

# Unit 3

# Entrepreneurship

Presented By–  
Sarita Yadav



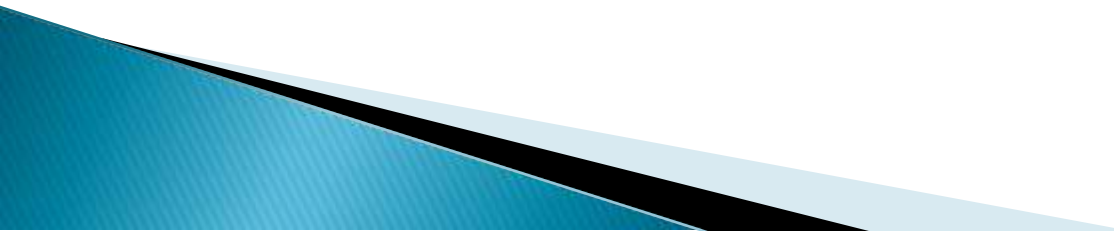
# Vision Mission Objectives and Goals

- ▶ <https://www.youtube.com/watch?v=4g6wn83Je0U>
- ▶ **Company:** [Tesla](#)
- ▶ **Mission:** To accelerate the world's transition to sustainable energy.
- ▶ **Vision:** To create the most compelling car company of the 21st century by driving the world's transition to electric vehicles.
- ▶ **Why it works:** What better word than “accelerate” in a mission to serve as the driving force behind what Tesla does. While boldly stating “best in the century” reflects loftier dreams in the vision.
- ▶ **Company:** [Amazon](#)
- ▶ **Mission:** We strive to offer our customers the lowest possible prices, the best available selection, and the utmost convenience.
- ▶ **Vision:** To be Earth's most customer-centric company, where customers can find and discover anything they might want to buy online.
- ▶ **Why it works:** Amazon's mission is cut-and-dry about what they offer to customers. The vision takes the offerings farther, saying their company will offer “anything” customers want.
- ▶ **Company:** [Google](#)
- ▶ **Mission:** To organize the world's information and make it universally accessible and useful.
- ▶ **Vision:** To provide access to the world's information in one click.

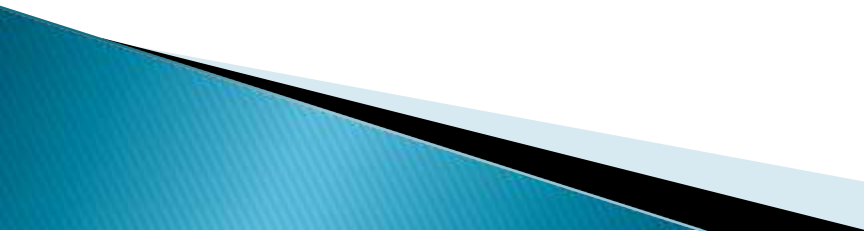
# SMART Goals

- ▶ SMART (Specific, Measurable, Achievable, Relevant, and Time-Bound) goals are established using a specific set of criteria that ensures your objectives are attainable within a certain time frame.
- ▶ **Specific:** Well defined, clear, and unambiguous
- ▶ **Measurable:** With specific criteria that measure your progress toward the accomplishment of the goal
- ▶ **Achievable:** Attainable and not impossible to achieve
- ▶ **Realistic:** Within reach, realistic, and relevant to your life purpose
- ▶ **Timely:** With a clearly defined timeline, including a starting date and a target date. The purpose is to create urgency.

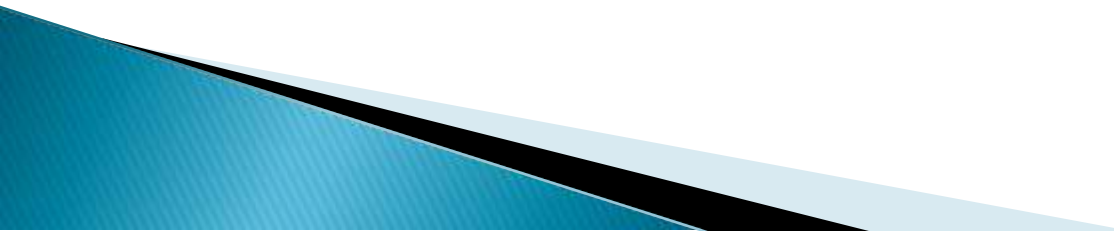
# The Importance of SMART Goal Setting

- ▶ SMART goals set you up for success by making goals specific, measurable, achievable, realistic, and timely. The SMART method helps push you further, gives you a sense of direction, and helps you organize and reach your goals.
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# Business Ethics

- ▶ Business ethics is the study of how a business should act in the face of ethical dilemmas and controversial situations. This can include a number of different situations, including how a business is governed, how stocks are traded, a business' role in social issues, and more.
  - ▶ Business ethics is a broad field because there are so many different topics that fall under its umbrella.
  - ▶ Many businesses leverage business ethics not only to remain clean from a legal perspective, but also to boost their public image. It instills and ensures trust between consumers and the businesses that serve them.
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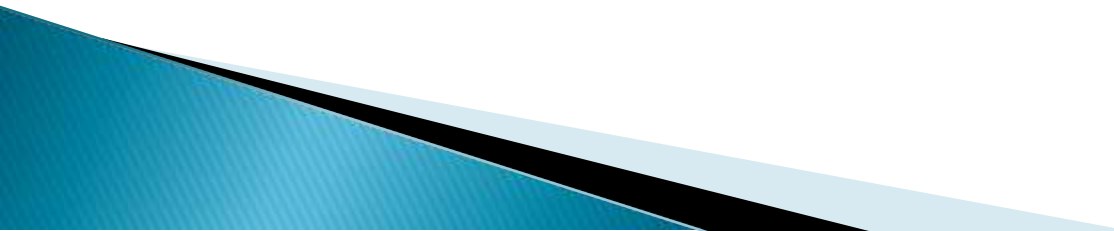
# What Are the Types of Business Ethics?

- ▶ Trustworthiness
  - ▶ Respect
  - ▶ Fairness/Being Transparent
  - ▶ Putting Customer Needs First
  - ▶ Prioritizing Workplace Diversity
  - ▶ Respecting Customer Information
  - ▶ Providing Resources for Reporting Unethical Behavior
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# Why Is Business Ethics Important?

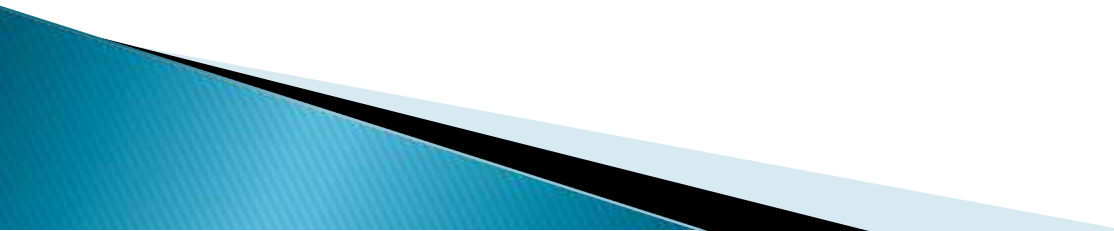
- ▶ It keeps the business working within the boundaries of the law, ensuring that they aren't committing crimes against their employees, customers, consumers at large, or other parties.
  - ▶ Businesses can also build trust between the business and consumers. If consumers feel that a business can be trusted, they will be more likely to choose that business over its competitors.
  - ▶ Being an ethical business is also highly appealing to investors and shareholders.
  - ▶ Attracting top talent is significantly easier for ethical businesses.
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# Examples of Unethical Behavior in the Workplace

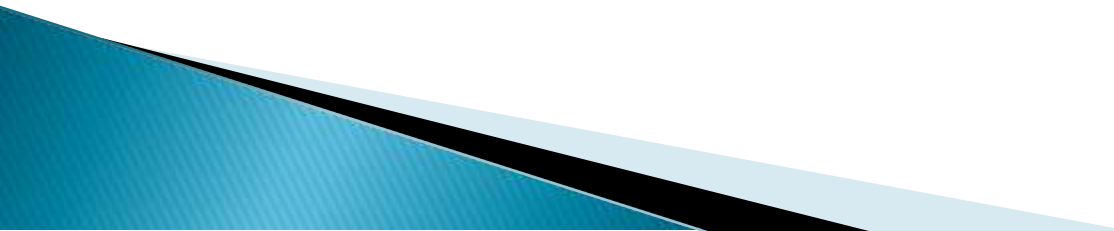
- ▶ Taking Sides in an Employee Argument
  - ▶ Lying
  - ▶ Misusing Company Time
  - ▶ Cultivating a Hostile Workplace
  - ▶ **Ignoring conflicts of Interest**
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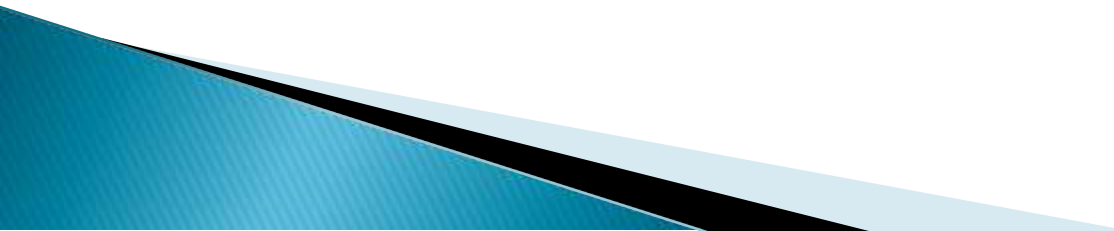
# Entrepreneurial Work Ethics

- ▶ To get things done, get things done
  - ▶ Stop Being “Busy”
  - ▶ Be Available
  - ▶ One. More Sprint
  - ▶ Go to sleep with a plan...wake up with a purpose
  - ▶ Create a winning routine
  - ▶ Follow every setback with “GOOD”
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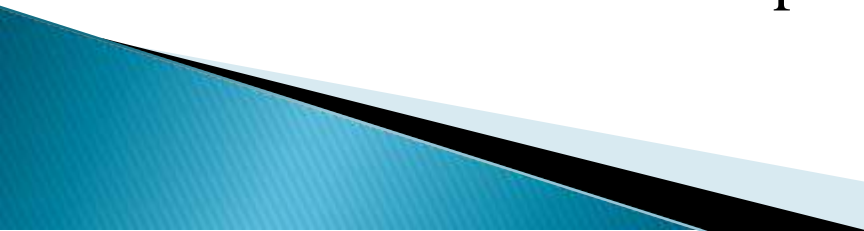
# Leadership and Team Spirit

- ▶ Listen to the team
  - ▶ Respect the chain of command
  - ▶ Get your hands dirty
  - ▶ Deliver on promised results
  - ▶ Resolve conflicts quickly
  - ▶ Value people
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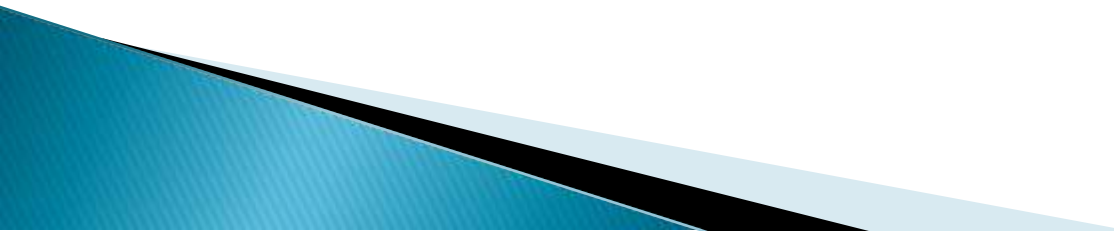
# Importance of Leadership and Team Spirit

- ▶ Organizational cohesiveness
  - ▶ Respect and trust
  - ▶ Trendsetters
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# What Is Workplace Diversity

- ▶ In a company, diversity means having individuals from different backgrounds make up its workforce. The big categories are gender, race, and age, but the concept of diversity has now expanded to include religion, sexual orientation, economic background, political leanings, and so forth.
  - ▶ It's also important to note that diversity isn't just about how an individual identifies. Diversity also means having a company mentality that is accepting of those who are different and willing to promote their voices. To see the full benefits of workplace diversity, a company must make inclusion a definitive part of its culture.
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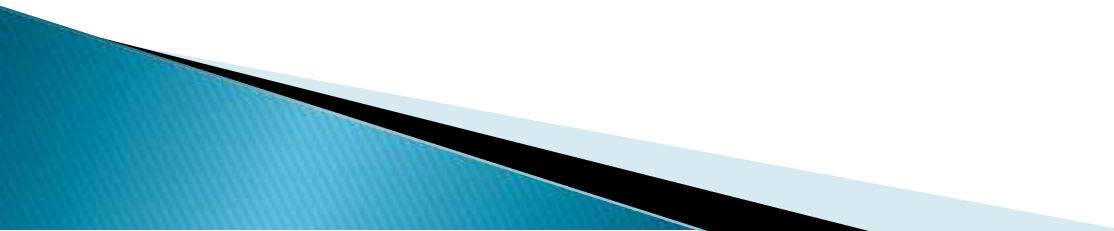
# What Are the Benefits of Diversity in Leadership?

- ▶ Innovative Thinking
  - ▶ Wider Range of Skill Sets
  - ▶ Advanced Company Culture
  - ▶ Better Company Profile
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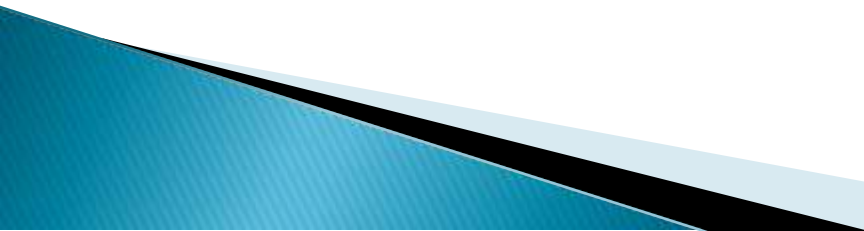
# Emotional intelligence

- ▶ “Emotional intelligence (EQ) combines self-awareness (understanding oneself) and empathy (the ability to feel and understand what others are feeling). High emotional intelligence is increasingly being recognized as important in organizations because of the growing complexity of society and the variety of stakeholders that must be communicated with effectively.”

# Benefits of emotional intelligence

- ▶ Internal awareness
  - ▶ Self-regulation
  - ▶ Increased empathy
  - ▶ Collaborative communication
  - ▶ Less stress
  - ▶ Better team engagement
  - ▶ High performance-driven results
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# Role of Entrepreneurs towards society

- ▶ Entrepreneurs Create Jobs
  - ▶ Entrepreneurs Raise Standards of Living
  - ▶ Entrepreneurship Creates Economic Growth
  - ▶ Identifying existing opportunities in the market
  - ▶ Infrastructural Development
  - ▶ Contributing to Community Development:  
Philanthropy, charity, Corporate Social Responsibility  
etc.
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# Unit 4

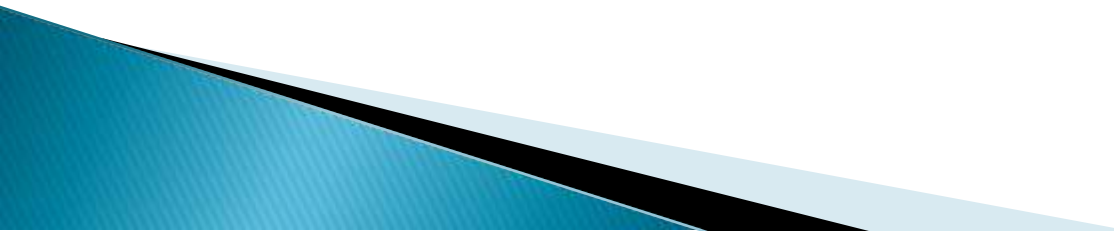
# Entrepreneurship

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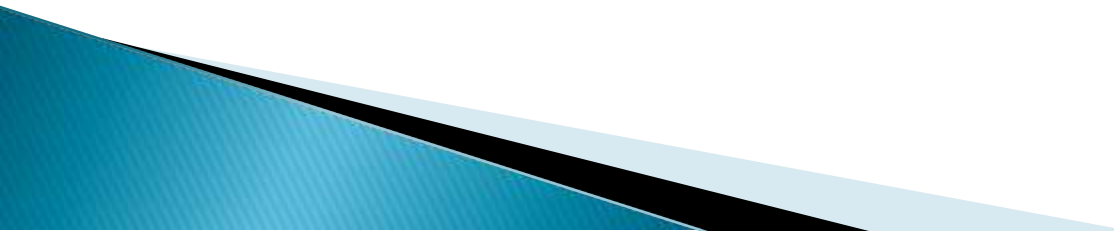
# What is critical thinking?

- ▶ Critical thinking is the intellectually disciplined process of actively and skillfully conceptualizing, applying, analyzing, synthesizing, and/or evaluating information gathered from, or generated by, observation, experience, reflection, reasoning, or communication, as a guide to belief and action"
- ▶ Critical thinking is the process of analysing a topic or a problem deeply based on relevant information. Here are some common steps to follow when thinking critically to solve a problem:
  - Identify an issue or a problem.
  - Understand the reason behind a problem and its solution.
  - Research and collect data or information on the issue.
  - Sort and organise findings and data.
  - Develop and implement solutions.
  - Analyse the success and failure of different solutions.
  - Identify ways to refine solutions.

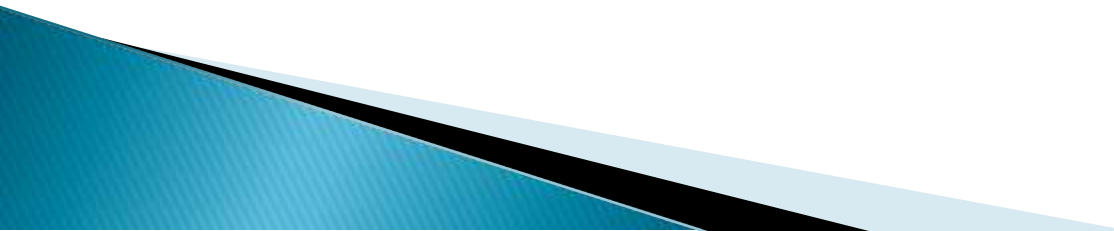
# Critical thinking important in the workplace

- ▶ Encouraging teamwork
  - ▶ Resolving conflict
  - ▶ Demonstrating leadership
  - ▶ Saving time
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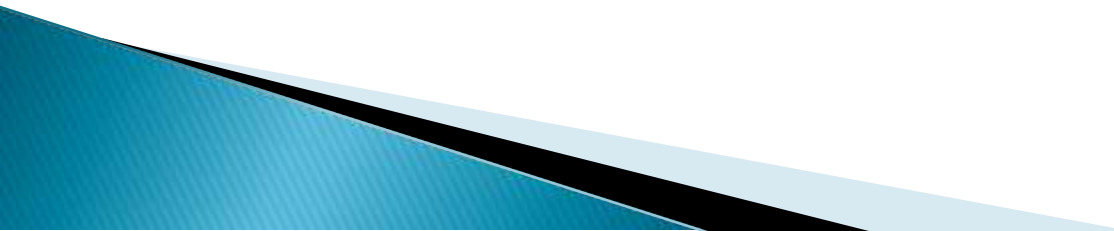
# Types of critical thinking skills

- ▶ Problem-solving
  - ▶ Open-mindedness
  - ▶ Creativity
  - ▶ Fairness
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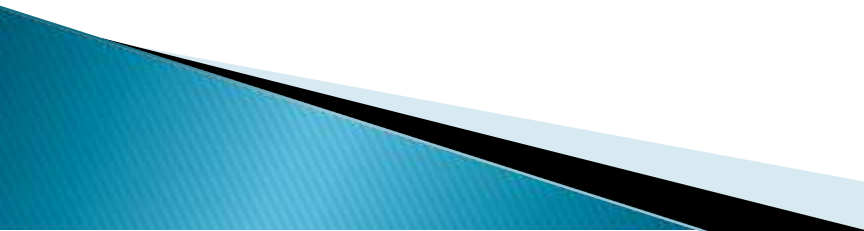
# How to become a critical thinker

- ▶ Find the exact cause
  - ▶ Collect data, suggestions and arguments
  - ▶ Be critical about data
  - ▶ Confirm significance
  - ▶ Conclude
  - ▶ Present or communicate
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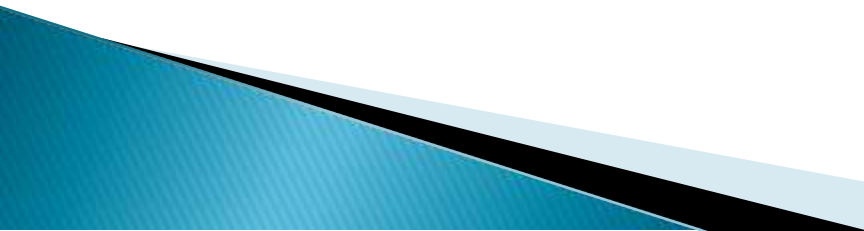
# Tips for improving critical thinking skills

- ▶ Broaden your technical or industry-specific skills to become better at identifying problems. Take industry-specific courses that require analysis and critical thinking.
  - ▶ Volunteer to solve problems in your current job.
  - ▶ Look for advice from experts in your desired industry or field.
  - ▶ Play games in groups or alone that require analysis and inference.
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# What is creative thinking?

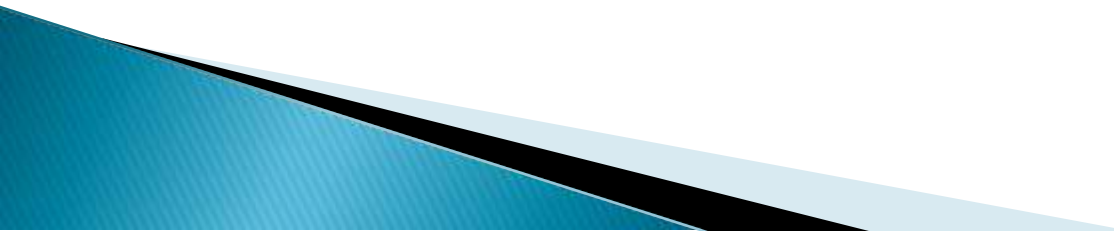
- ▶ Creativity is the ability to generate a thought or an idea that is completely new, appealing, and useful. Creative thinking is a skill that enables you to come up with original and unconventional ideas.
  - ▶ Creative thinking expresses itself in a multitude of ways. A graphic artist creates a brilliant logo. A lawyer discovers an out-of-the-box strategy to defend her client. A photographer captures an extraordinary frame when out in the field. A product designer solves a problem with his innovative product.
  - ▶ Who says creative thinking is limited only to the artists, painters, designers, or writers? Creative skills give an edge to all professionals. It drives innovation and progress in almost every field. The eureka moment of cracking an idea can be experienced by anyone and everyone.
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# Types of Creative Thinking

- ▶ **Divergent Thinking:** Exploring multiple perspectives with flexibility, fluency, and originality to find a solution for a problem.
  - ▶ **Lateral Thinking:** Exploring new ideas, thinking outside the box, avoiding clichés
  - ▶ **Aesthetic Thinking:** Visual or spatial thinking with the use of structure, colors, composition to achieve aesthetic beauty
  - ▶ **Systems Thinking:** Identifying an interrelation between things and viewing them from a 360-degree perspective
  - ▶ **Inspirational Thinking:** Light bulb moments inspired by great personalities or insightful thoughts
  - ▶ **Abstract Thinking:** Thinking in terms of objects, principles and experiences that may not be physically or materially present
  - ▶ **Design Thinking:** Applying strategy, problem-solving and decision-making to the process of design
- 



# The importance of creative thinking

- ▶ It is indispensable
  - ▶ It gives you freedom
  - ▶ It improves the problem-solving process
  - ▶ It adds to leadership qualities
  - ▶ It boosts productivity
  - ▶ It makes people happier
  - ▶ It leads to personal growth
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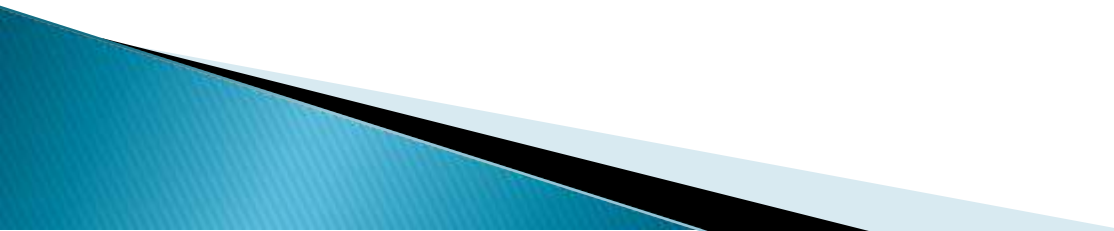
# Benefits of Creative Thinking

- ▶ Employers want creative thinkers because it benefits their bottom line. Companies that foster creativity may see more revenue growth. Positioning yourself as a creative thinker can make you a more appealing job candidate or leader within your current organization. When you're applying for a job, think about how your creative nature has helped you in the past and how it might be an asset in the job you're seeking. In your resume and cover letter, consider including keywords that demonstrate your creativity.
- ▶ In your cover letter, include one or two specific examples of times your creative thinking added value to your employer. Perhaps you came up with a creative way to save your department money, or maybe you developed a new filing system that increased efficiency.
- ▶ Come to your interview prepared with examples of how you've demonstrated your creativity. This is especially important if the job description lists creativity or creative thinking as a requirement.
- ▶ If you're looking for creative opportunities as a means of personal fulfillment, you can find satisfaction in surprising places. Any job that allows you to put your own spin on your work will end up being and feeling creative.

# How to enhance your creative thinking?

- ▶ Pay attention to your strengths and try to incorporate more of them in your life
- ▶ Tap into your inner child and explore the qualities of freshness, purity of thought and spontaneity of expression
- ▶ Do not restrict yourself to a habitual pattern. Think differently. Take a different route to communicate your thoughts. Never go by stereotypes
- ▶ Enjoy yourself in natural settings and set your imagination free to explore and experiment
- ▶ Be curious and inquisitive about your surroundings
- ▶ Don't hesitate to take risks to further your abilities
- ▶ Get rid of the negative attitudes that are blocking your creativity
- ▶ Indulge in brainstorming to inspire new ideas
- ▶ Accept that a problem can have multiple solutions and explore every possibility

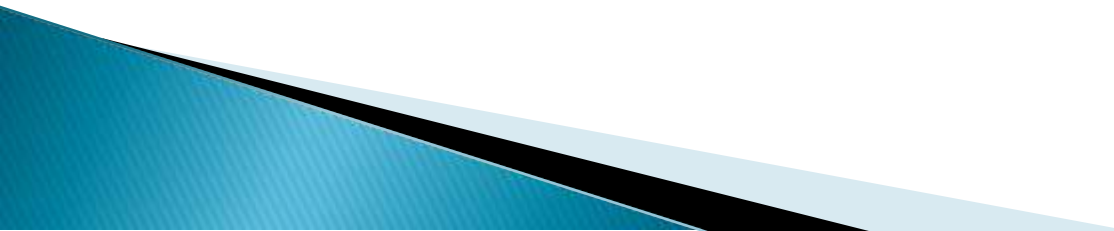
# Decision Making

- ▶ Decision making is a daily activity for any human being. There is no exception about that. When it comes to business organizations, decision making is a habit and a process as well.
  - ▶ Decision making is the process of making choices by identifying a decision, gathering information, and assessing alternative resolutions.
  - ▶ Usually, decision making is hard. Majority of corporate decisions involve some level of dissatisfaction or conflict with another party.
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# Steps of Decision Making Process



# Problem Solving process with Decision Making

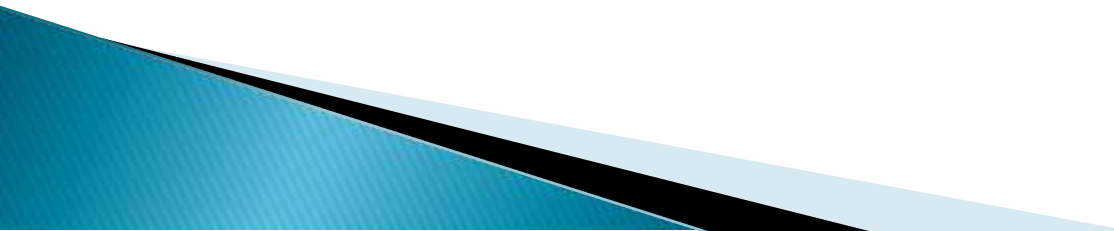
- ▶ Introduction to Problem-Solving
  - ▶ Identifying and Structuring Problems
  - ▶ Investigating Ideas and Solutions
  - ▶ Implementing a Solution and Feedback
  - ▶ Social Problem-Solving
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# Unit 5

# Entrepreneurship

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# Cost

- ▶ Cost is the monetary value that a company has spent to produce something. The cost denotes the amount of money that a company spends on the creation or production of goods or services. It does not include the mark-up for profit. Cost is a measurement in monetary terms of the number of resources used for the production of goods or rendering services.
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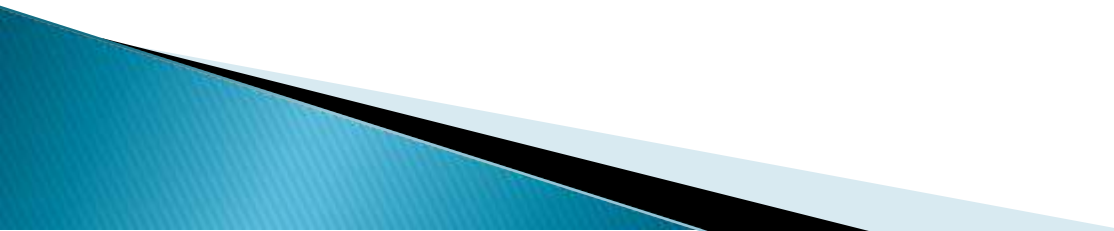
# Types of Costs

- ▶ Direct Costs
  - ▶ Indirect Costs
  - ▶ Fixed Costs
  - ▶ Variable Costs
  - ▶ Semi-Variable Cost
  - ▶ Operating Costs
  - ▶ Opportunity Costs
  - ▶ Sunk Costs
  - ▶ Controllable Costs
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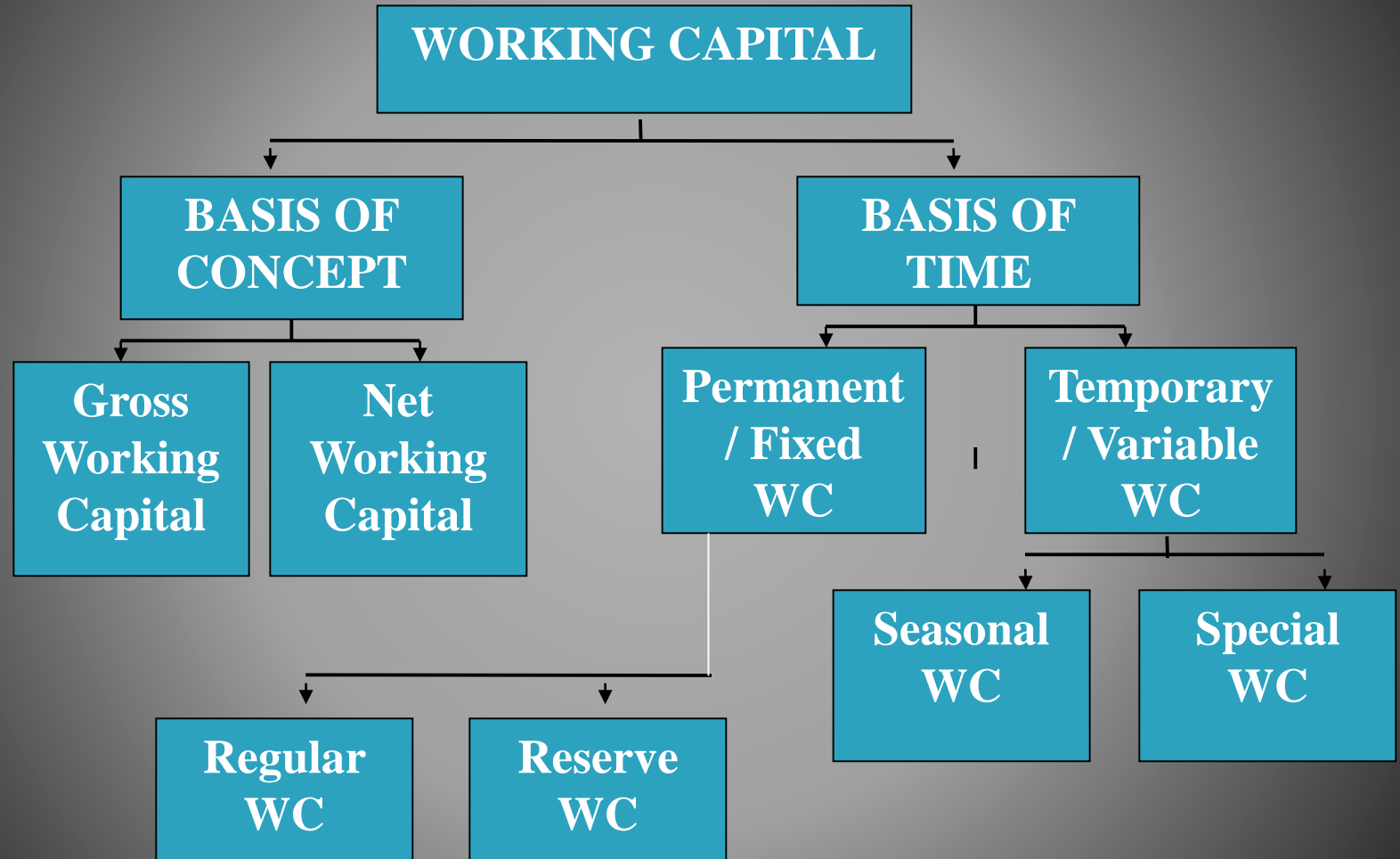
# Difference between Fixed and Variable Cost

Fixed Cost	Variable Cost
1. Fixed cost is those cost which remains constant over a relevant range of output.	1. Variable cost is those that in total will change proportionately with respect to number of units produced
2. Fixed cost is total fixed but per unit is variable.	2. Variable cost is the total variable but the unit is fixed.
3. Fixed cost total amount within a relevant output range.	3. Variable of the total amount in direct proportion to value.
4. The decrease in per-unit cost as volume increases within a relevant range.	4. Relatively constant cost per unit as volume changes within a relevant range.
5. Control responsibility resting with executive management rather than operating supervision.	5. Controllable by a specific department head.

## Working Capital

- ▶ Working Capital refers to that part of the firm's capital, which is required for financing short-term or current assets such as cash marketable securities, debtors and inventories. Funds thus, invested in current assets keep revolving fast and are constantly converted into cash and this cash flow out again in exchange for other current assets. Working Capital is also known as revolving or circulating capital or short-term capital.
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# TYPES OF WORKING CAPITAL



# Gross and Net Working Capital

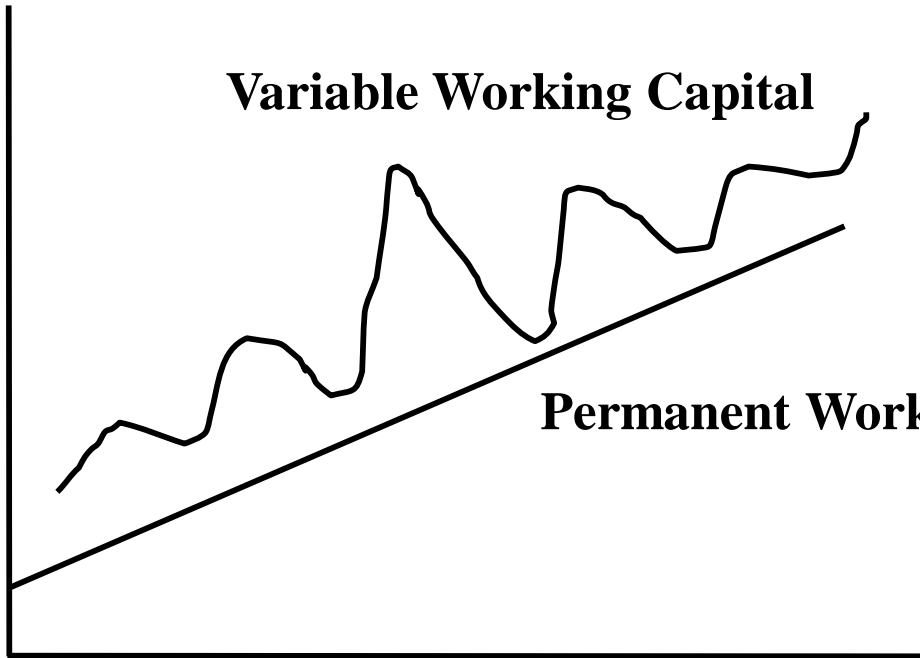
- ▶ Gross Working Capital: Total Current Assets
- ▶ Net Working Capital: Total Current Assets – Total Current Liabilities

**Amount  
of  
Working  
Capital**

**Variable Working Capital**

**Permanent Working Capital**

**Time**

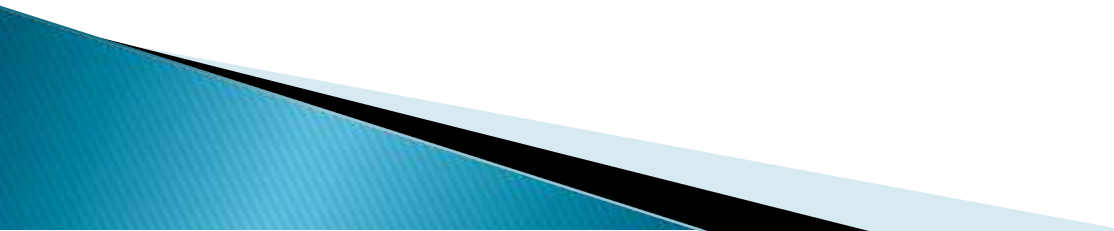


## EXCESS OR INADEQUATE WORKING CAPITAL

Every business concern should have adequate working capital to run its business operations. It should have neither redundant or excess working capital nor inadequate or shortage of working capital.

Both excess as well as shortage of working capital situations are bad for any business. However, out of the two, inadequacy or shortage of working capital is more dangerous from the point of view of the firm.

## **FACTORS DETERMINING WORKING CAPITAL**

- 1. Nature of the Industry**
  - 2. Demand of Industry**
  - 3. Cash requirements**
  - 4. Nature of the Business**
  - 5. Manufacturing time**
  - 6. Volume of Sales**
  - 7. Terms of Purchase and Sales**
  - 8. Inventory Turnover**
  - 9. Business Turnover**
  - 10. Current Assets requirements**
  - 11. Production Cycle**
- 



# What are the basic laws every entrepreneur should know?

- ▶ Real estate law
  - ▶ Intellectual property laws
  - ▶ Tax laws
  - ▶ *GST Act*
  - ▶ Insurance laws
  - ▶ Employment law
  - ▶ Family and medical leave act
  - ▶ Labour or employment Laws
  - ▶ Health care laws
  - ▶ Advertising laws
  - ▶ Privacy laws
  - ▶ Finance laws
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- ▶ [https://www.youtube.com/watch?v=z\\_nYGgy2E0g](https://www.youtube.com/watch?v=z_nYGgy2E0g)