - A DEFINING CHARACTERISTIC FOR SUCCESSFUL ENTREPRENEURS' IS THEIR ABILITY TO PERSEVERE THROUGH SETBACKS AND FAILURES.
- EXECUTION INTELLIGENCE
  - THE ABILITY TO FASHION A SOLID BUSINESS IDEA INTO A VIABLE BUSINESS IS A KEY CHARACTERISTIC OF SUCCESSFUL ENTREPRENEURS.

# WHERE DO YOU START?

THINK ABOUT WHO IS GOING TO WANT YOUR PRODUCT/SERVICE,  
WHAT THEY WILL PAY FOR IT, WHAT YOU WILL NEED TO CARRY IT OFF,  
AND HOW YOU WILL MAKE MONEY SOMEDAY. THAT IS, MAKE A PLAN.

*SUCCESS DEPENDS ON  
POSITIVE CASH FLOW, GROWTH,  
AND VALUE CREATION.*

OWNERS AND INVESTORS WHO FORGET THAT TEND TO GET  
“NATURALLY DESELECTED.”



# THE IMPORTANCE OF VALUE CREATION

A SUCCESSFUL BUSINESS IS  
ONE THAT DELIVERS VALUE  
TO ITS CUSTOMERS AND  
CREATES VALUE FOR ITS  
OWNERS.

# THE IMPORTANCE OF VALUE CREATION

VALUE IS DELIVERED TO YOUR CUSTOMERS WHEN YOU DO SOMETHING FOR THEM

- BETTER
- CHEAPER
- FASTER
- COOLER
- DIFFERENT

HOWEVER, IT IS LIKELY THAT NONE OF THESE WILL WORK FOR LONG, SO CONTINUOUS IMPROVEMENT AND INNOVATION ARE ESSENTIAL.

# THE IMPORTANCE OF VALUE CREATION

VALUE IS CREATED BY:

- EXPLOITING PROPRIETARY PHYSICAL RESOURCES
- POSSESSING PROPRIETARY KNOWLEDGE OR EXPERTISE
- CREATING A NEW OR IMPROVED PRODUCT, PROCESS, OR SERVICE
- STAYING AHEAD OF THE COMPETITION THROUGH CONSTANT IMPROVEMENT AND INNOVATION



# REVENUE MODELS

REVENUE COMES FROM:

- SELLING OR LICENSING A PRODUCT
- SELLING OR LICENSING A SERVICE
- CREATING A TRANSACTION PIPELINE
- TRADING PRODUCTS OR SERVICES
- INVESTING

# The 2 Common Paths to Entrepreneurship

Path 1:  
**Start Your  
Own Business**

Path 2:  
**Learn the  
Business or  
Trade**

# THE KEY ELEMENTS OF ENTREPRENEURSHIP

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- THERE ARE FIVE GENERALLY AGREED CONDITIONS THAT ARE NECESSARY FOR ENTREPRENEURSHIP TO OCCUR:
  1. AN INDIVIDUAL (THE ENTREPRENEUR)
  2. A MARKET OPPORTUNITY
  3. ADEQUATE RESOURCES
  4. A BUSINESS ORGANISATION
  5. A FAVOURABLE ENVIRONMENT





# QUESTION & ANSWER

