

## Prototyping & Testing as an Entrepreneur

### What's Entrepreneurship:

As per The Business Dictionary, Entrepreneurship is “The capacity and willingness to develop, organize and manage a business venture along with any of its risks in order to make a profit.”

This definition sheds the light on:

- 1- **Capacity and willingness:** Entrepreneurship is the combination of willingness and capacity, it depends on your desirability and your Knowledge & skills to build and lead a startup
- 2- **Develop, organize and manage:** Entrepreneurship passes in many sequential phases each requires a variety of skills and different steps
- 3- **Risk:** Entrepreneur excellence resides in how he anticipate and deal with risk and how able is he to solve volatile and brusque changes and problems
- 4- **Make a Profit:** entrepreneurs must study and have a wide good range of knowledge enough for leading business to profit generation

وفقاً لقاموس الأعمال ، فإن ريادة الأعمال هي "القدرة والرغبة في تطوير وتنظيم وإدارة مشروع الأعمال جنباً إلى جنب مع أي من مخاطرها من أجل تحقيق ربح."

يلقي هذا التعريف الضوء على:

- **القدرة والرغبة:** ريادة الأعمال هي مزيج من الرغبة والقدرة ، وتعتمد على الرغبة والمعرفة والمهارات الخاصة بك لبناء وقيادة شركة ناشئة
- **تطوير وتنظيم وإدارة:** يمر ريادة الأعمال في العديد من المراحل المتتالية يتطلب كل منها مجموعة متنوعة من المهارات والخطوات المختلفة
- **المخاطرة:** يكمن التميز في ريادة الأعمال في كيفية توقع والتعامل مع المخاطر ومدى قدرة رائد الأعمال على حل التغييرات والمشكلات المتقلبة و ليست الواضحة منها فقط
- **تحقيق الربح:** يجب على رواد الأعمال الدراسة والحصول على مجموعة جيدة واسعة من المعرفة بما يكفي لقيادة الأعمال التجارية لتحقيق الربح

## Who's the Entrepreneur?

Owning a business isn't for everyone. The stress and hard work that come with it makes many people unwilling to dive in.

It takes a special kind of person to be an entrepreneur - to come up with an idea and put that idea into action. But not all ideas work out. In fact, the Bureau of Labor Statistics finds that 50% of small businesses fail within the first four years. Not a big vote of confidence for quitting your job and becoming an entrepreneur.

But entrepreneurs don't see the risk: they see the reward. As an entrepreneur myself, I know how to put the time and effort in to make my dream a reality.

If you want to be an entrepreneur, you need to have the right personality and the right attitude. Here are 10 essential characteristics to be successful as an entrepreneur:

1. Creative مبتكر
2. Passionate شغوف
3. Motivated متحمس
4. Optimistic متفائل
5. Future-oriented يركز على المستقبل
6. Persuasive مقنع
7. Flexible مرن
8. Resourceful متعدد المصادر
9. Adventurous مغامر
10. Decisive محدد الرأي

## Startup Vs Small Business

A small business isn't in search of a business model that works down the line—they're looking for a business model that works from day one.

A small business is a self-sustaining organization that generates revenue from the first day of opening. They don't require major investments and time to formulate a company that works.

Typically, a small business brings in a relatively small amount of sales, enters a local or regional market, and has a small number of employees. The official definition of a small business is set by the size standards by industry from the SBA.

### The Key Differences between a Startup and a Small Business

Now that you know the definition of a startup and a small business (and how they're different from large corporations), the differences between the two entities begin to make a lot more sense. Namely, startups and small businesses are different in the following important ways.

#### The Growth Intent

The intent of the startup founder is to disrupt the market with an impactful business model.

They want to take over the market.

But for startups, that's not going to happen overnight. They require initial investments, and those investments won't return immediate results. Therefore, a startup probably won't be profitable in its first, second, or even third year (and some startups never even reach profitability).

But startup founders set out to search for the right business model that scales to enormous heights in a massive market—as fast as possible.

This distinction also speaks to the industry in which you find the most startups: the tech industry. Startups are typically online or technology-oriented businesses that can easily reach a large market.

To operate a small business, on the other hand, you don't need a big market to grow into. You just need a market and you need to be able to reach and serve all of those within your market in an efficient way.

Ask anyone to name a small business and they might name their local deli, coffee shop, plumber, or electrician. They're not disrupting an industry, but are attempting to be profitable within it.

#### The Funding Methods

One commonality that small businesses and startups do share is the challenge of finding financing. Giving money to both a small business and a startup is a risky endeavor. And if you're starting your own business or startup, it's important to know what you're getting yourself into when it comes to financing.

Startups typically look for major investments right off the bat. And they work with investors who are also looking to make major investments—but are picky about who they put their confidence in.

Venture capitalists and angel investors typically invest a minimum of \$1 million in what’s called “rounds.” And in exchange for the capital, founders give away equity in the company to the investors—diversifying the ownership structure.

On the other hand, small business owners typically turn to debt financing through small business loans to meet their funding goals. Traditional banks and online lenders offer smaller amounts of capital, and charge interest for the funding. While small business owners have to pay more in the end for the capital, the integrity of their ownership stays completely intact.

When it comes down to it, startups partner with their financiers, and small business owners treat funding on a more transactional level.

## **Different “End Visions”**

Every small business owner has a different intention of what they hope their small business will become—but generally speaking, small business owners intend to create self-sustaining and long-lasting small businesses.

Startups, however, are intended to be temporary. If all goes well, that startup turns into a massive company—experiencing an IPO (initial public offering) event. Another common reality of a startup is a buy-out from a larger company.

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