Unit 2 Notes

1. **Benefits of Entrepreneurship**
    a. Opportunity to create your own destiny: Owning a business provides an entrepreneur the independence and the opportunity to achieve what is important to them.
    b. Opportunity to make a Difference: More and more entrepreneurs are starting businesses because they see this as an opportunity to make a difference in a route or way that is personally important to them.
    c. Opportunity to reap extraordinary profits: The profit earned by an entrepreneur are an important motivation and indication factor for further increased performance. Thus, these could spur them to greater achievement and success.
    d. Societal Responsibility and Recognition: Small business owners are among the most admired, respected and trusted individuals of society.
    e. Opportunity to engage in work of their choice: Small business owners tend to engage in business that gives them personal satisfaction.
    f. Entrepreneurs see their business as a vehicle of self-expression of personal desire and eventual self-actualization of their personal goals – the pinnacle of their career success.

2. **Myths of Entrepreneurship**

    1) Myth 1: Entrepreneurs Are Doers, Not Thinkers
    2) Myth 2: Entrepreneurs Are Born, Not Made
    3) Myth 3: Entrepreneurs Are Always Inventors
    4) Myth 4: Entrepreneurs Are Academic and Social Misfits
    5) Myth 5: Entrepreneurs Must Fit the "Profile"
    6) Myth 6: All Entrepreneurs Need Is Money
    7) Myth 7: All Entrepreneurs Need Is Luck
    8) Myth 8: Entrepreneurship is Unstructured and Chaotic
    9) Myth 9: Most Initiatives Fail
    10) Myth 10: Entrepreneurs Are Extreme Risk Takers (Gamblers)

3. **Opportunities for Entrepreneurs (examples)**
    1) Tourism
    2) Automobile
    3) Textiles

4) Social Ventures

5) Software

6) Engineering Goods

7) Franchising

8) Education and Training

9) Gems and Jewellery

10) Food Processing

11) Corporate Demands

12) Ayurveda and Traditional Medicine

13) Organic Farming

14) Social Media

15) Floriculture

16) Healthcare Sector

17) Biotechnology

18) Recycling

4. A Problem Worth Solving

1) Definition

A problem worth solving in entrepreneurship:

a. Addresses a real and pressing need

b. Affects a significant number of people

c. Lacks effective or affordable solutions

d. Aligns with the entrepreneur's vision and capacity

e. Offers potential for sustainable impact or profit

2) Key Characteristics of a Worthwhile Problem

Relevance – It's meaningful and urgent

Underserved Market – Existing solutions are lacking

Feasibility – Solvable with current resources/skills

Impact Potential – Can improve lives or systems

Scalability – Can grow over time

3) Examples of Problems Worth Solving

- Agriculture – Market access for small farmers
- Education – Lack of personalized learning tools

- Healthcare – Access to specialists in rural areas
- Urban Mobility – Traffic and last-mile issues
- Waste Management – Uncollected urban waste
- Employment – Youth without job-ready skills

4) Tools to Identify a Problem Worth Solving
- Empathy interviews – Talk to users
- Field observation – See problems firsthand
- Trend analysis – Use PESTEL, industry reports
- Design thinking – Start with empathy
- Fit testing – Ensure problem-solution fit

5. Idea Generation
- According to Peter Drucker, "Innovation is the specific instrument of entrepreneurs, the means by which they exploit change as an opportunity for a different business."
- Creativity is all about thinking about new things, while innovation involves doing new things. It is argued that entrepreneurship is building a business around a new way of doing things. One can be creative by thinking differently about existing problems and situations. A creative approach will ultimately lead us to new ideas. That certainly does not mean that an idea is going to succeed only just because it is new. The idea has to be fundamentally sound and economically viable

1) Brainstorming
- The core objective of brainstorming is to stimulate the creation of fresh and unconventional concepts within a collective of individuals.
- Five Guidelines to follow:
    1. *Focus on quantity.*
       The assumption is that the greater the number of ideas, the greater is the chance of finding good ideas.
    2. *Postpone criticism.*
       Ideas are not to be criticized when they are presented. All ideas are to be recorded and judgement on their quality is reserved for later.
    3. *Build on others' ideas.*
       Think about others' ideas and improve upon them. Several ideas can be combined to form one good idea.

    4. *Encourage crazy ideas.*
Unusual and strange ideas are welcome. They can open up new ways of thinking and can contribute to strengthening other ideas.
    5. *Work with a deadline.*
Without externally imposed deadlines, the group can disintegrate into aimless chatter. It is desirable to set a deadline for the group to come up with their ideas.

- Three Types:
  1. Classic Brainstorming
     - Gather a group and generate as many ideas as possible, no matter how wild or impractical.
     - The focus is on quantity over quality.
  2. Reverse Brainstorming
     - Instead of asking how to solve a problem, ask how you could make it worse.
     - This can lead to unexpected insights.
  3. Silent Brainstorming
     - Everyone writes down ideas quietly before sharing.
     - This can prevent dominance by louder voices and give space to introverted thinkers.
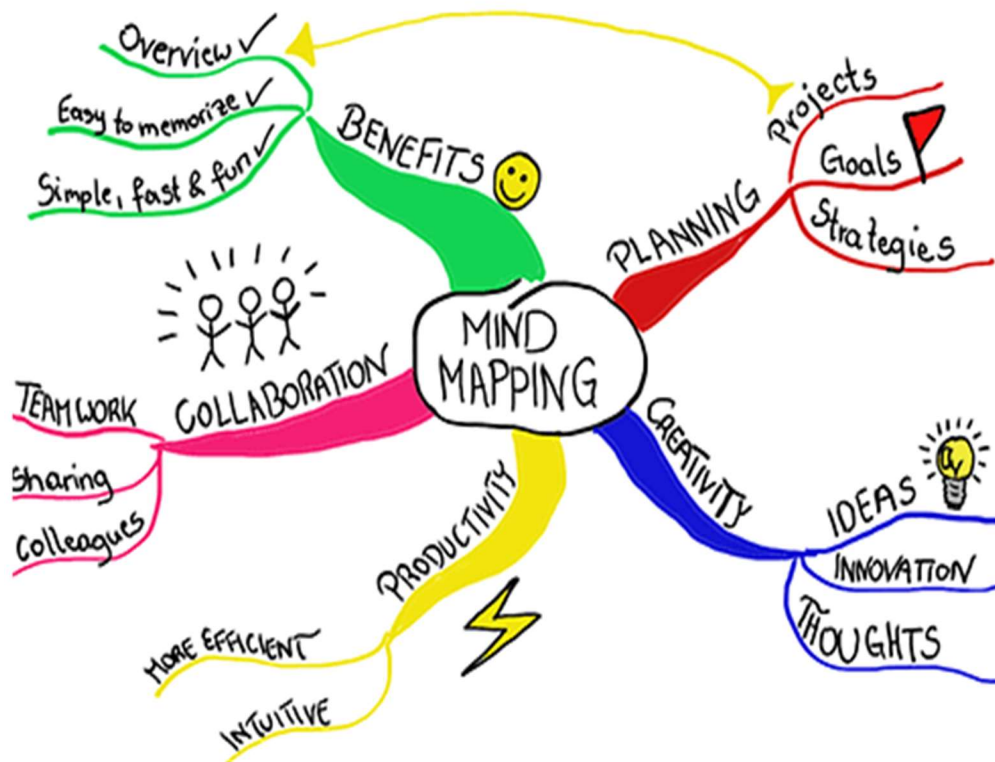
2) Mindmapping

- A mind map is a diagram used to represent words, ideas, tasks, or other items. The components of a mind map are linked to each other and are usually arranged around one or few central terms or concepts.
- Many have likened mind maps to lists in a diagrammatic form. When ideas are put radially in a mind map, there is no implicit prioritization that comes from sequential listing.
- Grouping and summarizing can be reserved for later stages.
- Mind maps can be good tools to sort out complicated ideas.
- Six Guidelines as suggested by Tony Buzan
  1. Start with the central theme at the centre of the sheet.
  2. Show associations and use emphasis, where necessary.
  3. Use different coloured pens for coding the mind map.
  4. Use symbols, signs and images, where appropriate.
  5. Construct it clearly and neatly so that it can be understood later.
  6. Develop a style of presentation you are comfortable with.

- **Key Features of Mindmapping**
    1. Central Idea: The main concept is placed in the center.
    2. Branches: Main themes radiate from the central idea.
    3. Sub-branches: Secondary thoughts or related details stem from main branches.
    4. Keywords & Images: Use of single keywords, symbols, and images to enhance memory and understanding.
    5. Colors & Arrows: To organize, group, and show relationships between ideas.
- **Examples of Mindmapping**

3) De Bono's Thinking Hats

- This is adapted from the book *The Six Thinking Hats* by Edward de Bono. The book talks about six metaphorical hats that a thinker can put on or take off to indicate the type of thinking being used.
- This putting on and taking off is essential.
- The author does not use the 'hats' to categorize individuals.

    1. White Hat Thinking

This covers facts, figures, information needs, and gaps. The thinker is looking at the database to build or refute an argument.

    2. Red Hat Thinking

This covers intuition, feelings, and emotions. Usually, the feeling is genuine but the logic is questionable. The red hat allows a thinker to put forward his/her feelings on the subject.

    3. Black Hat Thinking

This valuable hat is the hat of judgement and caution. The black hat is used to logically point out why a suggestion does not fit the available facts or the system in use. The black hat acts as the devil's advocate.

    4. Yellow Hat Thinking

This hat is about pondering over the positive aspects such as why something will work and why it will offer benefits. It can be used in looking forward to the results of some proposed action, but can also be used to find something of value in what has already happened.

     5.   Green Hat Thinking

This is the hat of creativity and innovation. It presents an alternative way of looking at the situation, proposals, interesting aspects, provocations, and changes.

     6.   Blue Hat Thinking

This is the overview or process control hat. It looks not at the subject itself but at the 'thinking' about the subject. This hat decides which hat is to be put on at a point of time.

4) SCAMPER Technique

- SCAMPER: Substitute, Combine, Adapt, Modify, Put to another use, Eliminate, Reverse.
- Helps innovate by modifying existing products.
- Examples for each section:
  - Substitute: Use an eco-friendlier material for the water filter.
  - Combine: Combine the coffee maker with a built-in grinder to reduce counter clutter.
  - Adapt: Adapt the design to include a milk frother for lattes.
  - Modify: Add a larger water reservoir to avoid refilling frequently.
  - Put to Another Use: Use the coffee maker as a hot water dispenser for teas or soups.
  - Eliminate: Remove unnecessary buttons and simplify the interface.
  - Reverse: Reverse the process—let users brew their coffee through an app rather than manually.
  - Purpose: Helps generate new ideas by considering different angles on the existing concept.

5) SWOT Analysis

- Analyzes Strengths, Weaknesses, Opportunities, Threats of potential ideas
- A SWOT analysis is an important tool for assessing the overall strategic position of a start up in its industry. It can be very subjective. For example, you may think that your large

manufacturing facility is a strength you possess but your competitor may think it is a large burden on your business. So, it is best to use the SWOT analysis as a guide and not as a prescriptive tool.

6) **The 6-3-5 Technique**
   - In this technique, six people each write down three ideas on a topic within five minutes. Afterward, they pass their ideas to the next person, who builds upon or adds new ideas. This repeats until all six participants have contributed to each idea.

7) **Role Storming**
   - Take on different roles or personas (e.g., a customer, competitor, celebrity, or fictional character) and brainstorm from their perspective.
   - This can help break mental barriers and encourage thinking outside of the box.

8) **Brainwriting**
- Similar to brainstorming but focused on writing. Participants write down their ideas on paper (or digitally) and pass them along to the next person, who builds upon them. This ensures each idea evolves with input from others.

9) **Reverse Engineering**
- Take an existing successful product, process, or concept and deconstruct it to understand how it works. Then, think about how you could recreate or improve it from the ground up.
- Purpose: Understanding what works in existing systems can help recreate or improve processes
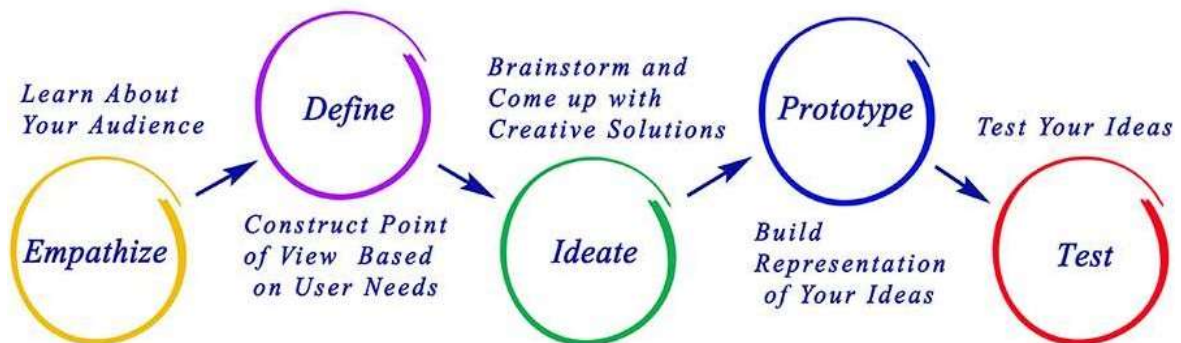
10) **Delphi Technique**
- It is a structured method for gathering expert opinions and reaching a consensus on a specific issue or decision. It is especially useful in situations where:
    - There is uncertainty or complexity.
    - Expert judgment is critical.
    - Face-to-face discussion is impractical or undesirable
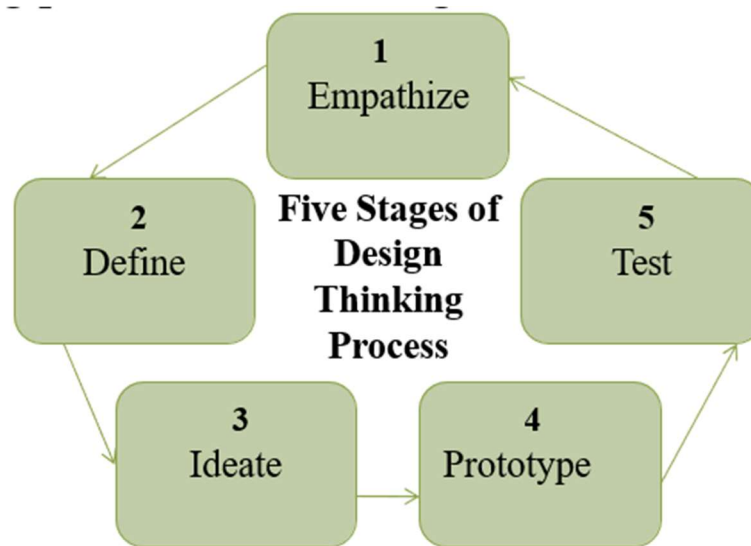
6. Design Thinking

- **Notes**

- The dynamic concept of 'design thinking' that fully caters to the user-oriented, prototype-centered process of innovation ideally suited for product, service and business design.
- Design thinking is a systematic approach to handling problems and generating new opportunities. The concept is pertinent to any field and purpose.
- Design Thinking is an iterative process in which we seek to understand the user, challenge assumptions, and redefine problems in an attempt to identify alternative strategies and solutions that might not be instantly apparent with our initial level of understanding.
- At the same time, Design Thinking provides a solution-based approach to solving problems. It is a way of thinking and working as well as a collection of hands-on methods.
- To build a new product or customer experience or even take the business to the next level, this approach touches everywhere.

- **Explanation**
    i. Let us distinguish the design thinking process with the usual innovation process. The regular innovation process consists of four stages – Ideate, Define, Design and Develop.
    ii. These stages have to be synced efficiently so as to foster innovation in an organization. On the other hand, design thinking process has five stages:

Five Stages of Design Thinking Process

i. Empathize:
Empathizing is central to the design thinking process.
It highlights the significance of listening to the requirements and wants of our customers relative to the particular problem.
The approach aids us in saving our discoveries and learning's during this stage in a systematic way such as empathy maps.

ii. Define
Here we combine all the insights collected at the time of listening and observing people. That means we start to define a problem.
An aspect that design thinking proves vital at is framing a problem in a clear manner so that we end up devising solutions and exploring opportunities.

iii. Ideate
So, now as the problem or the opportunity is clearly framed, we can search for methods to handle it. We should spur as many ideas as possible. Yes, we brainstorm or ideate.
Design thinking stresses that during this phase we shouldn't ignore ideas that seem obvious or easy. Any idea can sprout a brilliant concept.

iv. Prototype
Prototyping brings the solutions into vision. Different methods are involved in it such as sketching, rapid prototyping and many others.

No matter whatever method you opt, the core purpose of this stage remains the same, that is, we intend to create rough drafts of solutions to decide if these will prove beneficial for the problem.

    v. Test

In this stage, we test our prototype with the customers so as to monitor the response and deem whether the solution satisfied them or not.

2. **The Power of Design Thinking**
   i. Thinking in design empowers the designers to create the right features for the right people.
   ii. It ensures that designers deal with real user problems and thus avoid creating something that is undesirable.
   iii. Design thinking gives the edge to pass the right decisions when it comes to forming features.
   iv. The concept allows the designers to pose right questions, create right features and engage with the clients effectively.
   v. They can do the calculation as to whether a particular feature will fit in the product or not or if it will serve a real user problem?

3. **Summary**
   a. **Empathize** – with your users
   b. **Define** – your users' needs, their problem, and your insights
   c. **Ideate** – by challenging assumptions and creating ideas for innovative solutions
   d. **Prototype** – to start creating solutions
   e. **Test** – solutions

Empathise
Problem Observation

Observe and understand the customer experience
Why, Wants, Needs

Define
Concept

Reframe needs into an actionable problem statement

Idea Co-creation
Design

Generate volume and variety of solutions

Prototype
Develop

Visualise possible solutions by creating quick prototypes

Test
Validation

Gain feedback and refine solutions

Problem Finding

Problem Solving

Solution Testing