



Fundamentals in Entrepreneurship

Course 1: Innovation and entrepreneurship:
definitions and interdependencies

assoc. prof. Cătălina CRIȘAN
catalina.crisan@ubbcluj.ro





UNIVERSITATEA BABEȘ-BOLYAI
BABEȘ-BOLYAI TUDOMÁNYEGYETEM
BABEȘ-BOLYAI UNIVERSITÄT
BABEȘ-BOLYAI UNIVERSITY
TRADITIO ET EXCELLENTIA



Fundamentals in Entrepreneurship

Course 1:

Innovation and entrepreneurship: definitions and interdependencies

Assoc. Prof. Crișan Cătălina

Babes-Bolyai University, Romania

Faculty of Economics and Business Administration

Management Department

Mail: catalina.crisan@econ.ubbcluj.ro

catalina.crisan@ubbcluj.ro

Linkedin:

<https://www.linkedin.com/in/catalina-crisan-0ab27a8>



AGENDA



UNIVERSITATEA BABEȘ-BOLYAI
BABEȘ-BOLYAI TUDOMÁNYEGYETEM
BABEȘ-BOLYAI UNIVERSITÄT
BABEȘ-BOLYAI UNIVERSITY
TRADITIO ET EXCELLENTIA



1. Organizational details

- Access to courses
- Courses
- Evaluation Method

2. Innovation and entrepreneurship: definitions and interdependencies

- The Entrepreneur
- Advantages and disadvantages of being an Entrepreneur
- Setting perspectives in Entrepreneurship
- Innovation and problem solving

3. Key Takeaways

- Discussion with Prof. David Mammano from University of Rochester, New York, USA

4. Evaluation



I cannot teach
anybody anything.
I can only make
them think.

Socrates



HOW WILL WE DO IT?

Responsible for the discipline: Lecturer Dan Mircea SUCIU
Faculty of Mathematics and Computer Science

Course website: www.danmirceasuciu.ro/fundamente-de-antreprenoriat

- slides of all courses
- video recordings of online courses
- **Data about speakers:** Academics and Practitioners
- **Useful References**
- **Tutors in each Faculty**



Fundamentals in Entrepreneurship

- Courses -



1. Innovation and entrepreneurship: definitions and interdependencies.
2. Digital transformation and Innovative Thinking.
3. From problem to idea. Solution validation. Value Proposition
4. Market research: Who are the customers and what are their expectations?
5. Market research: Who are the competitors? How to build a competitive advantage?
6. Team and leadership. How to build a team? Roles in a team.
7. Business plan
8. Minimum Viable Product (MVP). Launching a product.
9. Public speaking. How to make a pitch?
10. Social Responsibility
11. Entrepreneurship ecosystem, growth opportunities.
12. Funding opportunities

2. Digital Transformation and Innovative Thinking

Dr. Bianca
MUNTEAN

Co-founder & Coordinator
Transilvania Digital Hub



3. From problem to idea. Solution validation. Value proposition

Tudor MIHAI

Business Innovation Consultant & Trainer

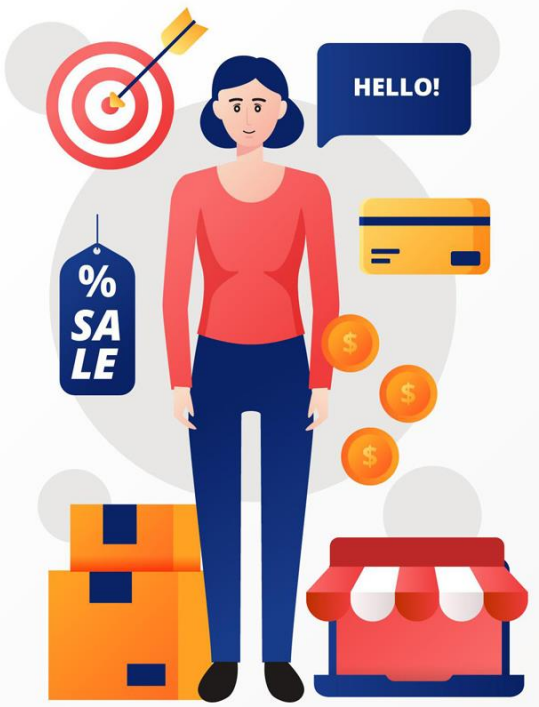


4. Market research: Who are the potential customers and what are their expectations?

Dafina SUCIU
Sales Manager at Cluj Hub

Buyer Persona

Jessica Smith



Age : 29

Occupation : Freelance

Locations : Town

Education : Bachelor Degree

Bio

Lorem ipsum dolor sit amet, consectetur adipiscing elit, sed diam nonummy nibh euismod tincidunt ut laoreet dolore magna, aliquam erat volutpat ut wisi enim ad minim veniam, quis nostrud exerci tation ullamcorper, suscipit.

Personality

Lorem ipsum dolor sit amet, consectetur adipiscing elit, sed diam nonummy nibh euismod tincidunt ut laoreet dolore magna, aliquam erat volutpat ut wisi enim ad minim veniam, quis nostrud exerci tation ullamcorper, suscipit.

Frustrations

Lorem ipsum dolor sit amet, consectetur adipiscing elit, sed diam nonummy nibh euismod tincidunt ut laoreet dolore magna, aliquam erat volutpat ut wisi enim ad minim veniam, quis nostrud exerci tation ullamcorper, suscipit .magna aliquit aliquam erat volutpat ut wisi enim ad minim veniam quis nostrudui

Motivations

Text Goes Here

Text Goes Here

Text Goes Here

Text Goes Here

Goals

Lorem ipsum dolor sit amet, consectetur adipiscing elit, sed diam nonummy nibh euismod tincidunt ut laoreet dolore magna, aliquam erat volutpat ut wisi enim ad minim veniam, quis nostrud exerci tation ullamcorper, suscipit.

Monthly Spending

Text Goes Here

Text Goes Here

Text Goes Here

Text Goes Here

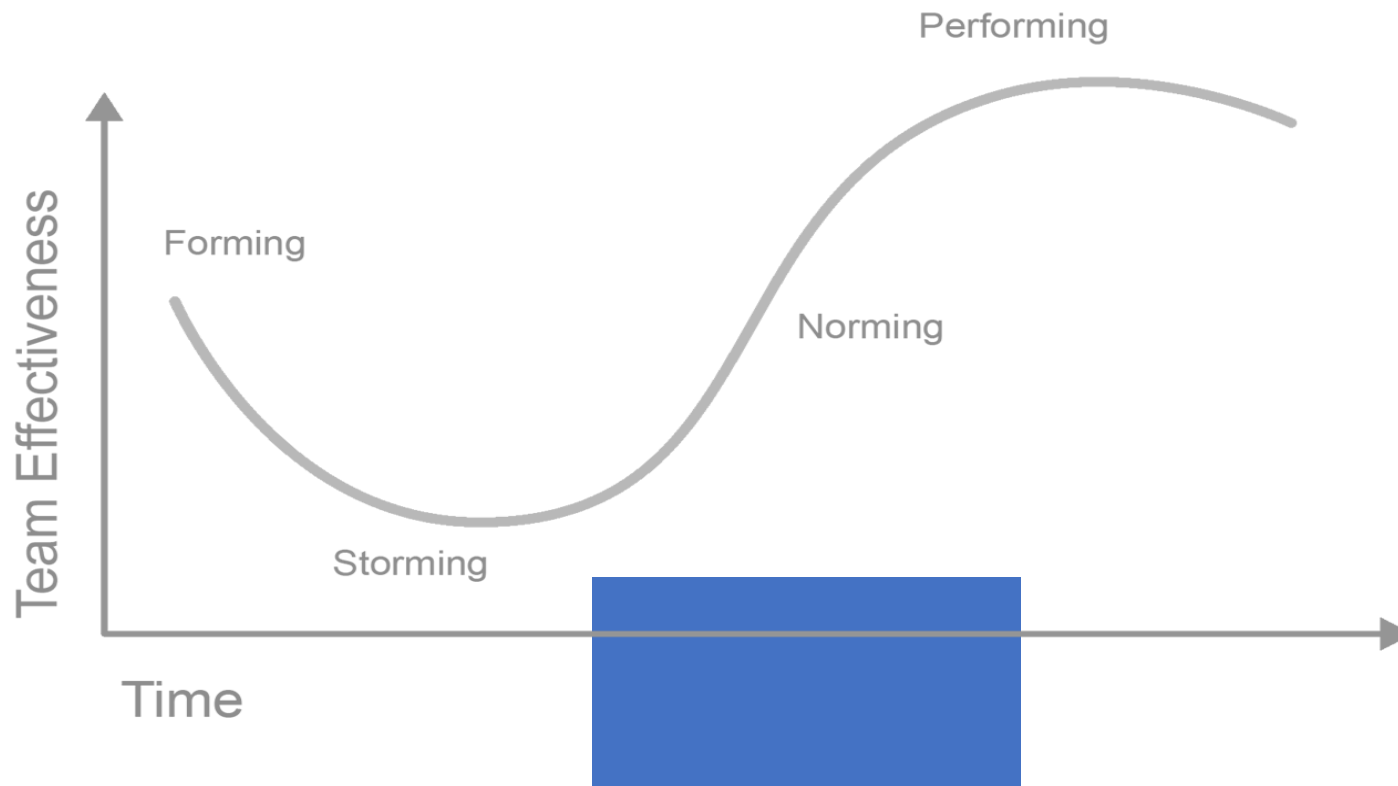
Text Goes Here

Text Goes Here

6. Team and leadership. How to build a team. Roles in a team

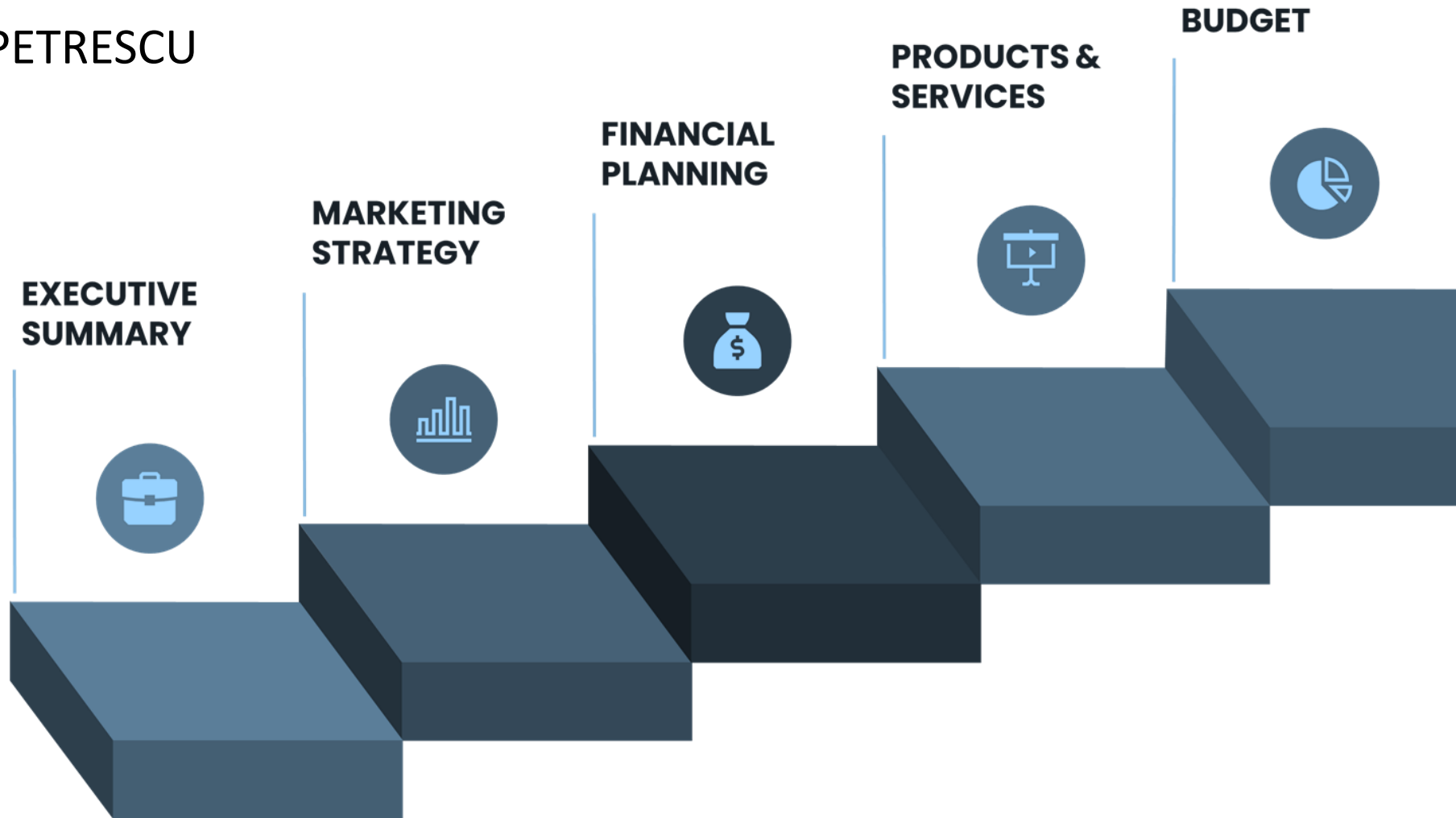
Alexandru ROJA

Head of Innovation and Digital Transformation at Transylvania IT Cluster



7. Business plan

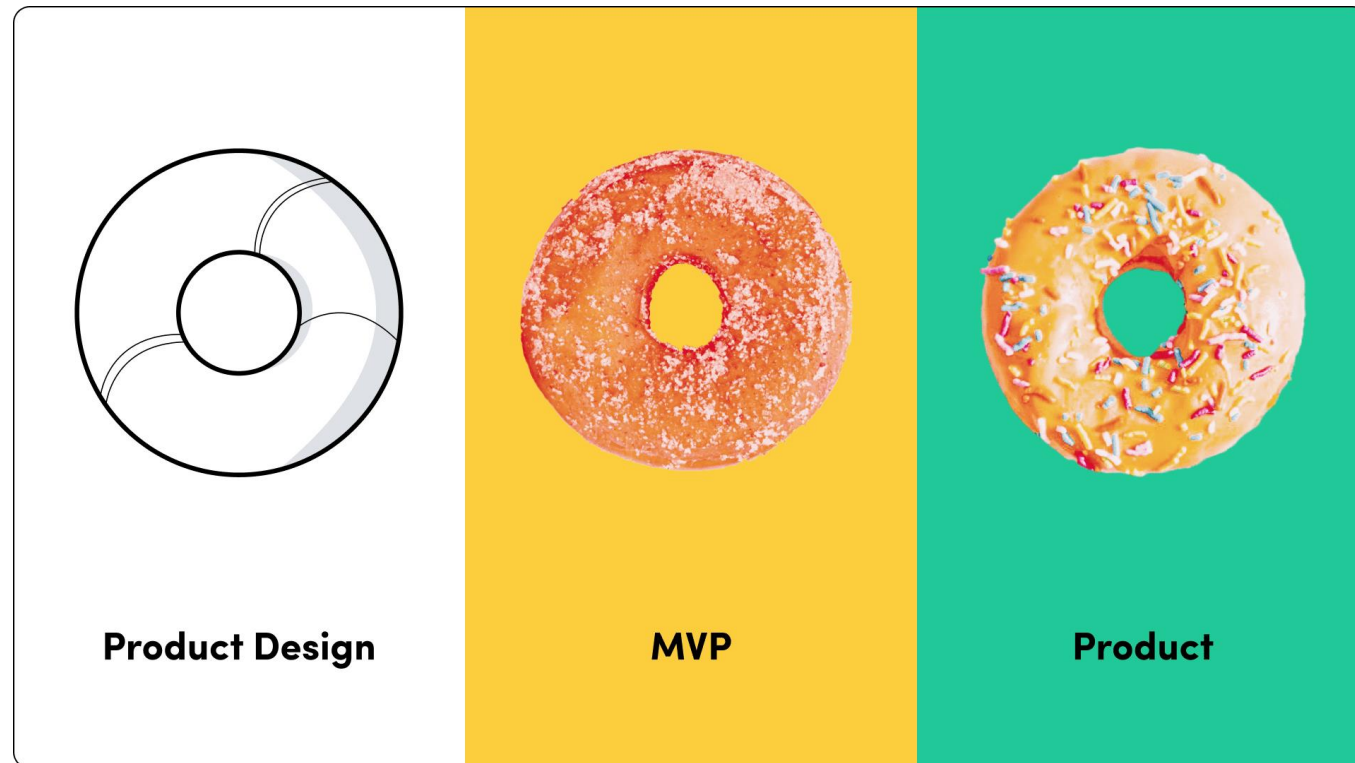
Asist. Dr. Manuela PETRESCU



8. Minimum Viable Product (MVP). Launching a product

Prof. dc dr. Daniel METZ

Chairman of the Board of Directors at NTT DATA Romania



9. Public speaking. How to make a pitch?

Cristiana BOGĂȚEANU

Executive Director at ROTSA (Romanian Tech Startups Association)



10. Social Responsibility

Dragoș ANASTASIU

Founder of Rethink Romania



12. Funding opportunities

Transilvania Bank

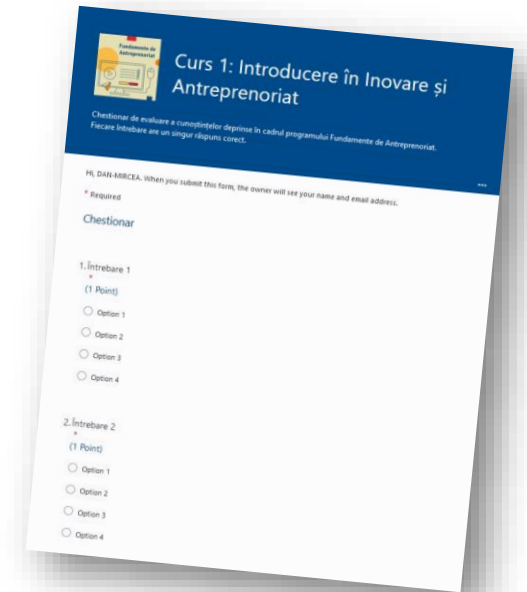


Evaluation Method

- Online questionnaire consisting of 5 questions (at the end of the courses)
- The quiz will be available 30 minutes!
- Each question is worth one point
- 5 points / questionnaire → 60 points / semester

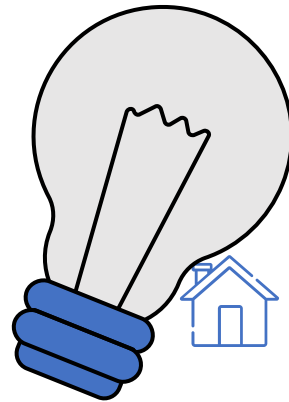
Final grade formula:

$[(\text{points_accumulated}) * 9/50] + 1 \text{ point}$





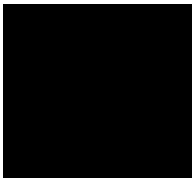
Course 1. Innovation and entrepreneurship: definitions and interdependencies





“The best way to predict the future is to create it .”

—Peter Drucker



1. The Entrepreneur



- a man in charge of arranging and conducting exploratory and military expeditions.

- “an innovator who leads the creation-destruction process of capitalism” (Schumpeter, 1934) .

- always searches for change, responds to it, and exploits it as an opportunity (Drucker, 1993)

- is a change agent, ensuring the continuity and development of the economy (Swedberg, 2006).

- is a leader willing to take risk and exercise initiative, taking advantage of market opportunities by planning, organizing, and deploying resources (Deakins & Freel, 2012).

An entrepreneur is a person who creates a new business, facing risk and uncertainty, to achieve profit and growth by identifying significant opportunities and assembling the necessary resources in an innovative way to capitalize on them (Scarborough, 2011).



*Entrepreneurs create new ideas and new businesses
that make the existing ones obsolete*

The entrepreneur is
“...an authorized individual or a legal entity who, by themselves or through association with other authorized individuals or legal entities, incorporate a company in order to engage in commercial activities with the aim of obtaining profit through producing goods, delivering services and selling these on the market under competitive conditions” ...” (Law 133/1999
Small and Medium Enterprises)

The entrepreneurial profile:

- Optimistic
- Responsible
- Future oriented
- Self-Disciplined
- Perseverant
- Flexible
- Charismatic
- Risk taker
- High level of energy
- Eager to learn
- Looking for feedback



Key elements to follow the entrepreneurial path

1. Mindset



2. Knowledge



3. Capabilities



4. Community



The Benefits of being an Entrepreneur

Opportunity....

- *to create your own destiny*
- *to make a difference*
- *to reach your full potential*
- *to make impressive profits*
- *to contribute to society and be recognized for your efforts.*
- *to do what you enjoy and have fun at it.*



By : **Adrian Rand Robison**

The Potential Drawbacks of being an Entrepreneur

- *Uncertainty of income*
- *Long hours and hard work*
- *Risk of losing your entire investment*

Entrepreneurs should ask themselves if they can cope with the consequences of failure:

- ✓ *What is the worst that could happen if I open my business and it fails?*
- ✓ *Am I truly prepared to launch my business?*
- ✓ *What can I do to lower the risk of my business failing?*
- ✓ *If my business were to fail, what is my plan for coping?*

- *Lower quality of life until the business gets established*
- *High levels of stress*
- *Discouragement*
- *Complete responsibility*



2. Entrepreneurship



- refers to the risk that the person who undertakes an important project or activity must assume when the business is launched (Hirsch, 1990).

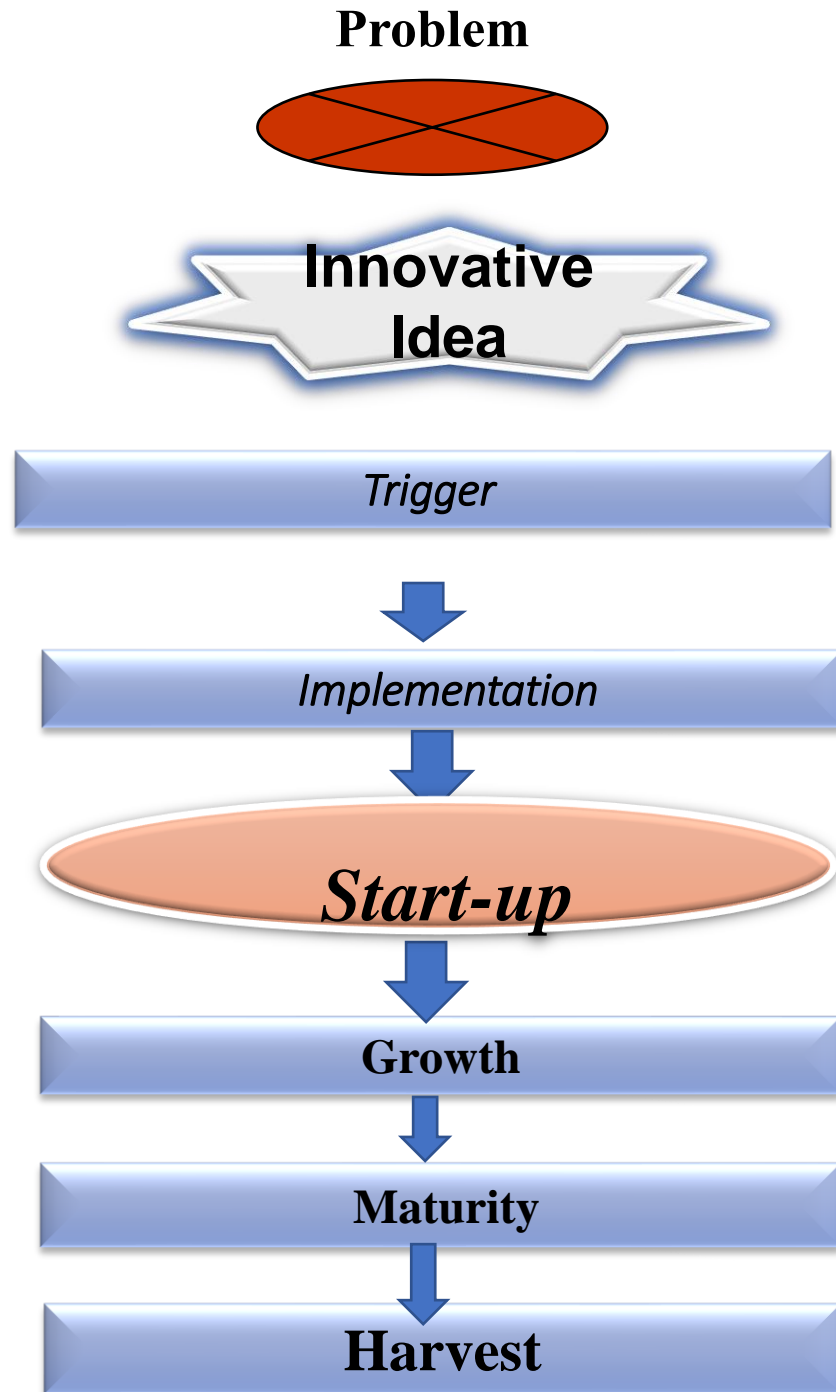


- is the process of identifying opportunities for which marketable needs exist by assuming the risk of creating an organisation to satisfy them (Scarborough, 2011).



is the process by which entrepreneurs create new businesses based on innovative concepts involving value *creation by discovering the full potential of available resources.*





People spend money to:

1. Solve a problem -> get rid of a suffering;
2. Get what brings them happiness -> satisfaction/advantages.

A **temporary** organization designed to **search** for a **repeatable and scalable business model**.

A designed startup aims to become a company'.

+

Sales (Product Development and/or Market Development)-> Scale-up

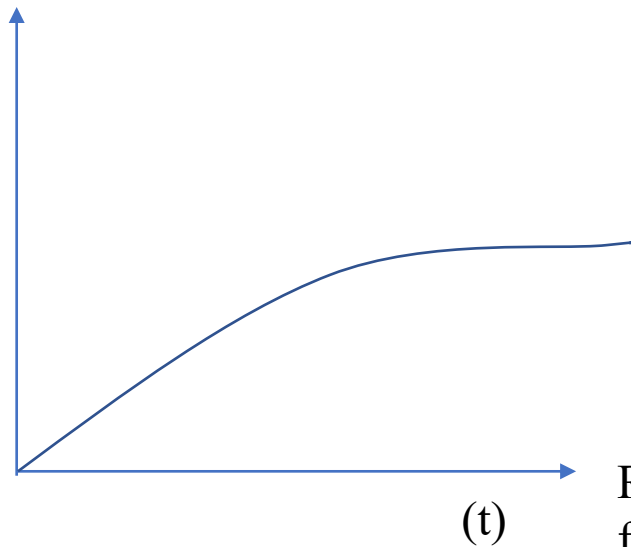
2.1 Perspectives in Entrepreneurship: Degree of innovation

-Professor Bill Aulet of MIT-

SMEs (Small and Medium Enterprise)
Ex. Restaurants, Dry Cleaners, Service

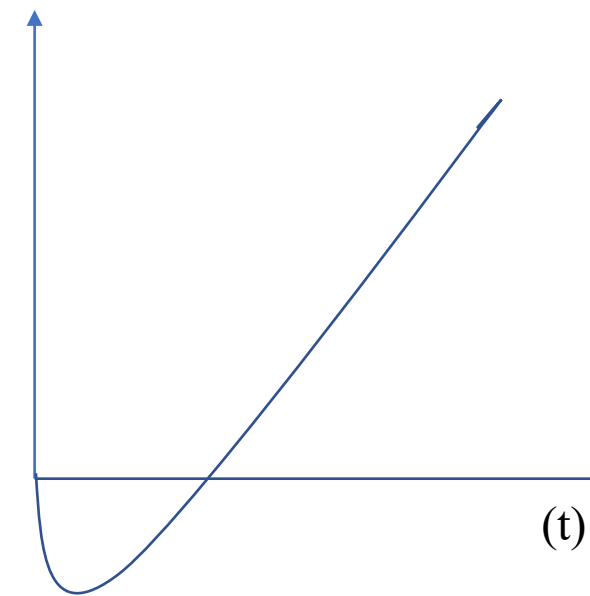
IDE (Innovation Driven Enterprise)
Ex. Netflix, Uber, UiPath

Revenue/Cash
flow/Jobs



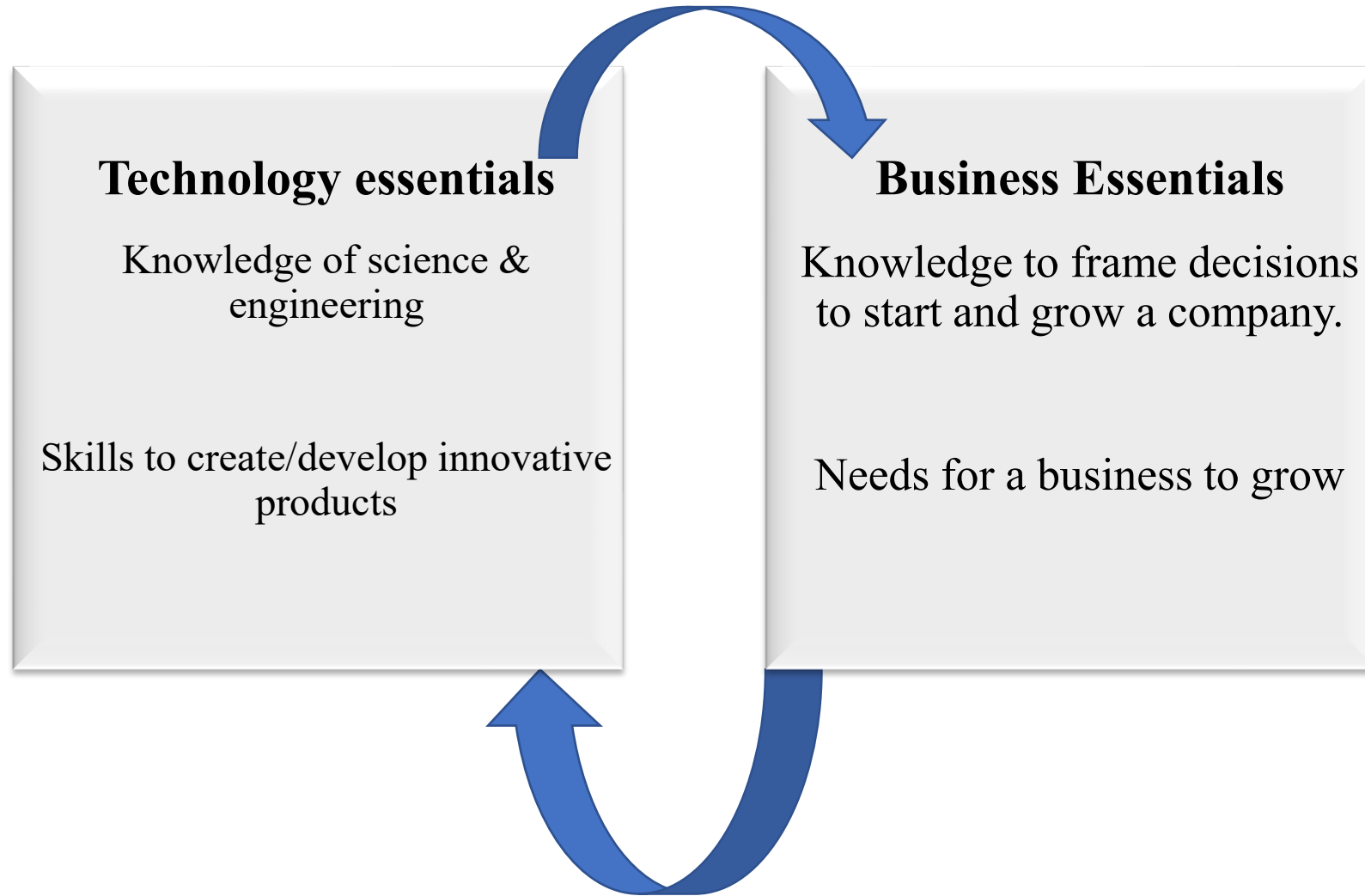
Local & regional markets only
Family business/sole proprietorship

Revenue/Cash
flow/Jobs



Focus on regional or global markets
Product/Innovation at core
More diverse ownership

The Essence of Good IDE



The entrepreneurial team must have :

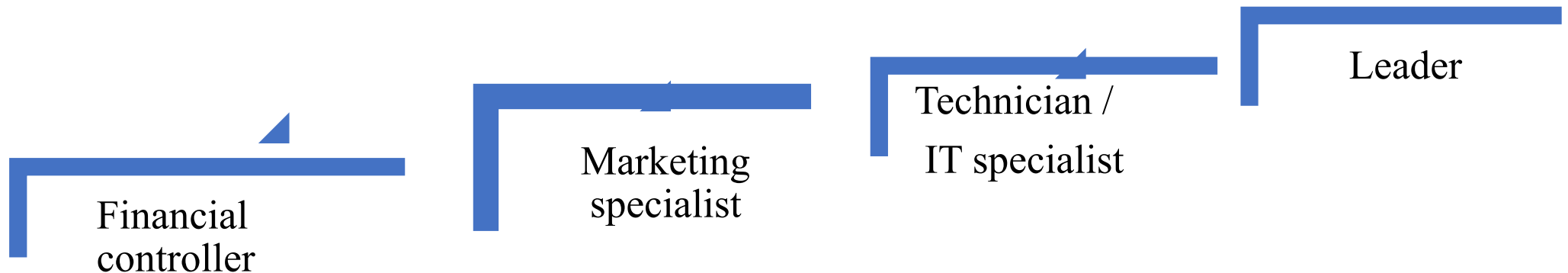


- analytical and resolution skills;
 - technical expertise;
- management / leadership expertise.

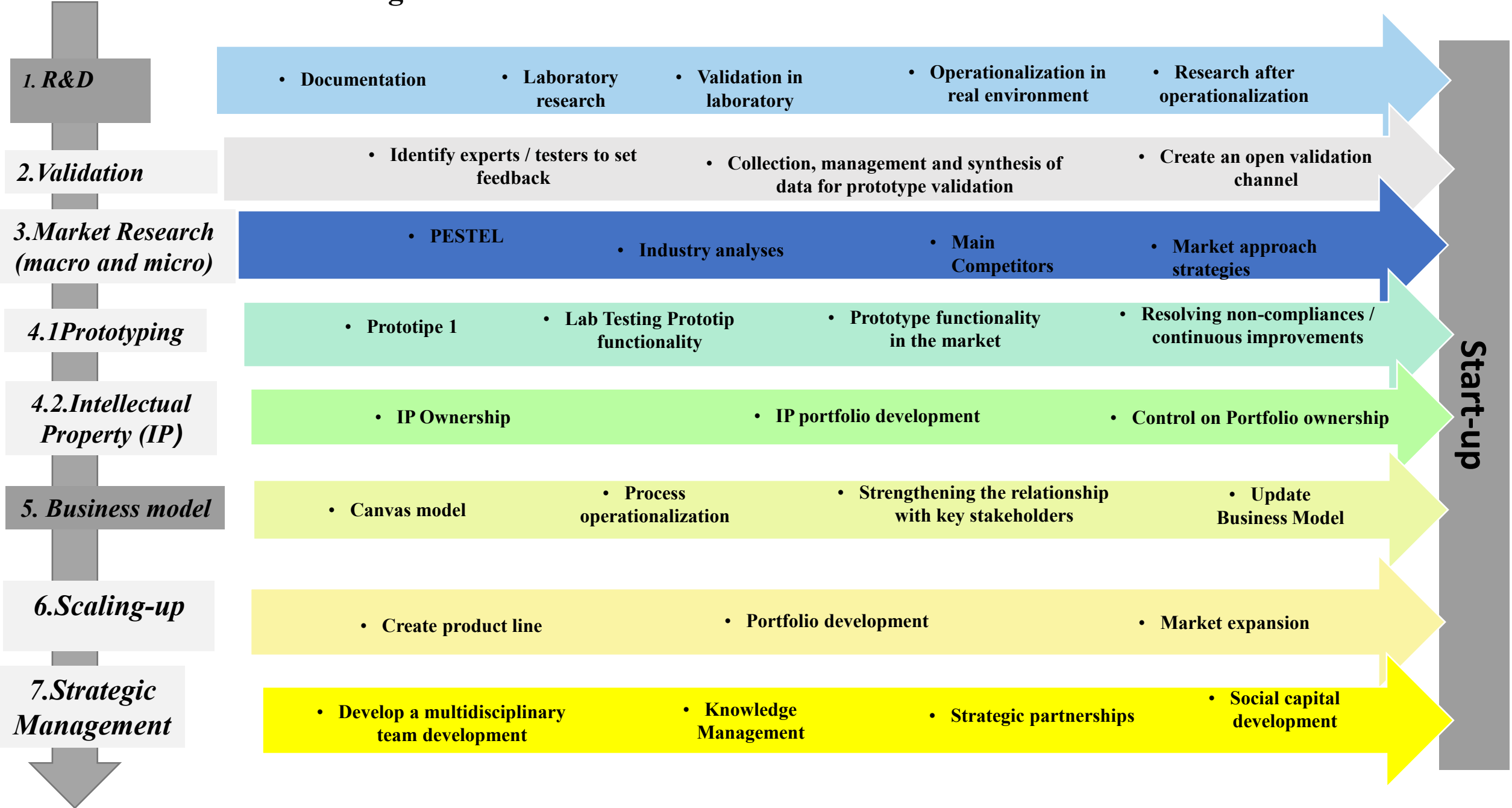
Every entrepreneur needs to develop a team that covers several complementary areas.



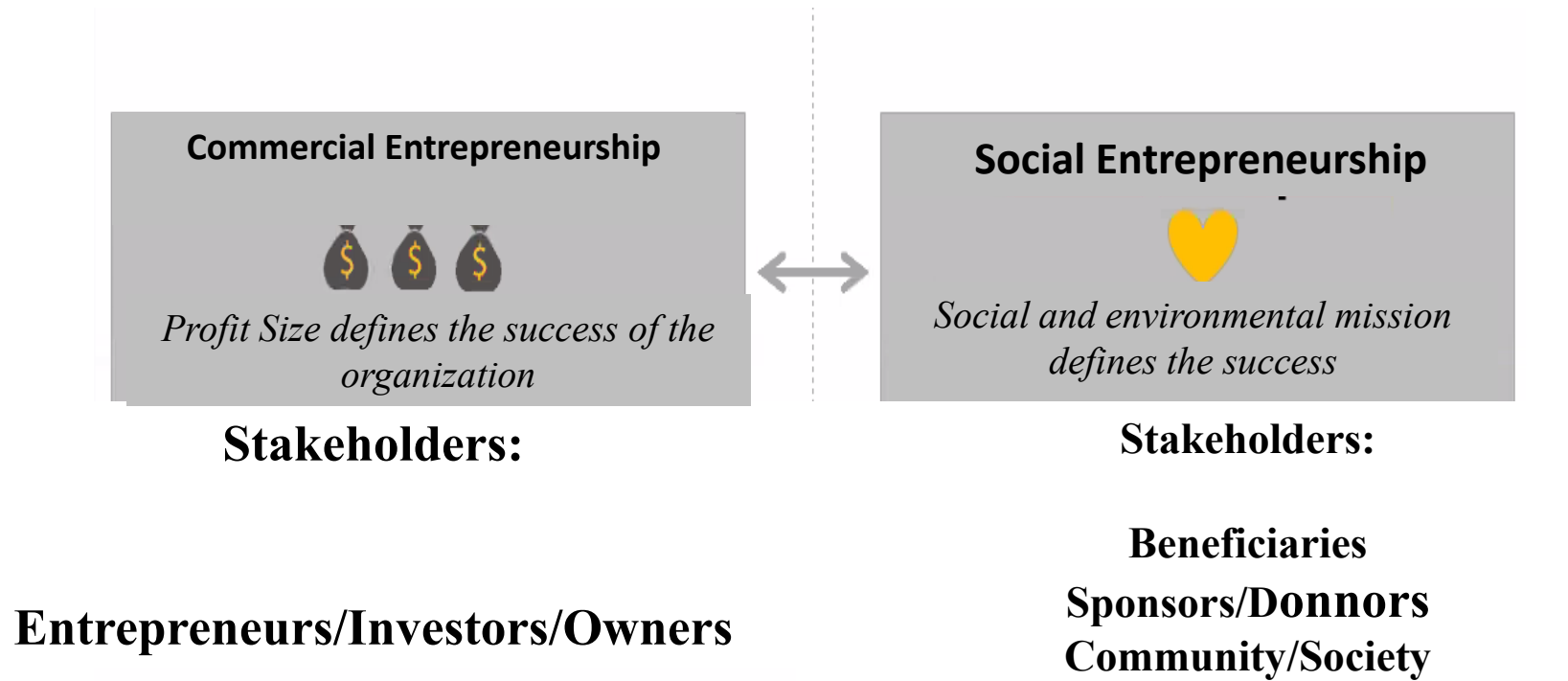
Profiles an entrepreneur should have in his team



IDE: Stages and Activities



2.2 Perspectives in Entrepreneurship: According to the Mission (Austin et al, 2006)



The social economy in the EU:

- *more than 13.6 million jobs*
- *represents over 8% of EU GDP.*
- *over 2.8 million social enterprises*

2.3. Social Entrepreneurship



-the primary mission is to create *social, cultural and environmental value* and not that of the financial interest of the entrepreneur and / or investors (Zadek and Thake, 1997).

- promotes an *innovative and visionary perspective* based on *solid ethical principles* aimed at capitalizing on opportunities given by a *strong social mission* (Bacq and Janssen, 2011).

- addresses the needs *vulnerable groups* that face integrating *difficulties* into economic and social systems (Hudson, 2009).



is an innovative social value creating process which aims to solve social problems by transforming the societies' failure and turning them into business opportunities .



Exemples of social entrepreneurship projects in developing countries
<https://borgenproject.org/social-entrepreneurship-in-developing-countries/>

2.4. Social Entrepreneurs

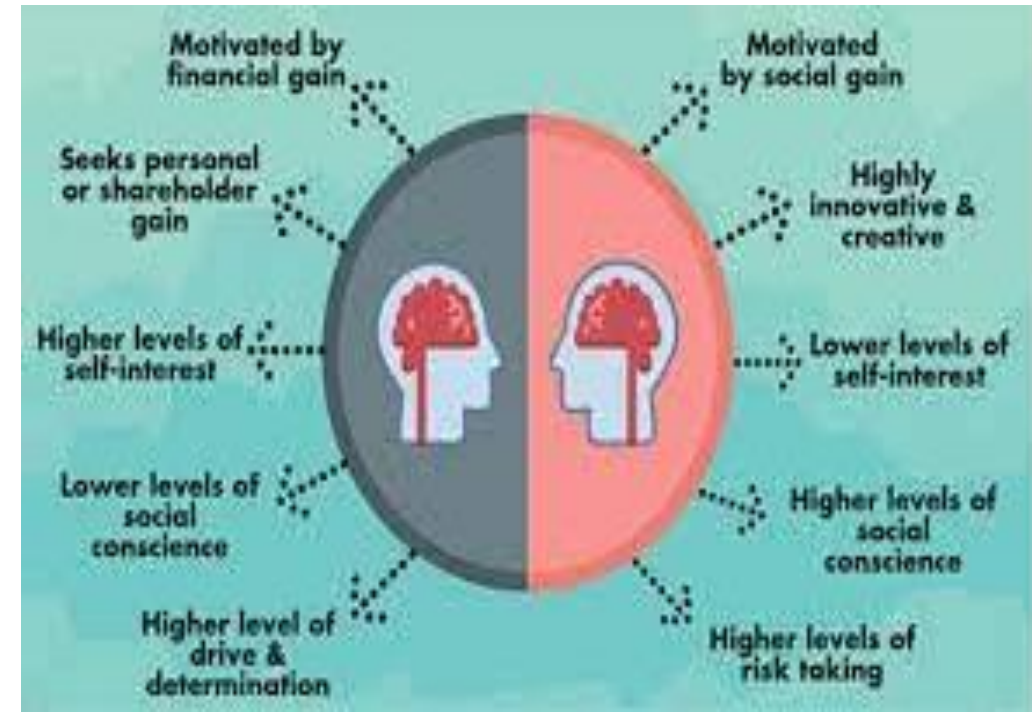
- a person or a group interested in starting a business for greater social good –not just the pursuit of profits;

- their primary *mission is to create social value* in a sustainable way;

-they launch innovative organizations that provide people with the tools, education and resources to become entrepreneurs.

Bill Drayton, the founder of Ashoka:

"Social entrepreneurs are not content to just give away fish or teach others how to fish, they will not rest until they revolutionize the fishing industry."



Social Entrepreneurship vs. Commercial Entrepreneurship

Social Mission

Financial Mission

Not-For Profit Organizations

Commercial Entrepreneurs

- Social Responsibility -

Social Entrepreneurship

*Traditional
Non-Profit
Organizations*

*Entrepreneurial
Non-Profit
Organizations*

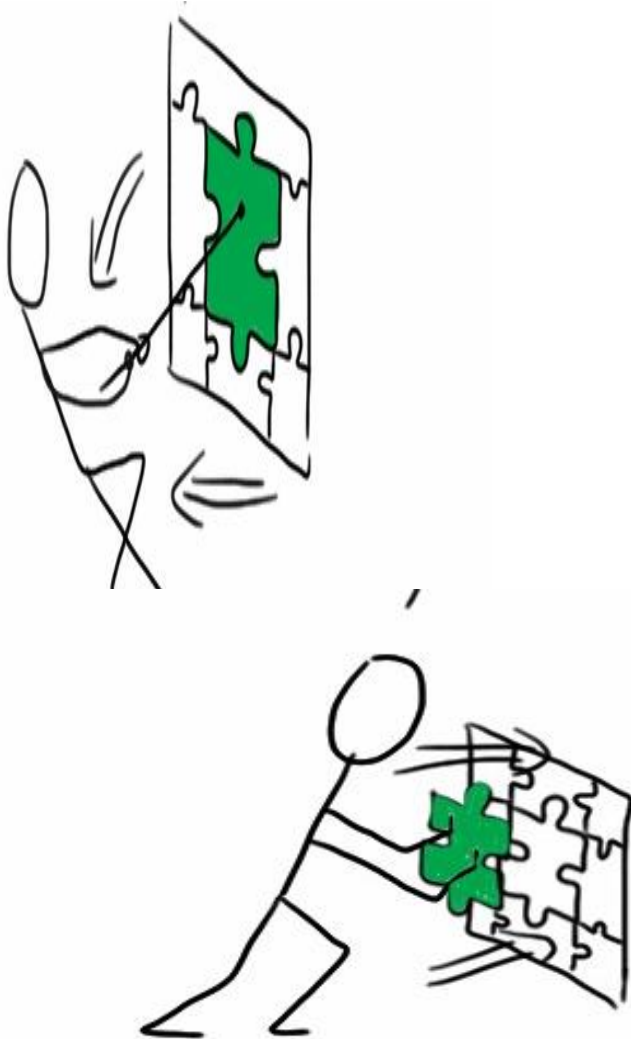
*Social
Enterprises*

Financial Autonomy

3. Innovation and problem solving

Every new business idea is built upon a stack of assumptions.

You must get into the market, or “Get out of the building!”



1. Market pull: identify a need/a problem and go to search a solution -> solve the problem;

- talk directly to your customers and partners and observe their behavior;

“You must find a problem”

2. Technology Push:

- engineers’/scientists create an invention and then find a market;
- new applicability of existing technologies;

“Find market opportunity”



Creativity and innovation – a necessity for survival

- ✓ **Creativity** is the ability to develop new ideas and to discover new ways of looking at problems and opportunities.
- ✓ **Invention** - is a unique or novel device, method, composition or process.
- ✓ **Patent** is the right to make, use or sell an invention.
- ✓ **Innovation** is the ability to apply creative solutions to those problems and opportunities to enhance or to enrich people's lives.

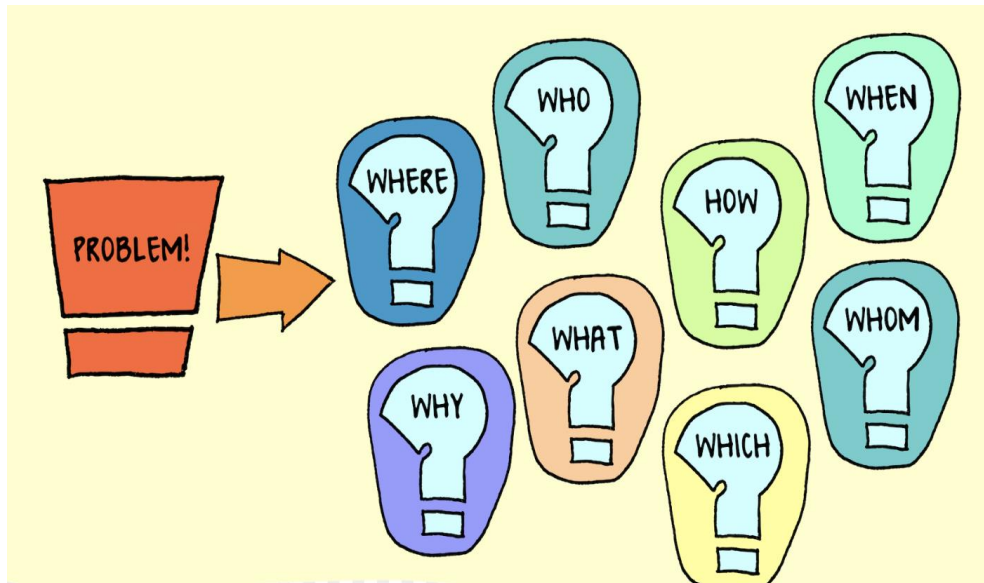
Innovation=Invention X Commercialization



• **Innovation happens when unfulfilled needs are discovered**



- ☐ Unexpected context
- ☐ Unconformities
- ☐ Industry/Market structure
- ☐ Demographics
- ☐ Change in perception
- ☐ New knowledge invention



What are your customer's main difficulties and challenges?

How are current solutions underperforming?

What makes your customers feel bad?

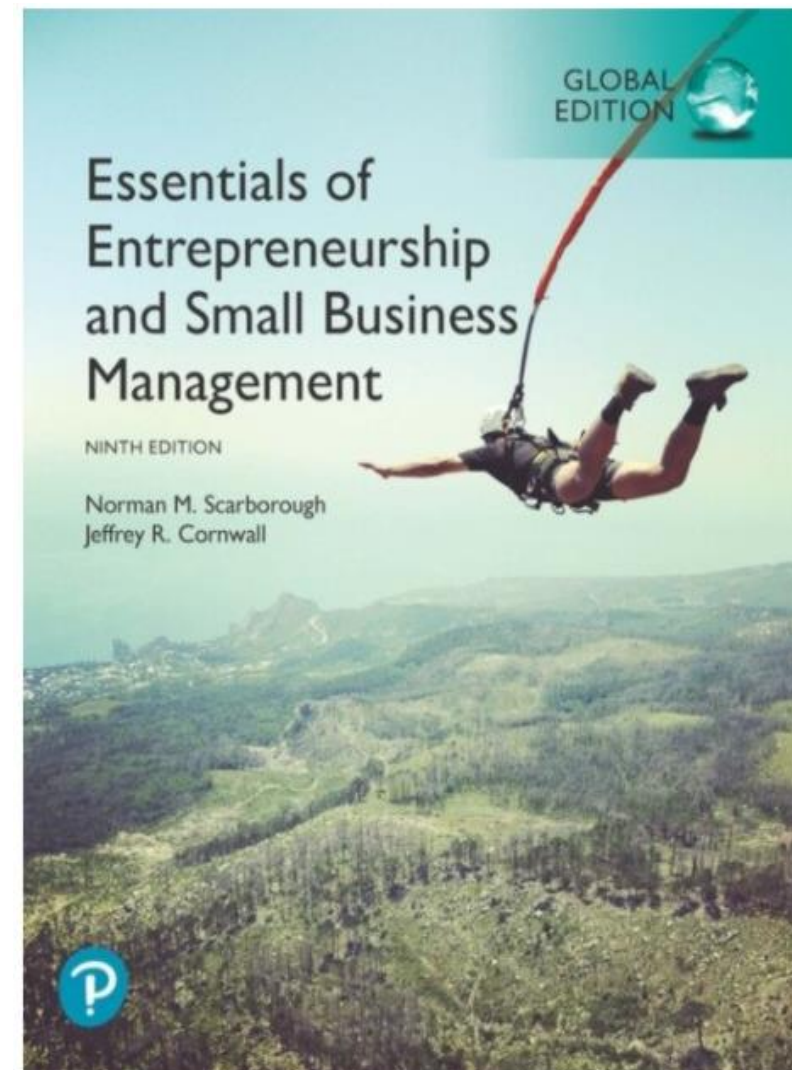
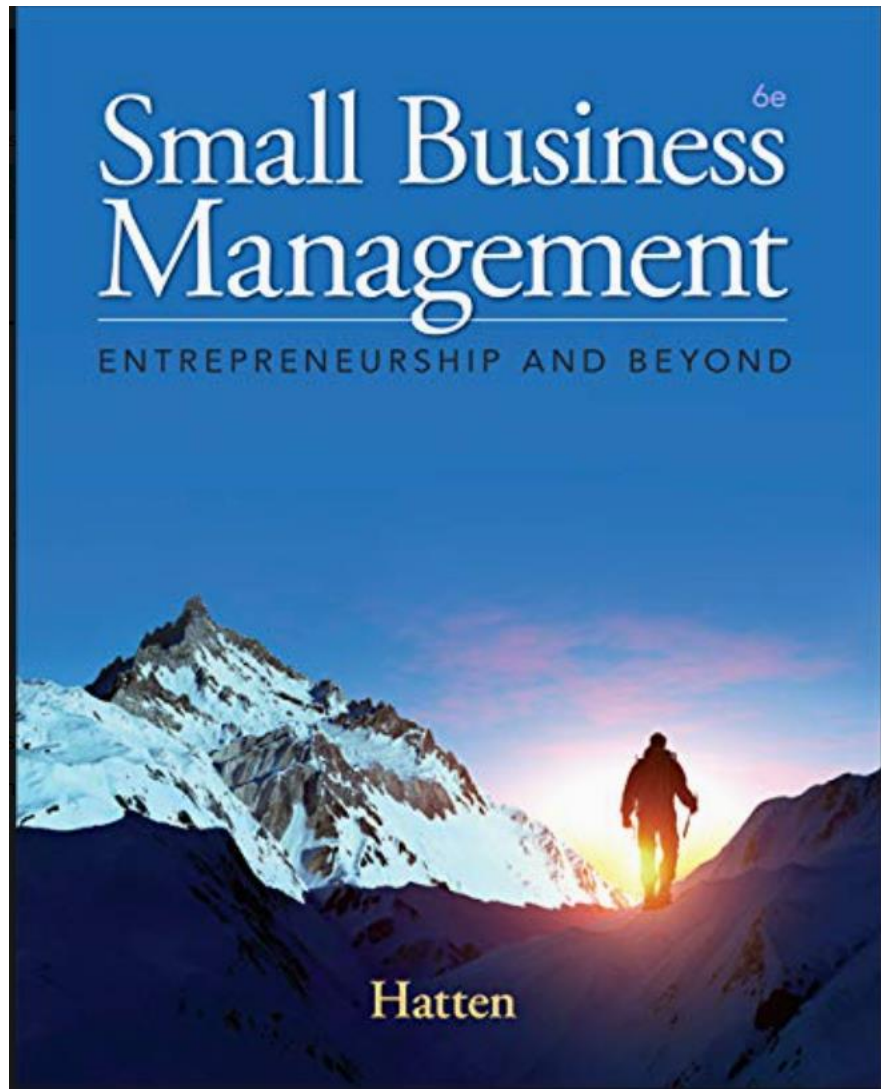
What risks does your customer fear?

How to promote creativity to reach innovation?

- ✓ Encourages diversity;
- ✓ Learn from any experience;
- ✓ Capitalizing on hobbies you have;
- ✓ Encourage creative thinking;
- ✓ Accept failure;
- ✓ Perceive problems as opportunities;
- ✓ Develop internal procedures for capturing recommendations;
- ✓ Become a member of learning communities;
- ✓ Discuss problems and concerns consumers; suppliers, business partners might have;
- ✓ Study existing patents but also those whose term has expired.



Recommended Books:



Key Takeaways

1. Entrepreneurship is a team sport not an individual sport!
 - Requires Common Vision
 - Shared values
 - Complementary skills
2. Entrepreneurs are first passionate about what they are doing.
3. The more time you are an entrepreneur the more likely is to learn how to become a successful entrepreneur.
4. The purpose of entrepreneurship is value creation!
5. Entrepreneurship from economical and cultural standpoint has many definitions,
...but you must define what Entrepreneurship means to you !!!!



Discussion with David Mammano

<https://www.linkedin.com/in/davemammano/>

- 2X TEDx Speaker
- 3X Author
- 5 Year Podcast Host
- Adjunct Professor





Evaluation questionnaire! →

