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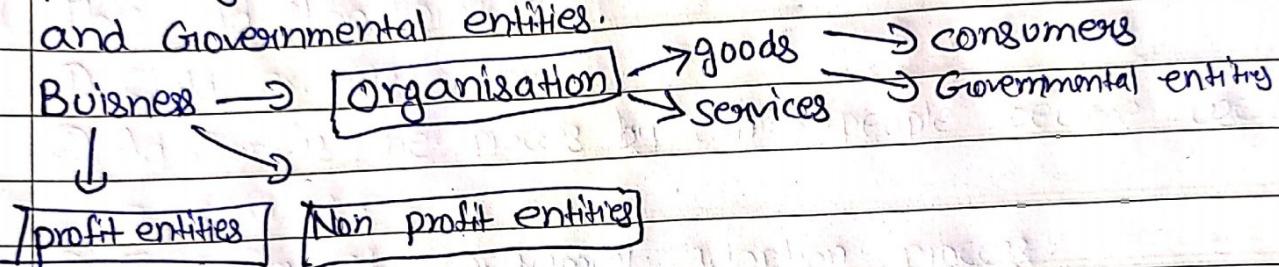
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UNIT - 1 [INTRODUCTION]

IDEA TO BUSINESS MODEL

① Search for a business idea

→ A business is a legally recognized organization designed to provide goods or services or both to consumers, businesses and governmental entities.



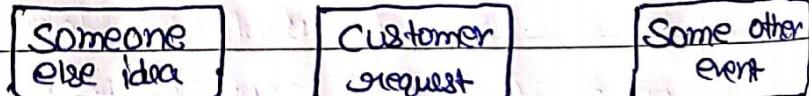
② Methods of Searching Ideas

Unanticipated means

- ① WORK
- ② Hobbies
- ③ Acquaintances
- ④ Chance event

Deliberate Search

- ① Using search questions
- ② Idea prompting



* Sound business Idea → Economic opportunity which is within the reach of the entrepreneur and which will provide him with a desirable value.

② How to choose an Idea

① Focus on your skills, Experience & passion

- Go with what you already know
 - Skills & experiences can increase your chance of success
 - Follow your passion while selecting idea for business

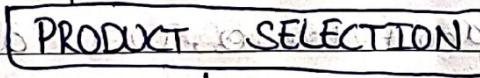
② Evaluate business lifestyle fit

- Balancing work & family life imp. to you
 - Avoid more time-taking businesses
 - If you hate being stuck in an office

③ Test your Idea

- Ask questions to yourself like do you have enough experience, enough demand in market, startup costs, competitors
 - Write a business plan

③ Selection of product



animalien sind

Demand and ^{QTY} Frequency of buying Nature of use ^{NO.} Product

Supply Characteristics \rightarrow Consumption, and monetary unit \rightarrow characteristics

↓ going to until / in order amidst with among & etc. • product class

→ Standard products → Fast moving • Consumer goods • Product line

→ Job order products → consumer durable • Industrial goods • product mix

- Decision process, Design team selects one or few product concept
For further development
 - Entrepreneur make modification with changing environment
 - Importance = changes in Business risk, financial risk, existing prodn system
classmate changes in competitive etc.

- At individual level

- ① Simple and affordable to develop
- ② Affordable to scale to manufacturing
- ③ Potential for a high profit margin
- ④ Recurring Revenue

(4) The Adoption process

- ① Child example
- ② Adoption is the process by which people become users of a product.
- ③ 5 Stages of consumer adoption process

⇒ ① Product Awareness

- All information about new product
- Adopters may be informed through - Advertising, publicity or any other effort of marketer

⇒ ② Product Interest

- Evaluation stage & considers buying new product
- By this time, innovation is introduced
- User get info. about features, uses, advantages, disadvantages, price or location

⇒ ③ Product Evaluation

- Consumers tries product on small scale
- They compare new product with old product
- If product satisfies certain criteria / Thinks of trying it

⇒ ④ Product Trial

- Tries it, if satisfied, enters adoption stage
- Use or experience product 1st time

⇒ ⑤ Product Adoption

- Decides to make full and regular use
- New product → good, service, idea

* Rejection may occur in after any stage

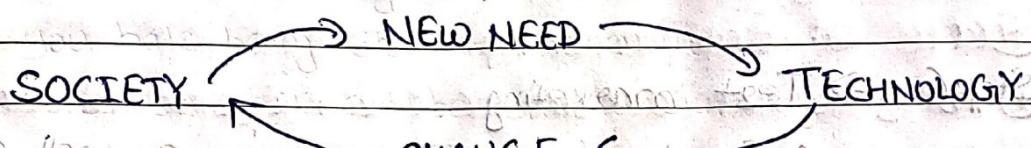
③ Product innovation

- ① Development of a new products
- ② Changes in design of a established products / modification

③ Importance

- ① Good for more profit
- ② Diversifying brings in new opportunities
- ③ Constant innovation, never irrelevant or out of date
- ④ Helps you keep up with market

④ Nature of innovation



⑤ Types of innovation

- Product
- Process
- Service

⑥ Product planning and development strategy

Step 1 ⇒ Generation of a New product Idea

- Ideas may come from internal sources like (R&D) department managers, sales force, personnel etc.
- From external sources like → customer, competitor, scientist
- Intention → more new & better product idea for profit

Step 2 ⇒ Screening of Ideas

- A close & detailed examination of ideas
- Most imp. stage
- proper screening of product because it can cost in term of time, money and effort

Step 3 ⇒ Product concept development

- those product who clear Screening comes here
- product concept - physical feature, benefit, price

CLASSMATE → compatible with organization technological

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Product idea → Product Financial, Human

concept that market will accept

Step 4 ⇒ Commercial feasibility

- checked whether product is commercially feasible
- in terms of - Demand, potential, cost of prodn, marketing
- Compatible with organizational, technological & financial, Human

Step 5 ⇒ Product development

- Engineering department converts product concept into concrete form of product (Size, Shape, design, weight)
- A model or prototype in limited scale.

Step 6 ⇒ Test marketing

- Sample of product tested in a well chosen and authentic sales environment
- In view of consumer reaction, improvement done

Step 7 ⇒ Commercialisation

- After test marketing result
- Launch of product production, promotion, marketing
- And it goes on and on

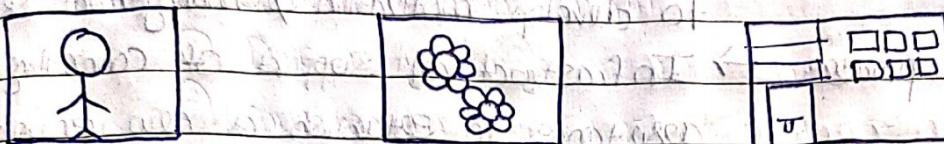
FULL EXPLANATION

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IDEA TO BUSINESS MODEL

UNIT - 2 INTRODUCTION TO ENTER ENTREPRENEURSHIP

① Introduction to entrepreneurship



* Entrepreneurship → process of starting a new enterprise

- and operating it
- So as to create a product, having value for people
- By giving necessary time and effort and bearing all financial risks, difficulties and challenges
- with an intention to make profit

* Characteristics of Entrepreneurships

Accepting challenges

Decision making

Risk taking

Innovation

Organisation

Skillful management

Making the enterprise a

Success

Entrepreneurship

* Features :-

⑥ value

② Creative

③ purposeful

④ Human orientation

⑤ Flexibility

- * Phases of Entrepreneurship Development
- ① Initial phase → creation of awareness of entrepreneurial opportunities based on Survey
 - ② Development phase → Implementation of training programmes to develop motivation & management skills.
 - ③ Support phase → Infrastructural support of counselling and assistance to establish a new enterprise and to develop existing units

* Scope of Entrepreneurship

- ① Ability to extend from the closed system of an Enterprise
- ② Provides job to the society
- ③ Provides a lot more solution than mere creation of business
- ④ Provides the new business and improvement in business sectors.

* Need of Entrepreneurship

① PASSION	PERSEVERANCE	PERSISTENCE
• Strong and uncontrollable emotion	• mature emotion - experience gathered and analysis	• Continue doing something trying to do even if it fails

② Difference between entrepreneurship and wage employment

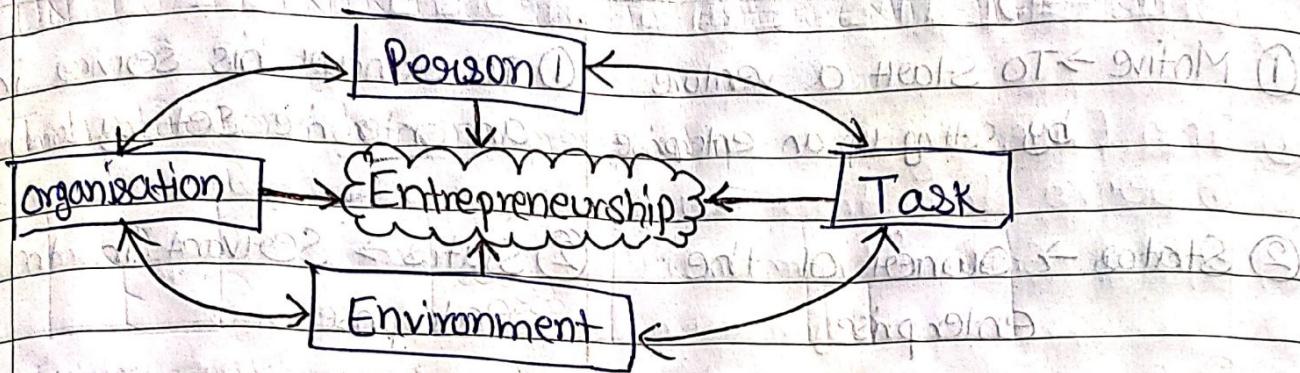
WAGE EMPLOYMENT

- ① Work for others
- ② Follow instructions
- ③ Routine job
- ④ Earning fixed, Never Negative
- ⑤ Does not create wealth
- ⑥ Can choose form
 - Govt. Service
 - public & private sector

Entrepreneurship

- ① Own boss
- ② Make own plans
- ③ Creative Activity
- ④ Can be negative, Generally Surplus
- ⑤ Creates wealth, contributes to GDP
- ⑥ Can choose form :-
 - Industry, Trade or Service enterprise

③ Conceptual model of Entrepreneurship



- ① Entrepreneurial personality → person → Skills, Knowledge
- ② Entrepreneurial Task →
 - Identify opportunities
 - Grabbing opportunity, Normal person won't do
- ③ Entrepreneurial Environment →
 - Surrounding help or hinder
 - Several elements → Economic, Sociological, Political and others
- ④ Entrepreneurial Organisation →
 - place - creation & work takes place
 - Organisation ethics.

④ Functions of an Entrepreneur

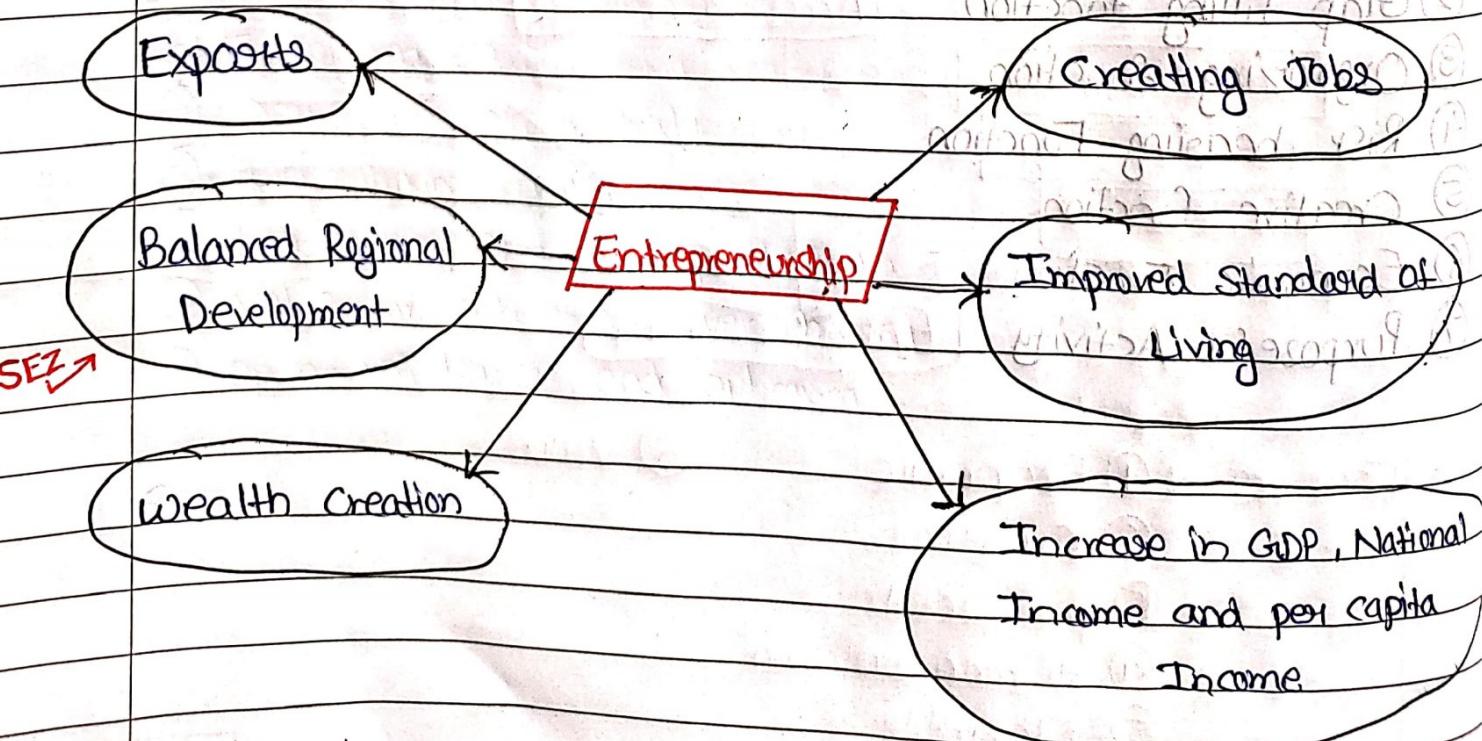
- ① Develops an Idea and explores Opportunity → Innovation
- ② Gap filling function
- ③ Organizing function
- ④ Risk bearing Function
- ⑤ Creative function
- ⑥ Economic Function
- ⑦ Purposeful Activity

⑤ Entrepreneurship

- ① Motive → To start a venture by setting up an enterprise
- ② Status → Owner of the enterprise
- ③ Risk bearing → Take an risk in the running enterprise.
- ④ Rewards → unpredictable

⑤ Innovation → Thinks over what to do, how to do changing agent

⑥ Role of Entrepreneurship in Economic development



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① Barriers to Entrepreneurship

① Environmental Barriers → Raw material

Labour

Machinery

Land and Building

Other infrastructure Requirement

② Financial Barriers → Availability of funds

Investors

③ Personal Barriers →

- Lack of confidence
- Lack of Dependability on others
- Lack of Sustained motivation
- Lack of patience
- Lack of Dream or its inability

FULL EXPLANATION

IDEA TO BUSINESS MODEL

UNIT - 3 [THE ENTREPRENEURS]

① The Entrepreneur

- ① Derived from french word 'Entrepreneur' undertakers of risk
- ② Adam Smith - "Entrepreneur is an individual who forms an organisation for commercial purpose"
- ③ A person who makes money by starting or running businesses, especially when this involves taking financial risks.
- ④ An Entrepreneur is a person
 - with a unique idea, who takes initiative of developing a new venture
 - Arranges all the resources and is ready to bear all the risks and responsibilities
 - takes all the necessary decisions to provide products and services that has value to the customer

⑤ Characteristics

- ① High degree of commitment
- ② High Energy level
- ③ Foresightedness
- ④ Desire for responsibility
- ⑤ Risk taking ability
- ⑥ Leadership and Managerial skills
- ⑦ value for achievement over money
- ⑧ open-mindedness and optimism

② Types of Entrepreneur
According to C Danhoff - Four types

Innovative

Imitative

Fabian

Doine

① Innovative → • One who invent new ideas, new product
new production methods or processes.

- Always ready to take risks
- Ratan Tata - launch of Nano car

② Imitating → • copy the new inventions made by innovative entrepreneurs
• imitate the technology, methods
• Found where there is lack of resources.
• Underdeveloped regions to boom their industry

③ Fabian → • Do not initiate any inventions but follow only
after they are satisfied with its success rate
• Follow their Ancestors

④ Doine Entrepreneurs → • Reluctant to change
• Are very conservative and do not want
to make any changes in organisation
• Happy with their present mode of business
and do not want to change even if they
are suffering the losses.

- ③ Competencies required to become an entrepreneur
- ① Communication
- ② Creativity
- ③ Problem Solving
- ④ Self-confidence
- ⑤ Innovative
- ⑥ Efficiency
- ⑦ Strategy
- ⑧ Risk management
- ⑨ Information management

- ④ Creative and Design thinking
- Design thinking is a creative problem solving process
 - what's the human need behind a product / method / process / service?
 - After all, Authentically understanding people and how to best serve them is at the heart of every successful business.
 - Design thinking process allows you to see your business through the eyes of customer.

- Design thinking process
1. OBSERVE AND EMPATHIZE
 2. DEFINE THE PROBLEM
 3. IDEATE SOLUTIONS
 4. PROTOTYPE
 5. TEST

⑤ The Entrepreneurial Decision process

- ① Identification of problem or opportunity
- ② Generate Alternative Solutions
- ③ Analyse the Alternative Solutions
- ④ Selection Of the Best Alternative
- ⑤ Implementation of the Alternative
- ⑥ Review the performance

⑥ Entrepreneurial Development Programmes AND IT'S PROCESS

- ① EDP is a program which helps in developing Entrepreneurial Abilities Among Individuals needed to establish an Enterprise.
- ② Objectives :-
 - To make people having good understanding with law.
 - Strengthen entrepreneurial quality - need for achievement
 - Develops Small & medium Scale enterprises
 - Industrialize rural and backward Sections of society
 - Merits & Demerits of being Entrepreneur

③ Examples → PMKVY → Pradhan Mantri Kaushal Vikas Yojna

AIM → Atal innovation mission

National Skill development mission

Different Phases of EDPs

- ① Pre- Training Phase →
 - Introductory phase , EDPs Launched
 - Selection of place, Selection of coordinator / leader
- ② Training phase →
 - Imports training for future entrepreneurs , Guides them
 - Duration - 4-6 weeks
 - Objective, training input, centre of focus
- ③ Post - Training phase →
 - Phase of follow-up assistance
 - Individual who completed programme successfully are provided post training Assistance

(7)

Evaluation of EDP

- Evaluation of EDP assess the efficiency, Degree of Success and contribution of EDPs in India
- It was observed one out of four trainees actually started his/her enterprise after undergoing EDT.

(8)

Entrepreneurship Development Training

- Training aimed at developing entrepreneurial competence in potential individuals is called Entrepreneurship Development Training
- Objectives
 - To encourage the spirit of self employment among entrepreneurs and develop small & medium enterprises
 - To encourage new venture establishment and expansion of existing ones in rural areas
 - To enable entrepreneurs to define or redefine their business objectives
 - To make them ready for unforeseen threats and risks associated with business
 - Facilitate strategic decision making
 - Communication skills
 - Team building, coordination skills

Methods

- Lecture method
- Written instructional method
- Individual Instruction
- Meeting
- Conference

IDEA TO BUSINESS MODEL

UNIT - 4 [PRODUCTION SYSTEM]

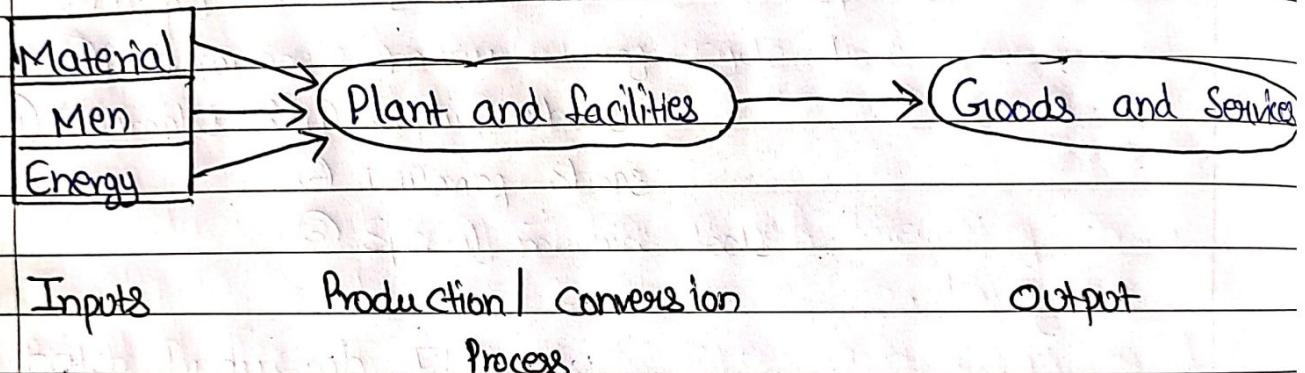
① Production System

The methods, procedure or arrangement which includes all functions

Require to accumulate the inputs

process or reprocess the inputs

and deliver the marketable output [Goods].



② Design of production system

① preliminary Stage of production system process

② It is art of planning, or creating system for production and provision of products and services

③ In designing Systems for both Services and products various factors have to be considered and these include :-

- Capital Requirements
- Required Skills for the design of the programme
- Product design
- Demand for the product or service
- Safety Requirements

③

Types of Production System

↓
Intermittent Production System **Continuous Production System**

↓ ↓ ↓ ↓ ↓
Project Production **Jobbing** **Batch Production** **Process Production** **Mass Production**

① **Intermittent Production System**

Intermittent means Something that Starts and Stops at irregular intervals (time intervals)

Features :-

- ① Flow of production is not continuous
- ② variety of products are produced
- ③ volume of production is small
- ④ General purpose machines are used
- ⑤ Sequence of operation changes from per design
- ⑥ production depends upon customer's order

① **Project production flows**

- ① Company accepts a single, complex order on contract
- ② Order must be completed within a given period of time and at an estimated cost
- ③ Construction of

Roads

Shipbuilding

Repair Shop

Airports

Tailoring Shop

Dams

Buildings

(2) Jobbing Production Flows

① The company accepts a contract to produce one or a few units of a product strictly according to the specifications given by the customer.

② Product is produced within a certain period and at a fixed cost.

(3) Features

- ① Production of items takes place in small lots.
- ② Items are manufactured as per customer specification.
- ③ Highly skilled labour needed for specialized jobs.
- ④ Disproportionate manufacturing cycle time.

(4) Examples :-

- ① Repair shops
- ② Tailoring shops
- ③ Special machine tools

(3) Batch Production Flows

- ① Batch production is a method whereby a group of identical products are produced simultaneously.
- ② Manufacturer decides how big the batch will be and how often these batches will be made.
- ③ Each batch goes through the separate stages of the manufacturing process together.

(4) Examples :-

- ① Baked Goods
- ② Clothing
- ③ Computer chips
- ④ Jet engine production

② Continuous Production System

- ① Goods are produced constantly as per demand forecast
- ② Goods are produced on a large scale for stocking and selling.
- ③ They are not produced on customer's orders
- ④ Here the inputs and outputs are standardized along with production process and sequence.
- ⑤ Examples :- Petrochemical, Cement, Steel, Sugar

① Process Production Flows

- ① Highly Mechanized System for Handling Materials
- ② Low skilled Labour and Skilled Technicians are required
- ③ Very less work in progress, since material flow is continuous
- ④ Production planning and scheduling can be pre-decided
- ⑤ Full production system is designed to produce only one item
- ⑥ Examples :- Steel, cement, paper, sugar

② Mass Production Flows

- ① Continuous flow of production, depends on market demand
- ② Here, there is limited work in progress
- ③ The supervision is easy; Few instructions are necessary
- ④ The material is handled by Machines
- ⑤ Flow of material is continuous with little or no queuing
- ⑥ Examples :- Tooth paste

Soaps

Combs

Pens

- (4) Production Planning and Control
- ① Predetermined process which includes the use of Human resources, raw materials, machines etc.
 - ② PPC is a technique to plan each and every step in a long series of separate operation.
 - ③ It helps to take the right decision at the right time and at the right place to achieve maximum efficiency.

④ PPC → Production Planning

↓
Production controlling

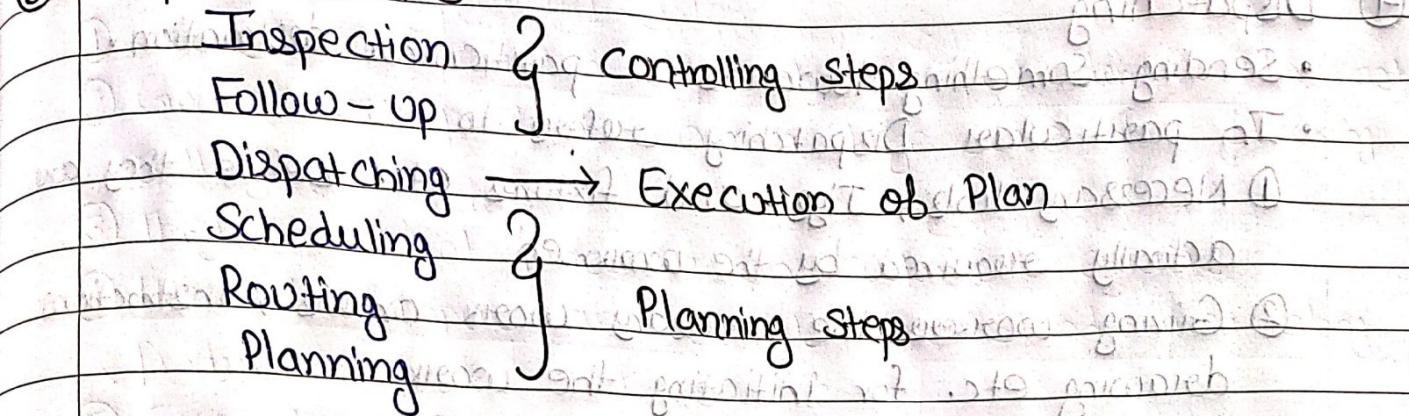
* Production Planning → Process of forecasting ahead every step in the long process of production, taking them at right times in the right degree and completing the operations at maximum efficiency.

* Production Controlling → Process of keeping watchful eye on the production flow by utilizing different type of control techniques to achieve optimum performance out of the production system as to achieve overall production planning targets.

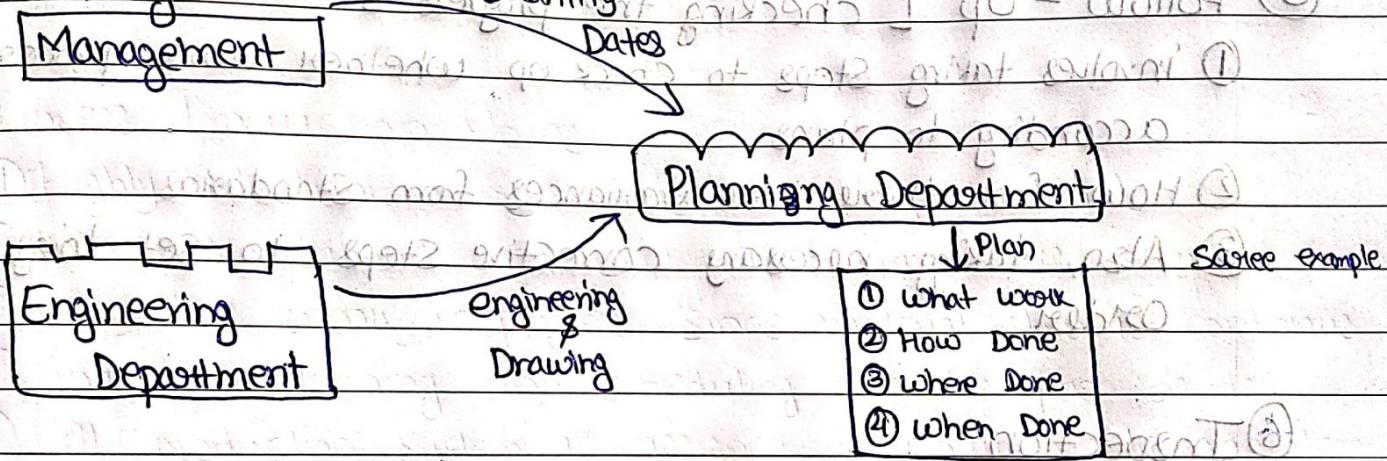
⑤ Advantages of PPC

- ① Continuous Production
- ② Cost control and profit maximization
- ③ Customer satisfaction
- ④ Economy in Production time
- ⑤ Equipment utilization

⑤ Steps in PPC



① Planning



② Routing

- Determination of path that work shall follow and the order in which various operations will be carried out
 - Objective \rightarrow find out best and cheapest sequence of operation
 - Machines \rightarrow Full capacity . Manpower & facilities best utilized

③ Scheduling

- Determination of time that should be required to perform each operation
 - Preparation of a time table → Total time for manufacturing a product
 - Time expected to be spent at each machine & process
 - Worker, machine concerning classmate • Onetime

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④ Dispatching

- Sending something towards a particular destination.
 - In particular Dispatching refers to go - wallot
- ① Necessary tools, Jigs and fixtures etc before they are actually required by the workmen
 - ② Giving workers the necessary work orders, instructions drawing etc. for initiating the work.

⑤ Follow - up [checking the progress]

- ① involves taking steps to check up whether time proceeds according to plans
- ② How far there are variances from standards
- ③ Also, taking necessary corrective steps to set things in order

⑥ Inspection

- ① Quality control aspect
- ② Goods produced are of right quality or not
- ③ Inspectors may inspect - materials, Semi-finished and Finished products at the work bench or Special Laboratories

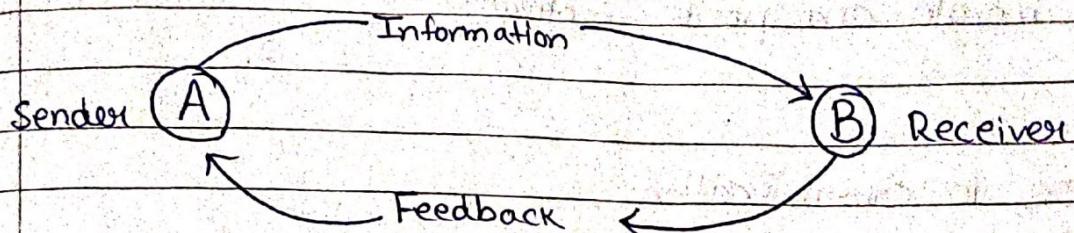
IDEA TO BUSINESS MODEL

UNIT - 5 [COMMUNICATION]

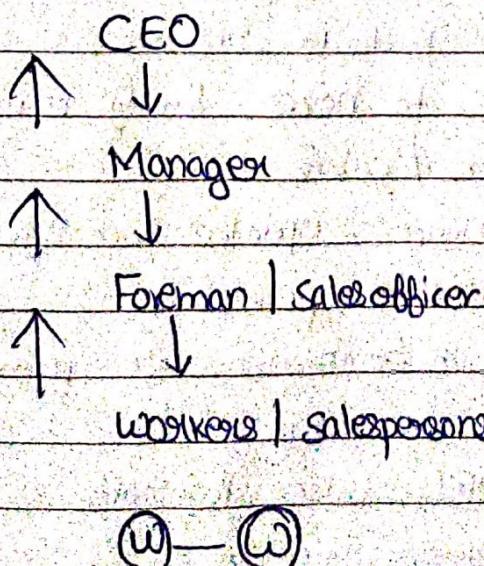
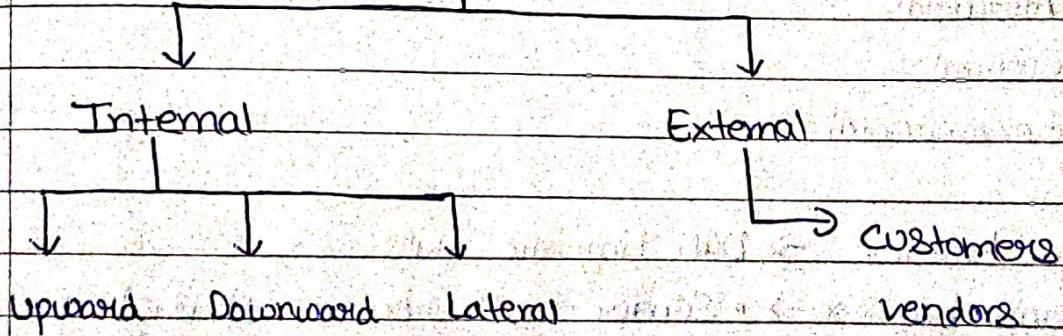
① Business communication

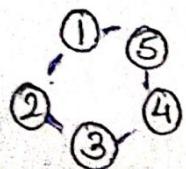
Process of sharing information

between people within and outside company
in order to promote an organization's Goals, objectives, Aims
and activities as well as increase profits.



Types of business communication





5 →
5 →
5 →
5 →
5 →

25
25 Groups

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② Importance of communication system

- ① Acts as a base of coordination

coordination among departments, activities and persons

- ② Helps in Smooth working of an Enterprise

Manager → Machine + Human

- ③ Acts as a basis of Decision

- ④ Increases managerial efficiency - PRSDFI

- ⑤ Promotes cooperation and industrial peace

- ⑥ Boosts morale and provides motivation

-③
⑦

③ Barriers to communication

↳ Language

Psychological

Physical

Attitudinal

Cultural

Environmental

- ① Language barrier → Diff. Linguistic skills

- ② Psychological barriers →
 - Sender and receiver should be mentally fit
 - Speech disorder, depression, Phobia
 - Emotional maturity required

- ③ Physical barriers →
 - Arises due to noises, faulty equipment, closed doors / cabin
 - Shorter distance, updated technology

- ④ Attitudinal Barriers →
 - values, attitudes, perception
 - Problem with organization staff, poor management, resistance to change

- ⑤ Cultural Barriers →
 - Diff. beliefs, values, Perception on their culture
 - values → Dressing, religion, drink, food etc.

⑥ Environmental barrier → Not only people responsible
Bad environment

④ Listening to people - The power of Listening

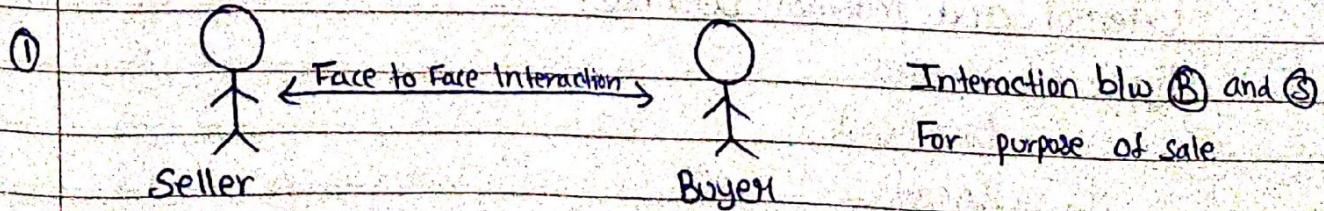
Effective active listening within an organisation setting has been shown to produce a wide range of positive benefits for companies leaders and individuals such as -

- ① Building stronger relationships
- ② Developing greater trust
- ③ More effective team collaboration
- ④ Enhanced individual and group making decisions
- ⑤ Greater productivity
- ⑥ Enhanced creativity and innovation

⑤ The power of talking

- ① Make your intentions clear
- ② Establish bond b/w you and others
- ③ Can make / break first impression when you meet someone new
- ④ Words you choose and how you choose to use them can make you seem smart, foolish, bold, shy

⑥ Personal selling



Not only fulfillment of seller needs but also customer satisfaction

② Features of Personal Selling

- ① personal interaction
- ② Better response
- ③ Relationship
- ④ Better convincing
- ⑤ Two way communication

⑦ Risk taking and Resilience

- ① Think of risk taking as a balancing act
move towards a Goal but well aware that you may fall
Bike, Aeroplane, Investment
- ② Risk takers are not gamblers
 - * Luck and chance
 - * Face uncertainty with courage and planning

③ Leave their comfort zones

- ④ Weighing the Pros & Cons to make a choice

⑤ Resilience

The process of and outcome of successfully adapting to difficult or challenging life experiences, especially through mental, emotional, and behavioural flexibility and adjustment to external and internal demands.

Types → Mental

Emotional

Social

Physical

Story of KFC — Colonel Harland Sanders

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⑧ Negotiations

It is a process where two or more parties with different needs and goals discuss an issue to find a mutually acceptable solution.

Good negotiations contribute significantly to business success as they

- Help you build better relationship
- Deliver lasting, quality solutions - rather than poor short term solutions that do not satisfy the needs of either party
- Helps you avoid future problems and conflicts