

BASICS OF TEHCNOPRENEURSHIP



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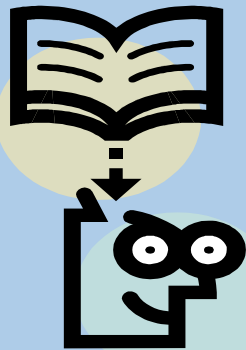
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Importance of Technopreneurship

- **Employment creation**
- **Local resources**
- **Decentralization and diversification of business**
- **Promotion of technology**
- **Capital formation**
- **Promotion of an entrepreneurial culture**



What is Technopreneurship?



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Technopreneurship Defined

- ✚ High tech ventures in ICT, electronics, internet, life sciences and biotech.
- ✚ Service firms where technology is critical to their mission, such as: e-Bay, FEDEX, SMART money transfer, e-learning
- ✚ *Technopreneurship* is entrepreneurship in the field of technology.



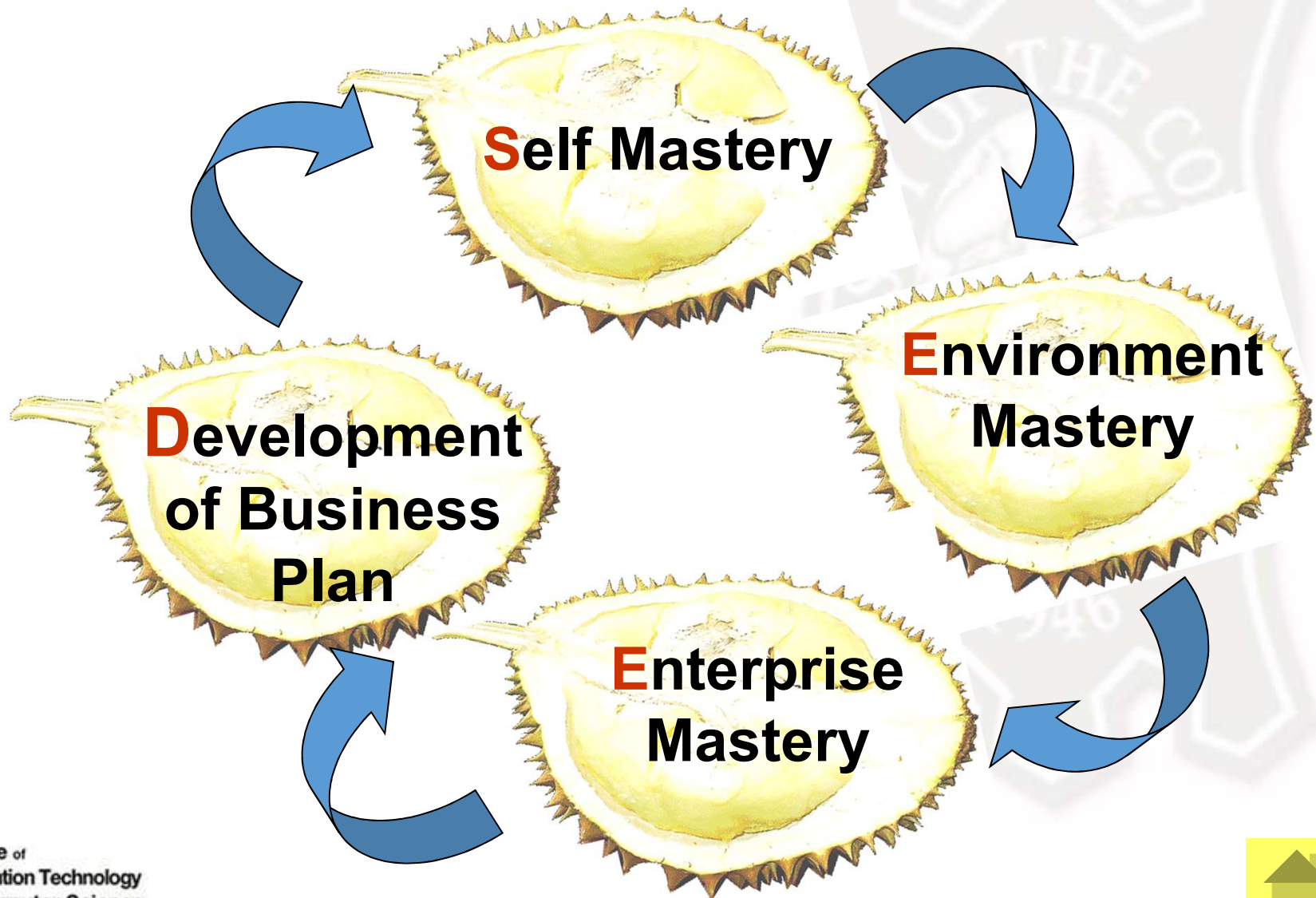
Entrepreneur & Entrepreneurship Defined

Entrepreneurs - people who enter into new and pioneering ventures.

- is whole-brained, meaning he/she uses both the left brain (logical) and right brain (creative).

Entrepreneurship – Starting up a new business

Course Model - SEED



Self- Mastery

- ✚ **Self-mastery passion comes from knowing yourself.**
- ✚ **Self-mastery brings passion. When you know yourself, you know what you want and do not want.**

What is a self-mastered person?

A **self-mastered** person

- + does not need high IQ
- + does need high EQ and AQ
- + is naturally a/an:
 - performer – competitive and efficient
 - epicure – sensual and cheery
 - boss – takes charge and loves a good fight
- + is whole-brained
- + has a personal vision and knows strengths and weaknesses



Environment Mastery

✚ Environment mastery is about generating business ideas and seeking opportunities out from his or her environment through

- serendipity walks
- crises
- trends
- etc.

What is an environment-mastered person?

An environment-mastered person

- ❖ understands the industry he/she is in
- ❖ sees the opportunities, not the problems
- ❖ is on top of the situation instead of being under the situation
- ❖ is the organization/industry innovator and strategist



Enterprise Mastery

- ✚ **Enterprise Mastery is how to run a business**
- ✚ **This pertains to the knowledge of the different enterprise disciplines such as:**
 - **Creating the Business**
 - **Marketing Management**
 - **Operations Management**
 - **Financial Management**
 - **Risk Management**

What is an enterprise-mastered person?

An **ENTERPRISE-MASTERED** person

- understands and integrates the functions of management (marketing, human resource, operations, and finance)
- understands and integrates the process of management (planning, organizing, directing, and controlling)
- leads and inspires rather than manage



Development of Business Plan

- ✚ Development of a business plan covers:
 - writing the business plan
 - presenting and defending the business plan
 - adding refinements to the presented business plan



4 Types of Entrepreneurship

1. Incremental

- Routine business, modest novelty
Ex. (new coffee shop, new BPO)



2. Imitative

- Imitation of venture, same business model and template
- Ex. new regional branch, franchised operations



3. Rent-seeking

- Business that utilizes standards, regulations and laws to share in value of enterprise

Ex. Coca Cola Export

4. Innovative

- Business based on innovation

Ex. new memory chip



Characteristics of an Entrepreneur

- 1. Hard Working**
- 2. Self-Confident**
- 3. Builds for the Future**
- 4. Profit-Oriented**
- 5. Goal-Oriented**
- 6. Persistent**
- 7. Goal-Oriented**
- 8. Responds to feedback**



Characteristics of Technopreneurship cont.

- 9. Demonstrates Initiative**
- 10. Willing to Listen**
- 11. Sets Own Standards**
- 12. Copes with Uncertainty**
- 13. Committed**
- 14. Builds on Strengths**
- 15. Reliable and Has Integrity**
- 16. Risk-Taker**



What makes an Entrepreneur a Technopreneur

- A technology idea owner who ventures to make his idea a commercial reality
- An entrepreneur who gets a technology idea, finds an opportunity to make it a commercial reality.



Some Technology Ventures

LOCAL

- **SMART LINK** – (Computer shop)
Dealing with computer hardware and software, Repairs, Networking and Computer ad LCD Rentals.
(OCW)
- **LANE SYSTEM** – Software Integration Developer



NATIONAL

- **NETOPIA – Internet Café**
- **YEHEY.COM – Internet Portal**

INTERNATIONAL

- **YOUTUBE** - a video sharing website



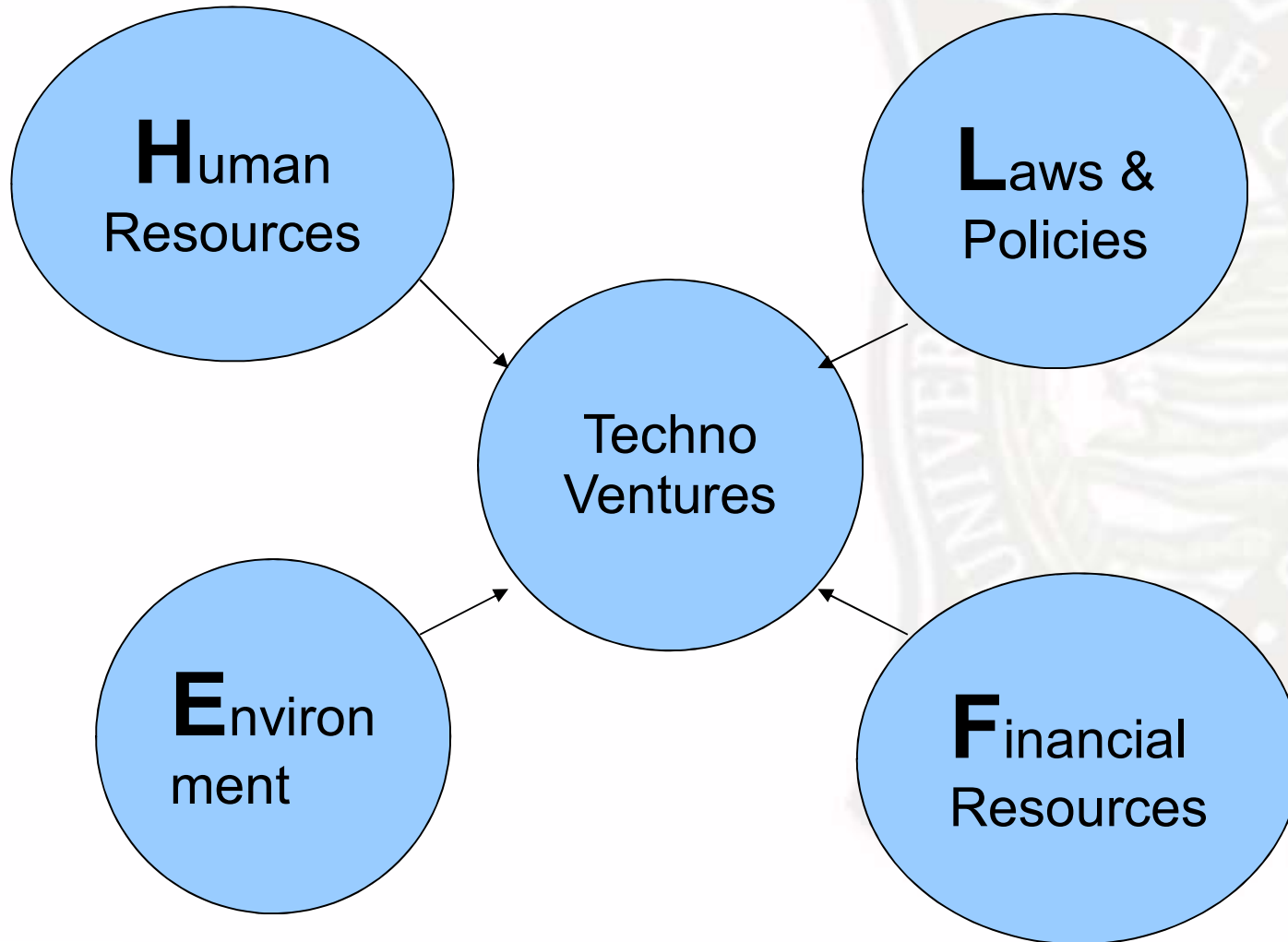
Some Basic Facts

- Businesses start from ideas, but ideas alone do not make a business
- Customers do not buy ideas, they buy products/services;
- Customers pay the price; value is what they get

Some Basic Facts cont.

- A marketable product may not result in a viable business
- A studied approach to planning the business is needed.
- Entrepreneurship is calculated risk-taking, not foolhardiness.

Technopreneurship Ecosystem



Technopreneurship Ecosystem

Human Resources Component

- Research - Thinker, Idea generator, Innovator
- Developer - Implementor, technical people
- Scanner and marketing people
- Financers



Technopreneurship Ecosystem

Environment Component

- Science parks, Incubation centers
- Academic Institutions, R & D Centers
- Internet access, Communication
- Communication and Other Support Services
- Geographic accessibility



Technopreneurship Ecosystem

Laws and Policies

- Intellectual Property Rights Office
- Technology Licensing Office – facilitates commercialization of inventions
- Legal Services

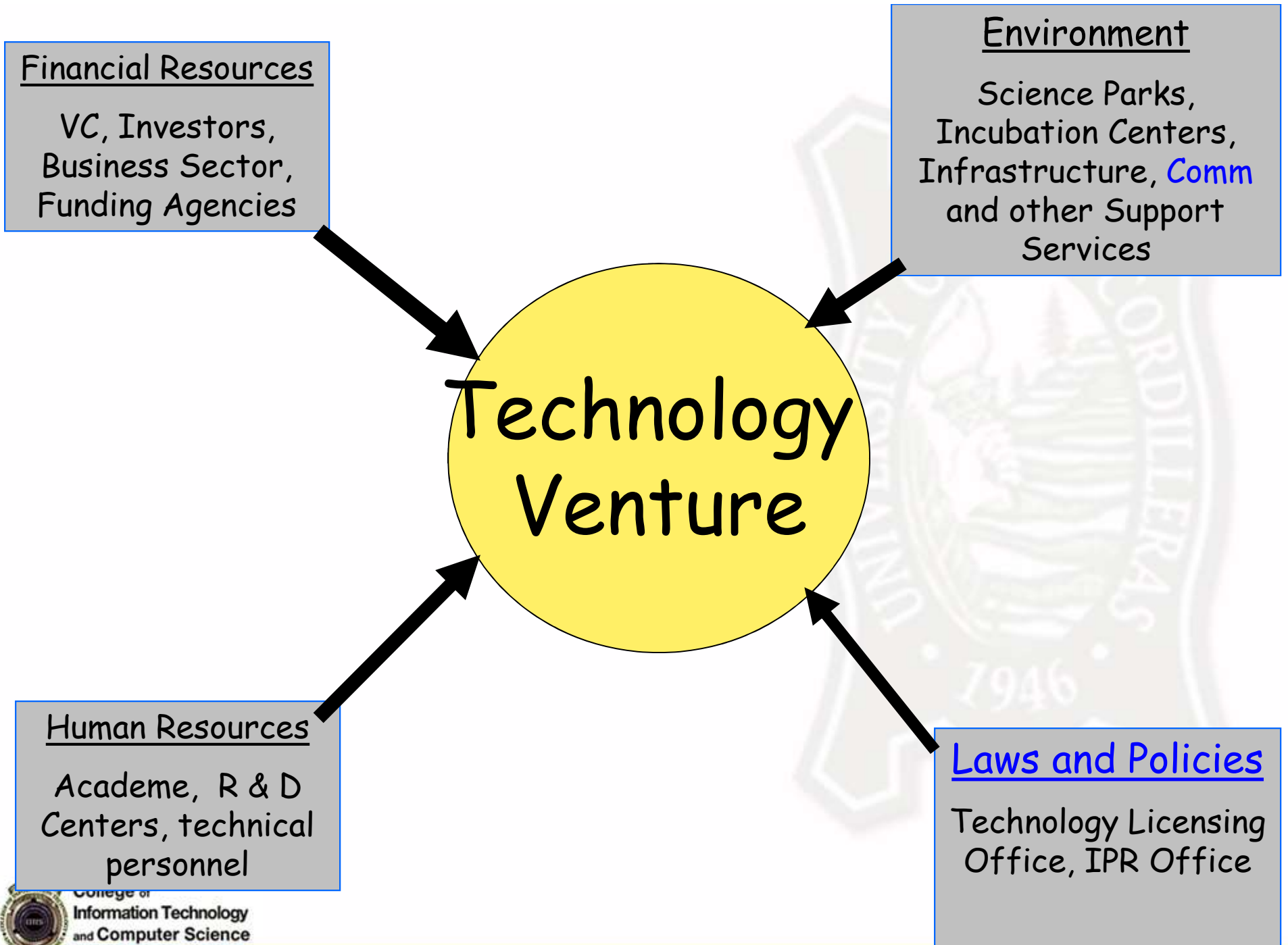


Technopreneurship Ecosystem

Financial Component

- VC and Investors
- Business Sector
- Funding Agencies
- Financial Services (i. e. Accounting)





Why Technopreneurship?



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Philippine Economy

- Population 90+M
- Population of working age?
 - Approx 50% of popn = 16 years old and below
- Employment
- GNP from large companies > 100 employees
- GNP from small companies, < 100
- Number of large companies 5%?
- 95% are small companies?

How?



Start the Ball Rolling

- Innovation
 - Person gets an idea, active search, by chance, present employment or experience
- Triggering Event
 - Career prospects
 - Deliberate choice
- Implementation
- Growth

Common Components

- Three crucial components for business:
 - Excellent market opportunity
 - Superb entrepreneur (and management team)
 - Resources needed to start the company and make it grow

1. Excellent market opportunity

- **Customer Need**

- “Can you give me the names of prospective customers?”
- If you cannot give any names, you only have an idea, not a market.
- Would-be entrepreneurs who are unable to name customers are not ready to start a business. They have only found an idea and have not yet identified a market need.



1. Excellent market opportunity

- **Timing**

- Will the idea or window of opportunity look brief, it could just be a fad?
- If the window is brief, the entrepreneur will rush to open the business, usually with inadequate planning.
- Can lead to costly mistakes.



2. The Technopreneur and the Management Team

- Even with the right opportunity, the business will be successful if led by a person with strong entrepreneurial and management skills.
 - Entrepreneurs should have experience in the same industry or a similar one. Cannot go on OJT at the same time.
 - Ideal entrepreneur is one who has been a successful entrepreneur in the same industry
 - Have management experience, preferably with responsibility for budgets, profit and loss, sales.

3. Resources

- Entrepreneurial frugality means:
 - Low overhead
 - High productivity
 - Minimal ownership of capital assets

Sources of seed capital

Personal savings	78.5%
Bank loans	14.4
Family	12.9
Employees/partners	12.4
Friends	9
Venture Capital	6.3
Mortgaged property	4.0
Gov't guaranteed loan	1.1
Other	3.3

The 9 Fs

- Founders – first class entrepreneur
- Focused – focus on niche markets, specialize
- Fast – decision making, implementation
- Flexible – open mind, respond to change
- Forever innovating
- Flat - organizations
- Frugal – low overhead, productivity high
- Friendly – to their customers, suppliers, workers
- Fun – to be associated with an entrepreneur company