

The background of the slide features a light gray gradient. It is decorated with several realistic water droplets of various sizes, some with highlights and shadows, scattered across the top and bottom edges. Faint, concentric white circles are centered behind the text, creating a subtle ripple effect.

TYPES OF ENTREPRENEURSHIP

Types of Entrepreneurship

What is Entrepreneurship

- According to Peter Drucker, 'Entrepreneurship is defined as a systematic innovation, which consists in the purposeful and organized search for changes and it is the systematic analysis of the opportunities such changes might offer for economic and social innovation.'

Types of Entrepreneurship

What is Entrepreneurship

- Entrepreneurship is a process.
- It is the purposeful and organized search for change conducted after a systematic analysis of opportunities in the environment.

Types of Entrepreneurship

What is Entrepreneurship

- Entrepreneurship is a philosophy- it is the way one thinks, one acts and therefore it can exist in any situation be it business or government or in the field of education, science and technology or poverty alleviation or any others.

Types of Entrepreneurship

Intrapreneurship

- The term “intra-corporate entrepreneur” was introduced by Gifford Pinchot in 1973.
- It was later revised as “intrapreneur”.
- The term “intrapreneur” was officially recognized in 1992 with the definition given in the American Heritage Dictionary.

Types of Entrepreneurship

Intrapreneurship

- Accordingly, an intrapreneur is “a person within a large corporation who takes direct responsibility for turning an idea into a profitable finished product through assertive risk-taking and innovation.”

Types of Entrepreneurship

● Intrapreneurship

- Employees of an organization who are motivated to use their entrepreneurial talents and initiative to do something on their own but who may not want to start their own business are known as intrapreneurs.
- Intrapreneurs with their innovations and dedicated efforts are considered valuable assets by the organization.

Types of Entrepreneurship

Four elements are essential for the success of Intrapreneurship:

1. There should be the right structural and strategic environment within the organization.
2. A suitable workforce of enterprising people should be built.
3. Employees should be encouraged to collaborate and network naturally.
4. Successful employees should be suitably rewarded, while they should not be penalized for their mistakes.

Types of Entrepreneurship

● Technopreneurship

- ‘Technopreneurship’ is a combination of two words ‘technology’ and ‘entrepreneurship’.
- Technopreneurship is entrepreneurship in a technology-intensive context.
- It is a process of merging technological and entrepreneurial talents and skills.
- In the transformation of goods and services, technology is used as an integral part of Technopreneurship.

Types of Entrepreneurship

● Technopreneurship

Caselet –

Apple began when two Steves, Steve Wozniak, the technical innovator, and Steve Jobs, the entrepreneur, got together to make circuit boards for hobbyists—who, in turn, would use them to make homegrown computers. Thus Apple did not begin as a computer maker.

When Jobs attempted to sell these boards to a local computer store, Paul Terrel, the owner, told him to make finished computers and promised to buy 50 of them for \$500 each.

Types of Entrepreneurship

• Technopreneurship

Caselet –

Financing was a problem, but Jobs, armed with the purchase order from Terrel, managed to persuade an electronics distributor to let him have the components on credit.

Thus Apple was born—financed by a sale-in-hand. This history illustrates the limited visions of the start-up enterprise and the effect of the determined enterprise.

Types of Entrepreneurship

● **Technopreneurship**

Caselet –

Jobs, however, had a vision when, some eight years later, in 1979, he toured Xerox's Palo Alto Research Corporation (PARC) and there saw, for the first time, an experimental visual interface and the computer mouse.

Xerox, clearly, was miles ahead of anyone in technological innovation, but the people at Xerox PARC could not persuade their management to commercialize the ideas already present in physical demonstration.

Apple, however, independently developed the concepts and thus created the Macintosh. Visual interfaces became standard after that—and everyone now uses a mouse.

Types of Entrepreneurship

● Technopreneurship

- Technopreneurship is a new breed of entrepreneurship.
- It involves coming together of people
 - who are intelligent, creative, technology savvy and
 - passionate and have an appetite for calculated risk.
- The success of Technopreneurship depends on teamwork.

Types of Entrepreneurship

● Technopreneurship

- Technology and entrepreneurial skills are leading many economies to prosperity.
- Bill Gates (Microsoft), Steve Jobs (Apple), Sergey Brin and Larry Page (Google), Mark Zuckerberg (Facebook), Jack Dorsey (Twitter), and Kevin Systrom (Instagram) are famous examples of technopreneurs.

Types of Entrepreneurship

● Technopreneur

- “A technopreneur is an entrepreneur who is technology savvy, creative, innovative and dynamic, dares to be different and takes the unexplored path, and very passionate about his work”.

Types of Entrepreneurship

Technopreneur

Significance of Technopreneurship:

In a dynamically changing global situation, Technopreneurship plays an important role:

- It generates employment
- It makes the best use of local resources.
- It decentralizes and diversifies business
- It promotes technology
- It forms capital
- It promotes an entrepreneurial culture.

Types of Entrepreneurship

● Social Entrepreneurship

- Prof. Muhammed Yunus – “Social entrepreneurship is any creative and innovative solution applied to solve social problems”.
- Social entrepreneurship stands for recognizing a social problem and using entrepreneurial principles, processes and operations for effecting a social change.

Types of Entrepreneurship

● Social Entrepreneurship

- Social entrepreneurs have innovative solutions to the most demanding social problems.
- Creativity and innovation are their most important tools.
- Social entrepreneurship mobilizes the
 - ideas,
 - capacities,
 - resources and
 - social arrangements
 - required for long-term sustainable social transformation.

Types of Entrepreneurship

● Social Entrepreneurship

Importance of Social Entrepreneurship

- Along with social problems, social entrepreneurship focuses on environmental or cultural issues.
- It plays the role of an agent for change in society by adopting a mission to create and sustain social values.
- It is a process of continuous innovation, adaptation and learning.
- It means acting boldly without being limited by resources in hand.
- Its success is measured not in terms of profit but in terms of social welfare.

Types of Entrepreneurship

● Social Entrepreneurship

The business philosophy of social enterprise may involve three things primarily:

1. The extent and the manner in which it produces goods and services,
2. The extent to which it defines its motive for existence and the way it accomplishes it, and
3. The extent to which it democratically shares human, financial and social capital among various stakeholders.

Types of Entrepreneurship

● Social Entrepreneurship

Benefits of Social Entrepreneurship

- As social enterprises are primarily driven by the motive of creating welfare,
 - they reinvest a larger part of their profits back into business,
 - thus promoting capital formation and economic development in a country.

Types of Entrepreneurship

● Social Entrepreneurship

Benefits of Social Entrepreneurship

- By facilitating means of livelihood,
 - these enterprises also nurture self-confidence and self-esteem among the downtrodden local people.
- Through innovation and experimentation,
 - it fills the gaps in existing economic system and services
 - that cannot or will not be delivered by the public and private sectors.

Types of Entrepreneurship

● Social Entrepreneurship

Benefits of Social Entrepreneurship

- Various outreach programs encompassing training and employment
 - create opportunities for socially deprived people
 - to learn, earn and come into the mainstream.

Types of Entrepreneurship

● International Entrepreneurship

- A startup/ venture or an established firm
 - while capitalizing on creativity, risk-taking and innovativeness,
 - internationalize their operations across national boundaries

Types of Entrepreneurship

International Entrepreneurship

- Through international entrepreneurship,
 - an entity identifies an opportunity,
 - configures its value chain,
 - finalizes the geographical domain to be internationalized and
 - finally picks the ways to reach the end customers in international markets.

Types of Entrepreneurship

International Entrepreneurship

- International entrepreneurship includes various outlets through which a small yet competitive firm can enter the foreign shores,
 - including exports,
 - licensing,
 - international franchising,
 - international cooperative alliances,
 - counter trading and bartering
 - as firms adapt themselves to not only survive but also
 - grow in the backdrop of cutthroat competition.

Types of Entrepreneurship

● International Entrepreneurship

- **Orientation** – International
- **Format of entry** – Registration under domestic and international laws
- **Ease of business** – Complex and dynamic
- **Technological adaptability** – Technological advancement and adaptability of different operations in different countries
- **Cultural sensitivity** – Specific and close understanding of cultural diversity among customers and employees

Types of Entrepreneurship

International Entrepreneurship

- **Government Policy** – Multi Governments rules and regulations for entry, operations and exit
- **Economic system** – Understanding of different economic systems and various markets
- **Growth possibilities** – Unlimited opportunities
- **Risk and reward** – High and unlimited

Types of Entrepreneurship

International Entrepreneurship

Factors to be Considered While Entering Foreign Markets:

1. Country Specific Factors:

- i. Political factors
- ii. Business-related policies and environment
- iii. General laws and regulations
- iv. Host of benefits and protection available to foreign firm
- v. Legal framework
- vi. Cultural factors including the customer's profile

Types of Entrepreneurship

International Entrepreneurship

Factors to be Considered While Entering Foreign Markets:

2. Industry Specific Factors:

- i. Demand and supply dynamics
- ii. Ease of entry and exit
- iii. Specific industrial norms
- iv. Type and intensity of Completion

Types of Entrepreneurship

International Entrepreneurship

Factors to be Considered While Entering Foreign Markets:

3. Firm Specific Factors:

- i. Availability of internal resources
- ii. Ease, cost and availability of external resources
- iii. Relative experience of the firm including its age
- iv. The technological expertise of the firm
- v. The unique selling proposition of the firm

Types of Entrepreneurship

International Entrepreneurship

Factors to be Considered While Entering Foreign Markets:

4. Project Specific Factors:

- i. Size of the project
- ii. Availability of various kinds of resources
- iii. Type and stage of the project being undertaken

Types of Entrepreneurship

International Entrepreneurship

Modes of Entry into International Market:

- i. Exporting
- ii. Licensing
- iii. Franchising
- iv. Specialized Entry Modes
 - i. Contract Manufacturing
 - ii. Management Contract
 - iii. Turn Key Project
- v. Foreign Direct Investment

Types of Entrepreneurship

• Women Entrepreneurship

- The increasing presence of women as entrepreneurs has led to significant business and economic growth in the country.
- Women-owned business enterprises are playing a prominent role in society
 - by generating employment opportunities in the country,
 - bringing in demographic shifts and inspiring the next generation of women founders.

Types of Entrepreneurship

Women Entrepreneurship

- With a vision to promote the sustainable development of women entrepreneurs for balanced growth in the country,
- Startup India is committed to strengthening women's entrepreneurship in India through
 - initiatives,
 - schemes,
 - the creation of enabling networks and communities and
 - Activating partnerships among diverse stakeholders in the startup ecosystem.

Types of Entrepreneurship

Women Entrepreneurship

- Government of Maharashtra will provide preference to early-stage Startups (up to 3 years from the date of incorporation) and
 - FinTech Startups with women Founders to avail of the above incentives.
- It will earmark a certain proportion of the total fund for the benefit of such Startups:
- Incentive Fund for Top-rated Startups
- Creation of Investment Fund
- Reimbursement of internet and electricity charges

Types of Entrepreneurship

• Women Entrepreneurship

- Reimbursement of expenditure towards hosting infrastructure
- Reimbursement of State GST
- Reimbursement of exhibition/global event participation fee
- Incubation Space for accelerators and Startups
- FinTech Corpus Fund

What is a Family Business?

- **Family Business**

- An organization in which either the individuals who established or acquired the firm, or their descendants, who significantly influence the strategic decisions and life course of the firm.

- **Types of Family Businesses**

- Owner-managed business
- Sibling partnership
- Cousin consortium



Advantages of a Family Business?

- Strength of family relationships during challenging periods of business change
- Financial sacrifices that family members make for the good of the firm
- Operation as a family business distinguishes the firm from its competitors
- Higher levels of concern for its community and non-family employees
- Capability to plan and prepare for the long haul
- Emphasis on quality and value

Family Roles and Relationships

- Co-Preneurs (Husband-Wife Teams)
 - Opportunity to share more in each other's lives
 - Business differences interfere with family life
 - Work doesn't leave time for family life
 - Sharing family responsibilities ease the load

Family Roles and Relationships (cont.)

- Sons and Daughters
 - Personal preferences different from the business
 - Personal qualifications insufficient to assume role in the business
 - Desire for personal freedom to choose another career

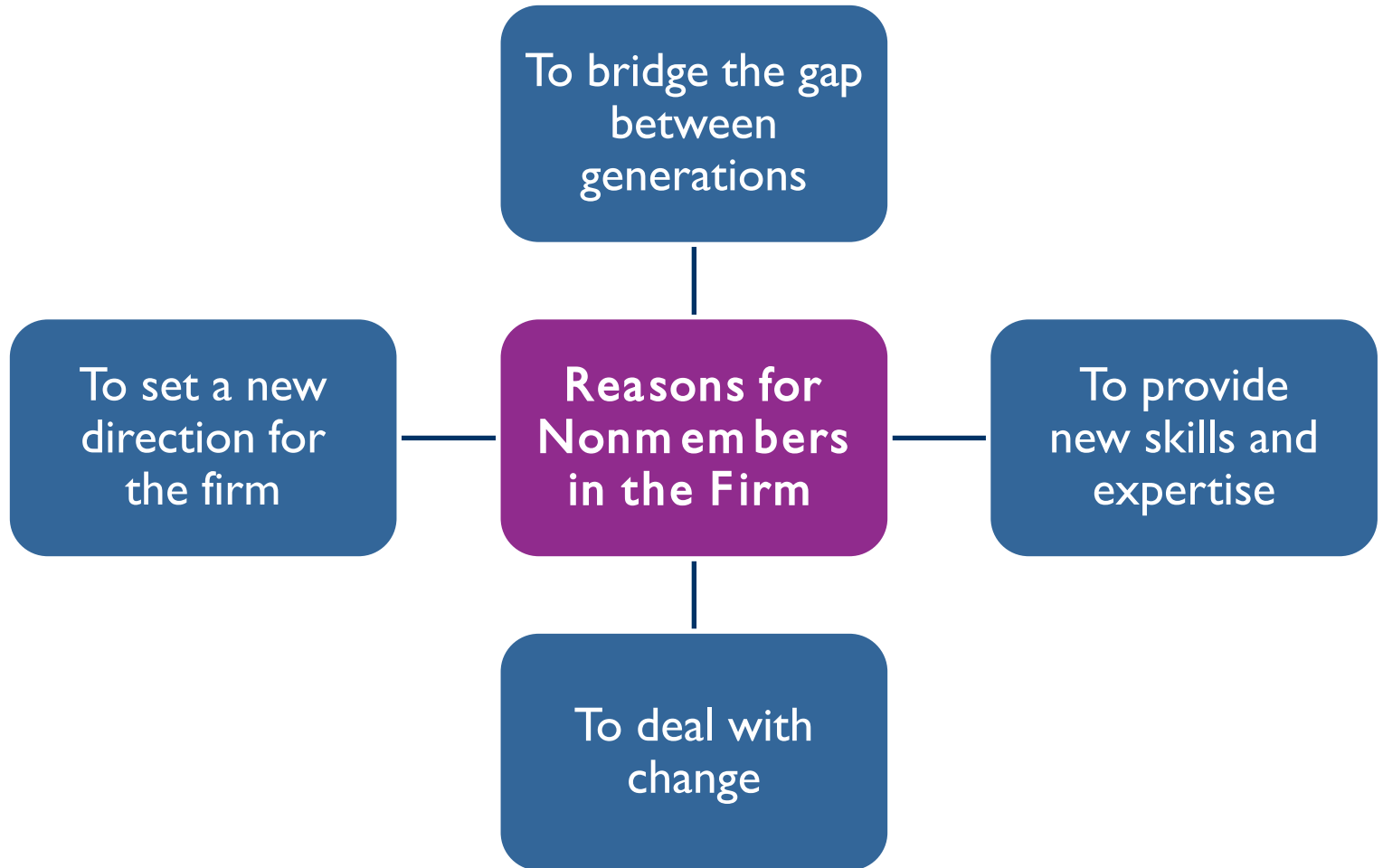
Family Roles and Relationships (cont.)

- Sibling Cooperation, Sibling Rivalry
 - Best case: siblings work as a team, each contributing services according to his or her abilities.
 - Worst case: siblings compete as rivals and disagree about their business roles.
 - Predator/parasite conflict:
 - ✧ Outsiders view family members working for the firm as predators
 - ✧ Insiders view outsiders as parasites

Family Roles and Relationships (cont.)

- In-laws In and Out of the Business
 - Disagreements about how to treat and reward in-laws and family members/children
 - ✧ Assign to different branches or to different business roles
- The Entrepreneur's Spouse
 - Communication between entrepreneur and spouse is critical for their performance as an effective team for both the business and the family.

Bringing Nonfamily Members into the Firm



Good Governance in the Family Firm

- Nonfamily Employees in a Family Firm

- Hazards:

- ❖ Competition with family members for advancement
 - ❖ Getting caught in the crossfire and politics of family competition within the firm

- Solutions:

- ❖ Identify family-only reserved positions in advance.
 - ❖ Treat both family and nonfamily employees fairly in matters of reward and promotion.

Good Governance in the Family Firm (cont'd)

Family Retreats

- A gathering of family members, usually away from the firm, to discuss family business matters.
- Use of an outside facilitator may be necessary.

Guidelines

- Be clear about the purpose of the retreat.
- Set small, attainable goals.
- Use an agenda and stick to it.
- Give everyone a chance to participate.
- Know the difference between consensus and agreement.

Good Governance in the Family Firm (cont'd)

- Family Councils

- An organized group of family members who gather periodically to discuss family-related business issues.

- ❖ Represent the family to the board of directors

- ❖ Useful in developing family harmony

- ❖ Increases understanding of family traditions and interest

Good Governance in the Family Firm (cont'd)

- Family Business Constitution

- A statement of principles intended to guide a family firm through times of crisis and change.

- ❖ The core values that all family members should follow
 - ❖ A process for decision making
 - ❖ Benefits that family members may receive from the business
 - ❖ A mechanism for introducing younger members to the family business and its governance structures
 - A dispute resolution procedure
 - The philanthropic ambitions of the family

Good Governance in the Family Firm (cont'd)

- Family Business Constitution (cont.)
 - A statement of principles intended to guide a family firm through times of crisis and change.
 - ❖ A dispute resolution procedure
 - ❖ The philanthropic ambitions of the family

The Process of Leadership Succession

- Available Family Talent

- Mentoring

- ❖ Guiding and supporting the work and development of a new or less-experienced organization member.

- Competency

- ❖ Allowing only qualified competent family members to assume leadership roles in the firm increases the value of the firm for all who have an ownership interest in it.

Preparing for Succession

- Responsibilities of the Senior Generation

- Communication
- Planning
- Accountability
- Owner development
- Long-term planning

- Responsibilities of the Junior Generation

- ❖ Be open to communication
- ❖ Develop a personal action plan
- ❖ Implement the personal action plan
- ❖ Prepare for ownership
- ❖ Design life plans

Reluctant Parents and Ambitious Children

- Transfer of Ownership
 - Passing ownership of a family business to the next generation involves deciding:
 - ❖ Who will inherit the family firm? When?
 - ❖ Should each heir receive an equal share?
 - ❖ Should ownership be transferred gradually?
 - ❖ How are tax considerations to be handled?
 - ❖ What to do with other wealth and assets of the founding entrepreneur?