Stages in Entrepreneurial process

- An entrepreneur must find, evaluate and develop an opportunity by overcoming the problem that arise in developing something new. Stages are.
- 1.Identification of opportunity

This is the first step.

This may be from his own idea or

From external sources like consumers business associates, members of distribution system, consultants, independent technical organisations.

Some government organizations and R & D centers also provide new ideas.

Stages in Entrepreneurial process

2. evaluation of opportunity

Most critical element of the entrepreneurial process as it allows the entrepreneur to assess whether the specific product or services provides sufficient return on investment.

The length of opportunity and the market size and share are the two main aspects for deciding risk.

SWOT analysis is a useful tool.

The opportunity must finally fit the personal skills and goals of the entrepreneur

Stages in Entrepreneurial process

This plan also includes,

Description of product or services.

Agreement of opportunity.

Assessment of entrepreneur and his team.

Resource needed.

Amount and source of capital needed.

Rewards and profit expected.

Stages in Entrepreneurial process

3. Development of business plans.

Title of the project, table of contents and executive summary.

Description of industry and business

Technology plan.

Financial plan.

Organisational plan.

Production and operation plan.

Marketing and distribution plan.

Stages in Entrepreneurial process

4. Determining and organizing resources.

Organising the resources at the appropriate time is another important aspect entrepreneurial process. Alternative sources of supply, process of manufacture etc to be planned.

5. Management of enterprise.

The operational problem of the growing enterprise must also be examined for a management with all functions like P, O, D, C

Barriers to entrepreneurship

- 1. Lack of capital, if available high interest rate.
- 2. Lack of technical knowledge.
- 3. Economic business cycle, commodity cycle.
- 4. Non availability of raw material and resources.
- 5. Government regulations.
- 6. Obsolescence of technology or an idea.
- 7. Unstable and unpredictable markets.(imports competition from big firms .etc)
- 8. Globalization and entry of foreign goods.
- 9. Risk

Entrepreneurship in India

- Before 1940s the Indian business was almost dominated by British companies except for some well established companies like TISCO, Birla group. It was very difficult to compete with British goods, after second world war more business opportunities were available like cement, steel and other infrastructures. Indian industry began to expand in the core sector after independence.

Entrepreneurship in India

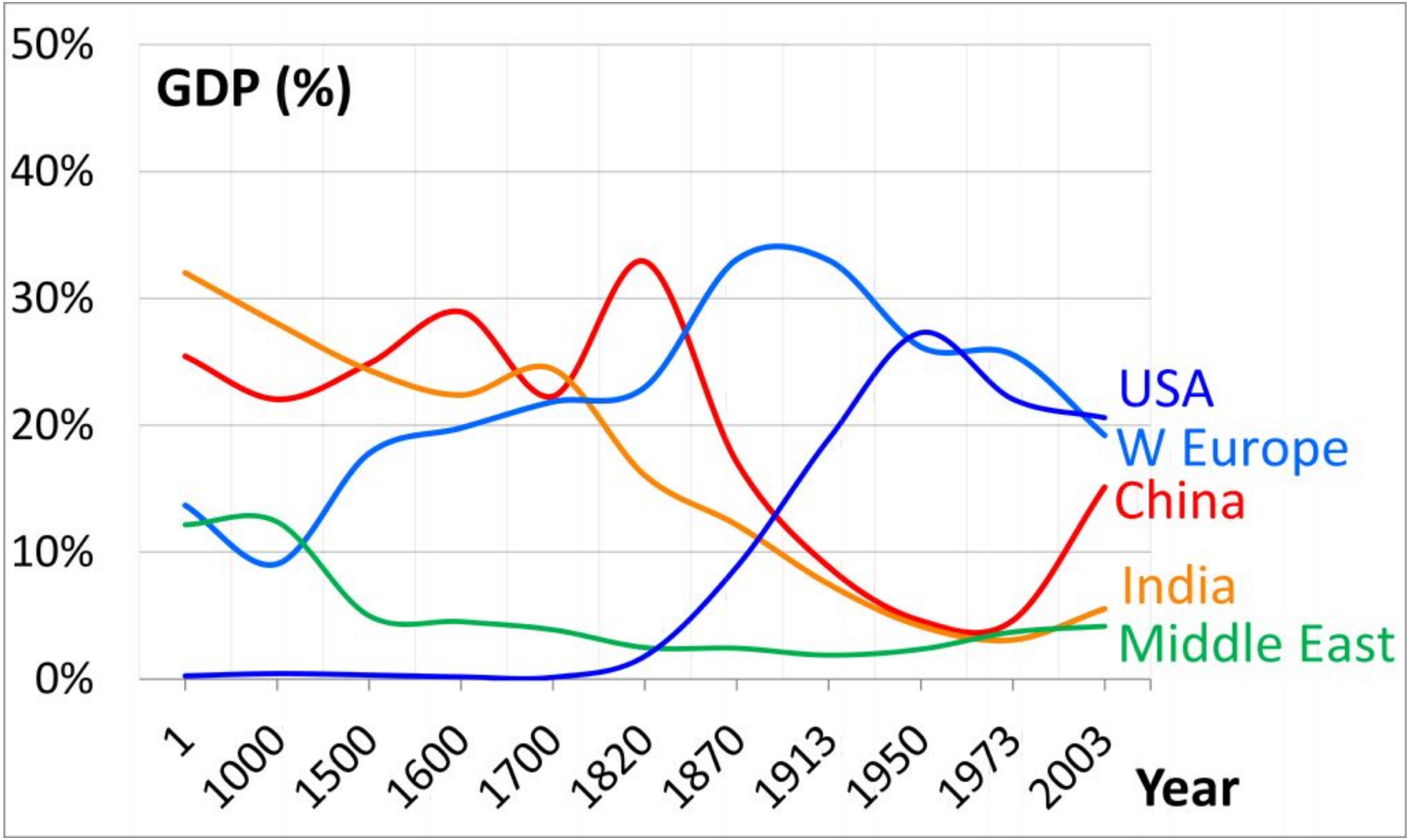
- It started as family business around 1850s.
- With starting of cotton mills in Bombay(Mumbai). From then on, Entrepreneurship has grown in all directions from cotton mills to manufacture, to services, electronic goods, health care, exports and imports, information technology, education, and space technology.
- PAST : In the past Business community was involved in trade and commerce
- Manufacture and supply of a product was based on demand, the trader used to book the order from the required people and get them from the producer.

Entrepreneurship in India

- All the members of the family were involved in the business from planning to manufacture stage and finally selling them.
- The industrial activity was controlled by the caste system. For example weavers used to weave clothes, goldsmiths used to make ornaments, farmers used to produce food products.
- The skill of enterprise was inherited from ancestor's.
- The trade activity was dependent on caste system.

Entrepreneurship in India

- The family business, industry and trade were badly affected during British rule. Because of imports from England.
- PRESENT : there is tremendous growth in industries and services over last 50-60 years, banking, automobiles, software development, petrochemicals, cement, steel, communication. Are some of the major modern Entrepreneurship.
- some of the noteworthy highly talented Entrepreneurship of India are J.R.D TATA, BIRLA, GODREJ, JAMANLAL BAJAJ, WADIA, HINDUJAS, AZIMA PREMJI, NARAYAN MURTHY, DHRUBAI AMBANI, KARSAN BHAI PATEL.



GDP (%)
50%
40%
30%
20%
10%
0%
1
1000
1500
1600
1700
1820
1870
1913
1950
1973
2003
Year
USA
W Europe
China
India
Middle East