**1. Reasons for business plan failure**

At organizational level/microeconomic factors

1. lack of uniqueness and value, bad business ideas, not defining your specialty, unachievable and unrealistic goals and aspirations

2. leadership failure, conflicts among co-founders

3. poor employee compensation and incentives

4. poor financial management, improper budgeting, no detailed financial projections

5. inadequate information about target customer, ignoring customer needs, false assumptions, no proper market plan, customer service not a priority, poor assessment of competition, environmental changes

6. unprofitable business model, failure to improve b-plan after getting feedback, rapid growth and over-expansion

Macroeconomic factors

Business cycle, recession, wars, national calamities, government debts, governmental regulations, international trade, sanctions

**2. Sources of Innovations**

within the industry, business

1. the unexpected

2. incongruities

3. Process needs

4. industry and market structure

outside the enterprise, business

1. Demographic changes

2. Change in perception, awareness

3. new knowledge, technology

4. Economic changes

**3. Challenges for an entrepreneur**

Financial – capital, strapped budget, finance, cash-flow, business growth

social – social rejection, loneliness, facing criticism, self doubt, carrier concerns

organizational – hiring employees, delegating tasks, time management, rule making, team building, decision making, lack of precedent

marketing – choosing what to sell, marketing strategy, lack of brand image, inadequate information about competitors

**4. Need to form a business entity/ start-up**

Define a business entity

Every business has business name, business structure and business license

important issues - intellectual property, legal structure

1. protecting business owners

2. saving taxes

3. structured business operations

4. professional image

important issues for a business entity

taxation, liability, risk and control, continuity of existence, transferability, formality

**5. some important types of business entities in India**

1. Sole Proprietorship

2. Partnership

3. One person company

4. Public limited company

5. Private limited company

6. Limited liability partnership

7. Cooperatives

8. Non profit organizations

9. Joint venture company

**6. IPR and Business (one example each)**

trademark

patent

industrial design

copyright

geographical indication

**7. legal requirements for new business**

1. Founder agreements

2. Business License

3. Taxation

4. Labor laws (ant 4)

5. IPR

6. Environment laws (any 4)

7. Exit policy