

# L14 APSC221 - Recognizing Opportunities and Generating Ideas

## Terms

**Entrepreneur** is an individual who, rather than working as an employee, runs a small business and assumes all the risk and reward of a given business venture, idea, or good or service offered for sale. The entrepreneur is commonly seen as a business leader and innovator of new ideas and business processes.

Good entrepreneur:

- prior experience
- cognitive factors - entrepreneurial alertness
- social network - social and professional contacts
- creative

Weak-tie relationships are important to spark new ideas from casual acquaintances. Strong-tie relationships tend to reinforce insights and ideas that people already have.

**Intrapreneur** is an inside entrepreneur, or an entrepreneur within a large firm, who uses entrepreneurial skills without incurring the risks associated with those activities. Intrapreneur are usually employees within a company who are assigned a special idea or project, and are instructed to develop the project like an entrepreneur would. Intrapreneurs usually have the resources and capabilities of the firm at their disposal. The intrapreneur's main job is to turn that special idea or project into a profitable venture for the company.

## Opportunities

An **opportunity** is a favourable set of circumstances that creates a need for a new product, service, or business

Both entrepreneurs and intrapreneurs seek to recognize a problem or an opportunity gap for which they can create a business model that will address the problem or fill the identified gap.

They need to be:

- attractive
- timely
- durable

- creates or adds value

## Identifying Opportunities

They can be identified by:

- solving a problem - notice a problem, find a way to solve
- observing trends - economic forces, social forces, tech advances, political changes
- finding gaps in the marketplace - fragmented market, or find a specific niche

## Ideas

Ideas are great, we need them, but...

- they might not meet the definition of an opportunity
- idea has emphasis on creating or adding value

There are many ideas, but few are opportunities.

### Idea Generation

1. Preparation - background, experience, rough idea, make connections
2. Incubation - small refinements, ideas flesh out
3. Insight - turn the idea into a viable solution, recognize the opportunity
4. Evaluation - analyze if the idea is viable
5. Elaboration - fine details, business, case, sales pitch

The idea generation should include a focus group of 5-10 people with unique participants and different perspectives.

## Research

Libraries are often used for idea generation and research.

Internet can be used, but one should be weary of credibility.

## Encouraging New Ideas

Establish a focal point for ideas, and encourage creativity at the firm