



Diploma in Entrepreneurship Development (DED)

DED-3 Development of Entrepreneurial Skills

Block

3

Unit – 1

**Business Opportunities in the Context of Odisha and
Industrial Policy of the State**

Unit – 2

Business Incubation Centres

Unit – 3

Start-up Policy Framework and Incentives



EXPERT COMMITTEE

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Diploma in Entrepreneurial Development

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Case Study of Successful Entrepreneurs

Learning objectives

After reading this unit, you will

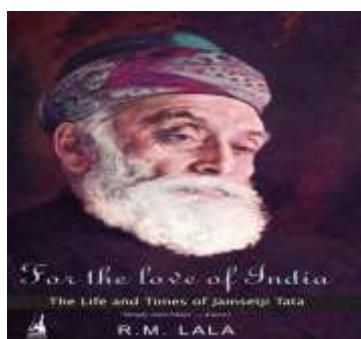
1. Know what is entrepreneurship
2. Understand what is innovation
3. Know how entrepreneur takes calculated risk.

Case Study of successful Entrepreneurs

Structure

- 1.1 Jamsetji Tata, pioneer of India's industrial revolution
- 1.2 Biotech Queen – Kiran Mazumdar Shaw
- 1.3 Walking alone entrepreneur- Karsanbhai Khodidas Patel.
- 1.4 5CX Sigma Tiffinwalas in Mumbai
- 1.5 Bharat Ratna JRD Tata
- 1.6 Father of India's White Revolution: Verghese Kurien.
- 1.7 Rag to riches: the story of P.C. Mustafa
- 1.8 Ms. Jyothi Reddy from field labour to CEO
- 1.9 Dhirubhai Ambani, an entrepreneur without parallel
- 1.10 Ethical business leader, N.R. Narayana Murthy
- 1.11 Azim H. Premji, practitioner of charity without limit.
- 1.12 Key Terms
- 1.13 Self Assessment Questions
- 1.14 Further Readings
- 1.15 Model Questions

1.1 Jamsetji Tata



Born in a Parsi family in 1839, Jamsetji Nusserwanji Tata at the age of 29 started a private trading firm with a capital of Rs.21,000/- . His travels in the Far East and Europe had inspired in him the desire to manufacture cotton goods. In 1877, he launched the famous Empress Mill in Nagpur. His pension fund and accidental compensation schemes became text book cases of labour welfare. At 47, he launched the Swadeshi Mills to mark the beginning of the Swadeshi movement, a movement to popularise the use of indigenous goods as opposed to British goods, which marked an important for freedom.

Jamsetji was a true pioneer who foresaw the significance of the industrial revolution for India and spelt out the three basic ingredients necessary to attain it - steel as the mother of heavy industry, hydro-centric power as cheap source of energy and technical education & research.

The Father of Indian Steel Industry

A report on the rich iron ore deposits in India motivated Jamsetji to set up a steel plant for the nation. In 1900, he finally got the approval for building a steel plant. He invited renowned consultant Charles Page Perin to undertake a thorough scientific survey of raw materials and climatic condition in India. Though he passed away in 1904, the Tata Iron and Steel Company came into being in 1907. Jamsedpur, the steel city was the result.

Power

George Westinghouse encouraged him to visit the Niagara Falls to study the hydroelectric generation of power. On his return, Jamsetji proposed a hydroelectric scheme to supply electric power for the growing needs of Bombay. His dream was implemented by his son, Sir Dorabji Tata, in 1910 when the Tata Hydro Electric Power Supply Company was established.

Research

He endowed a fund for deserving students for their higher education abroad. He offered 14 of his buildings and four landed properties in Bombay for an endowment to establish a university of science. After his death, the Indian Institute of Science opened in 1911.

Learning Points:

- Tata was a pioneer of India's Industrial Revolution.
- He practised Swadeshi
- He was a visionary with strong social commitment. His company with record of 'no labour strike' and pension fund and accident compensation became textbook model company.
- Tata sought no honour and claimed no privileges. The advancement of India was with him an abiding passion. Lord Curzon, the viceroy of India declared "No Indian of the present generation has done more for the commerce and industry of India".

Tata significantly stated, 'freedom without the strength to support it would be a cruel decision'. The strength to defend freedom can itself only come from widespread industrialisation and application of modern science and technology in the country's economic life'. His prescription was simple – steel, electric power and technical education as the three pillars of economic development. The prescription is valid even today. He had four goals in life: iron and steel company, a world class learning institution, a unique hotel and a hydroelectric plant. Only the hotel becomes a reality during his lifetime. His successors developed Tata Steel, Indian Institute of Science and Tata Power.



Case Study of successful Entrepreneurs

Questions:

1. Assess entrepreneurial qualities of J.N. Tata.
2. Why Tata is ranked as a pioneer of industries? Tata is a true nationalist, who made his rank in difficult times – Discuss?



Case Study of successful Entrepreneurs

1.2 Biotech Queen: Kiran Majumdar Shaw



A woman with net worth of \$1.62 billion is CEO of a company. She is also a pioneer in biotech industry. Kiran Majumdar Shaw with a qualification of Master Degree in Malting & Brewing did not get a job and launched Biocon to manufacture enzymes for packaged fruit juices. It diversified to reduce therapy costs of diabetes, cancer and autocromoze diseases. It is focussed on affordable innovation Insulin glarzine for diabetes management and CANMAG for treatment of cancer. Biocon is India's largest bio-pharmaceutical company, research driven focussing on affordable innovation. It has 7500 strong, talent pool working at Biocon Park in Bangalore. It is among world's top ten best Biopharma employer. Biocon has revenue of Rs.350 crore and net profit of Rs. 437 crore and aims to double revenue to \$1 billion by 2018 powered by the growth accelerated e.g small molecules Novel molecules, Branded formulations etc.

Kiran Majumdar Shaw is named by Time magazine among 100 most influential people in the world. She is Forbes Magazines 100 most powerful women and Fortune's top 25 most powerful women in Asia-Pacific. She has established 1400 bed Majumdar Shaw Cancer Hospital in Bangalore to deliver world class cancer care services to patients irrespective of socio-economic status. Kiran Mazumdar Shaw is a compassionate capitalist.

Learning Points

- Kiran Mazumdar Shaw is a visionary leader.
- She has high concern for society with her affordable innovations.
- She started small and made it big.
- Being a women is no handicap.
- Kiran Majumdar Shaw understands economy through well. She says, license raj is gone and gone forever. But it is replaced by time – consuming approval raj. This encourages speed money, the way to overcomes self-regulation and deemed approval on an online platform. She removes human element and the

- corruption. Only a visionary with an eye on future can make such clear statement.
- She faced problems uninterrupted power, superior quality, water sterile labs, imported research equipment and women with advanced scientific skills were not easily available at that time. Still she created a fully integrated biopharmaceutical company with a research focus on diabetes, oncology and autoimmune diseases. The subsidiary Syngene which provides research and development support services has market capitalisation of US \$1.5 billion.
 - Biocon was the first biotechnology company in India to issue a IPO, which was oversubscribed 33 times and closed with a market value of \$1.1 billion, the second Indian company to cross \$1 billion mark on the first date of listing.
 - She is a compassionate capitalist to use her own words in 2015, she joined the Giving Pledge, promising half of her wealth dedicated to philanthropy, wealth creation and sharing with the poor.
 - Biocon invests 10% of its revenue into research and development. They have filed 950 patent applications. They are ‘credibly capable’ of the benefits of their low cost, high value products to a global patient population.

Questions:

1. What entrepreneurial qualities you have observed in Kiran Mazumdar Shaw?
2. How Biocon is placed in biotech industry?
3. Innovation holds the key to Biocon’s success in the knowledge economy – Discuss.

1.3 Walking alone entrepreneur: Karsanbhai Khodidas Patel



Born into a farmer's family in Gujarat, the lab technician manufactured detergent powder and sold it by his bicycle, moving from door to door in 1960s. He had no marketing qualification, no management degree, yet he manufactured a quality product NIRMA which was one fourth of the price of surf, the leading multinational brand. The high quality and low price established Nirma brand and Karsanbhai Khodidas Patel as the entrepreneur at the grassroots. NIRMA has since diversified to toilet soap, shampoo and even edible salt... overall, NIRMA has 20% share in soap cakes and 35% in detergents. Karsanbhai added Nirma Institute of Technology, Institute of Management and by 2003, Nirma University came into being. He was awarded Udyog Ratna by Federation of Association of Small Industries in India (1990) and Padmashree by Government of India (2010). He is ranked 92 by Forbes magazine in the list of India's richest persons.

Case Study of successful Entrepreneurs

Highlights:

1969	-	Founded HQ at Ahmedabad
1980	-	Private Limited Company
1993	-	Public Limited Company
1995	-	Salt works facility at Kalatalan.
1997	-	Nirma having the largest market share in the low value mass market brand of detergent – sells more than Hindustan Lever.
1998	-	State of art 80,000 tpa Linear Alkasol Benzene Plant completed
2001	-	Nirma gets into food retailing business
2003	-	Established Nirma University
2005	-	Acquires Sourashtra Chemicals
2006	-	Diversifies into pharmaceutical sector
2008	-	Declares dividend of 80%
Revenue	-	Rs.5008 crore – US \$1.1 billion
Number of Employees	-	14000
Net worth	-	\$ 640 m (Forbes – 2005) ranked 9 in the list of India's richest persons.

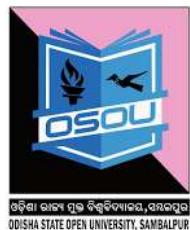
Learning Points:-

- Innovation pays. There is no end of innovations.
- Market segmentation and pricing strategy helped Patel
- Competes successfully
- Multinationals with local quality brand. The slogan: better products, better value, better living.

Questions:

1. From cycle to chopper is the story of Karsonbhai Khodidas Patel. Assess his entrepreneurial qualities.
2. How can a local and small brand effectively compete with giant Hindustan Lever's mighty brand?

1.4 Bharat Ratna JRD Tata (1904 to 1993)



**Case Study of
successful
Entrepreneurs**

Career Highlights:

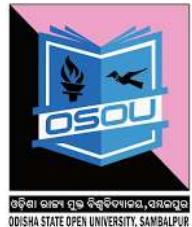
- Took Indian Citizenship – 1929
- Tata Aviation started – 1932
- JRD flew first civilian aircraft in India – 15-10-1932
- Head of Tata organisation – 1938
- Started Tata Chemicals – 1939
- Started Tata Engineering and Locomotive Co – 1945
- Started Tata Fundamental Research Institute – 1945
- Tata Memorial Cancer Hospital, Mumbai – 1946
- Started Tata Administrative Service – 1950
- Labour Welfare, free medical aid and 8 hour shifts started in Tata organisations – 1956
- Started Tata Management Centre (TMTC) - 1964
- Developed and enlarged scope of Tata Steel and Tata Consultancy Services

Learning Points

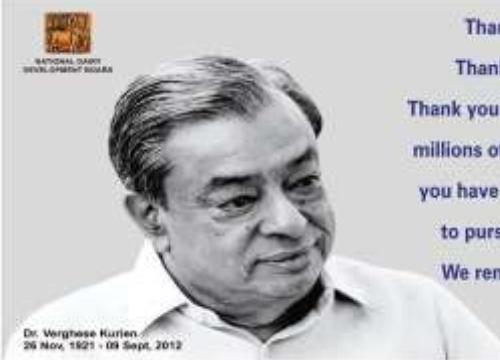
- The first Indian to pass the Pilot's examination, he build Tata Airlines which ultimately became Air India.
- He started with 14 enterprises and half a century later when he left, Tata & Sons was a conglomerate of 95 enterprises.
- JRD started employee association with management – eight hour working hours, medical aid, provident fund scheme and workmen's accident compensation scheme which is later adopted as statutory requirement by Government of India, Tata Steel started a practice, a worker is deemed to be at work from the moment he leaves home for works till he returns home from work. The company is financially liable to worker. Jamshedpur was also selected as UN Global Compact City, because of quality of life, sanitation, road and welfare measures offered by Tata.
- JRD was awarded Padma Vibhushan and later Bharat Ratna, the highest civilian award given to an industrialist during a person's lifetime.

Questions:

1. What are the entrepreneurial qualities of J.R.D. Tata?
2. JRD, a visionary always thought about tomorrow – Discuss the statement.



1.5. Father of White Revolution in India : Verghese Kurien.



Dr. Verghese Kurien
26 Nov, 1921 - 09 Sept, 2012

Thank you for giving us a dream.

Thank you for showing us the way.

Thank you for guiding us to better the lives of millions of farmers. As we remember all that you have done for us, we remain dedicated to pursuing and achieving your vision.

We remain committed to reaching out to many more lives.

Case Study of successful Entrepreneurs

Highlights

- A Mechanical Engineer turned milkman, Dr. Verghese Kurien, Indian Social Entrepreneur initiated operation flood, the world's largest agricultural development programme. A milk-deficient nation became the p largest milk producer.
- Unorganized rural milkmen were organized to put economic power in the hands of 15 million rural families in 184 cooperative unions and 22 state marketing federation .
- Milk was scarce in urban areas and did not have marketing outlet in rural areas, Anand experiment organizing 170 milk unions and 3.6 million milk producers bridged the gap. White Revolution gave fair price to the milk producers and fair supply of milk at reasonable price for urban consumers.

Amul replaced already famous Polson brand of milk products which exploited its monopoly position by denying fair price to producers and consumers.

- A key achievement at Amul was the invention of milk powder processed from buffered milk abundant in India as opposed to that made from cow milk in major milk producing countries.
- The three tier structure with a dairy cooperative society at the village level, milk union at the district level and milk federation for marketing at state level was evolved at Anand and become the pattern as Amul Model. Amul successfully competes with Mithai Mate against Nestle's milkmaid, sports drink stamina with coca cola's powerade and Pepsico's Gutorcide. Amul's ice creams are made from milk fat as compared to frozen desserts made from vegetables fat by many brands in India. Kurien also made India self-

- sufficient in edible oils, taking on the entrenched oil supplying lobby, Amul brand has literally become ‘The Taste of India’.
- Dr. Kurien established Institute of Rural Management (IRMA) at Anand to promote rural entrepreneurship and dedicated managers for rural and cooperative enterprises. A visionary, he developed forward linkage with education to take the saga forward.
 - Dr. Kurien was awarded Ramon Magsaysay Award (1963), World Food Prize (1989) and India’s prestigious Padma Vibhusan Award (1997) besides 15 honorary degrees from universities in India and around the world. India celebrates 26th of Nov, the birthday of the legend as National Milk Day.

Learning Points:

- Kurien dreamt that he is in the ‘business of empowerment’. Milk is just a tool in that. India’s place in the sun would come from the partnership between wisdom of its rural people and skill of its professionals.
- New technology in dairying organization of milk routes for faster transportation and marketing of milk and milk products made Amul a profitable venture.
- Amul balanced the interests of producers with those of consumers. Milk producers get fair price’s consumer’s uninterrupted supply at a reasonable price.
- A visionary, he had a dream, his books entitled ‘An unfinished dream’. ‘I too had a dream’. He translated the dream in to practice. For those who believe no explanation is necessary; for those who do not, no explanation is necessary, wrote Kurien. Those who believe him have seen what White Revolution is and how it came about.

Questions:

1. What are the entrepreneurial qualities of Verghese Kurien?
2. How Amul has become example of rural prosperity?

1.5 Rag to Riches: The story of P.C. Mustafa.



- He failed in Class – VI, but later joined NIT, Calicut and Indian Institute of Management, Bengaluru
- He is a son of coolie and illiterate mother. He set up Rs.100 crore company with just Rs.25,000/-.
- His idli and dosa butter common items – was popular in Bengaluru, Chennai, Mumbai, Delhi and even Dubai. He was producing 10 packets per day in 2005, he is producing 50,000 packets a day with 1100 employees in 10 years.

- From a failure in Class – VI, he resolved to be a teacher. He has, now, become teacher of the entrepreneurs.
- He got good job in Motorola and then Citi Bank at Dubai. He paid off his debts, got sister married and joined IIM, Bengaluru.

With Rs.25,000/- P.C. Mustafa during his studies started preparing and selling Dosa batora with the help of his cousins and tools like two grinders, a mixer and sealing machine. The venture was named ID Fresh. This was making profit from day one. First month, they earned profit of Rs.400/-. The number of stores partnered was 10. After getting the degree, he expanded the capacity to 3500 kg a day and partnered with 400 stores for sale. He has invested Rs.4 crore by now and his revenue is Rs.100 crore. His mantra for success: we were in the right city with the right product at the right time.

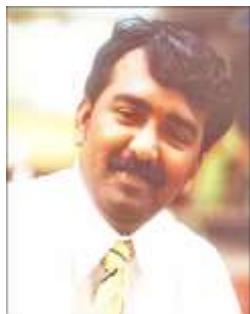
Learning Points:

- If you have passion, start immediately. Don't wait for tomorrow.
- Maintain quality
- Come with the right product at the right time.

Questions:

1. What are the entrepreneurial qualities of P.C. Mustafa?
2. ‘Rag to riches’ story is local and of recent times. Do you think that our young entrepreneurs would follow the footsteps of Mustafa?

1.6 Rag to riches: The story of Dosa King Prem Ganapathy.



Prem was left alone by his companion at Mumbai. He was a penniless outrider. He started cleaning utensils in a restaurant to make daily living. Then a neighbourhood dosa restaurant offered him a job as tea boy. He developed excellent relationship with customers and brought business of Rs.1,000/- daily. He worked on a tea shop as 50:50 partner. As the shop began to do well, the other partner threw him out. He opened his own tea stall with a loan from his uncle. The neighbourhood residents objected. He started a hand cart. That did not work. He set up a South Indian stall without knowing anything about dosa and idli. In 5 years, he prospered. This goaded him to open a Dosa Plaza near Vasti Railway Station. He invented 108 types of dosas – spring roll dosa, paneer chilly, schezwan dosa etc. He set up a Food Court at New Mumbai. Dosa Plaza now has 26 outlets, 150 employees and a turnover of Rs.5 crore. He has got enquiries from U.S. and Europe for franchise.

Learning Points:

- A penniless poor with determination can start his business and do well.
- Quality pays.
- Invention can be made in daily chores, in such simple items as dosa.
- He maintained logo, brand, waiters dress and training. Employees regardless of the region or caste were appointed. The employees are loyal to the extent that the cooks in first Dosa venture continue till date with all these, he offered the best customer service.

Questions:

1. How Prem became a successful entrepreneur after several failures and having practically no money?
2. What entrepreneurial qualities of Prem you like most and why?

1.7 Ms. Jyothi Reddy: from Field labourer to CEO

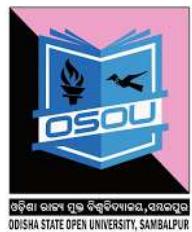


Born in 1970, as the youngest of five girl children in a poor family, Jyothi was admitted in a welfare orphanage. She was married to her cousin at the age of 16. With 2 children, she had to work in the fields for Rs.5/- as daily wage to take care of the children. She joined as Nehru Yuva Kendra Volunteer, learnt typing and stitched petticoats at night to supplement income. She studied privately and completed graduation from B.R. Ambedkar Open University and Post Graduate Degree from Kakatiya University. She got a teacher's job with a salary of Rs.398/- per month. She studied computer course to work in U.S. She left for US, leaving her two daughters in a missionary hostel. She worked as baby sitter. She started a consulting company on paper work involved with the Visa processing. With her saving of \$40,000, she started her company KEYSS and she is CEO. A long journey from field labourer with vision, hardwork and determination.

Learning Points:

- To live the life to the fullest one has to work. One should have financial independence.
- No job is less important, less honourable. That is dignity of labour.
- She is giving result-oriented training to women on various life-skills, preparing vocational training plan based on their interests. After 6 months preparations, woman trainers art to earn from the 7th month onwards.
- Hard work and never-die approach lead to success. Hers is gradual growth with perseverance. Tireless effort pays.

- She now visits the educational institutes to inspire and empower the future generations.

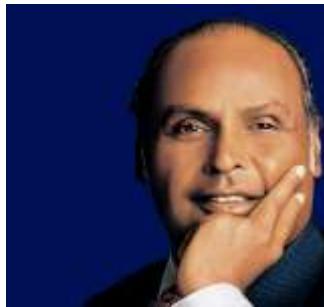


Questions:

1. What do you think of the journey from a farm labour to CEO without financial support of family and patrons?
 2. What are entrepreneurial of Ms. Jyothi Reddy?

Case Study of successful Entrepreneurs

1.8 Dhirubhai Ambani, an entrepreneur without parallel.



Dhirubhai Ambani, who started selling ‘Bhajia’ in pilgrims in Girnar market over weekends has established a company - Reliance – the first Indian company to feature in Forbes 500 list. He was named as the Indian Entrepreneur of the 20th Century by FICCI. A poll conducted by Times of India voted him the greatest creator of wealth in the century.

His creation – Reliance Industries Ltd – is the largest business house with revenue of Rs.3.8 lakh crore, net profit of Rs.23566 crore. The second largest producer of polyester fibre, 5th largest producer of PTA, 6th largest producer of PP and 7th largest producer of PX globally, it has presence in over 200 cities through 2621 Retail Stores. From Oil, gas to retail, entertainment to telecom, Reliance has an ever widening presence.

Learning Points:

- Reliance group has one of the largest family of shareholders in India over 4 million. Dhirubhai made equity cult popular and has done a significant financial innovation.
 - It is fastest growing private sector company in India with business encompassing all growth sectors of the economy such as oil & gas exploration, petroleum refining and marketing and textiles. All have global scale operations employing the state-of-the art technology in the respective fields.
 - Traders think of today's profit, Legend like Dhirubhai thinks of the next generation. The pioneering spirit is commitment to economic rationalization.
 - His mantra – think big, think fast, think ahead ideas are no one's monopoly. This is the mantra for Indian Industries to much ahead in to future with clarity and determination.
 - Ambani was born poor. As he said, 'if you are born poor, it's not your fault but if you die poor, it is your fault'. He died as the richest person in India.

- Only when you dream it you can do it. If you donot build your dream, someone else will hire you to help them build theirs.
- Pursue your goals even in the face of difficulties and convert adversities in to opportunities. License-permit quota was a limitation. He turned it upside down and built Ambani empire.
- Between my past, the present and the future, there is one common factor – relationship and trust. This is the foundation of growth of Reliance Group.
- He had no foreign degree, not even MBA degree. He had no family capital. Yet he showed Indians what was possible – an ultra modern, profitable global enterprise in India.

Reliance Industries: Financial Highlights (2014-15)

(Rs. in Crore)

Income	-	3,49,535
Profit	-	22,719
Net worth	-	2,16,150
Market Capitalisation	-	2,66,847
Contribution to National Exchequer	-	33,322

Questions:

1. Why Dhirubhai Ambani is a role model for entrepreneurs?
2. State entrepreneurial qualities of Dhirubhai Ambani.
3. Discuss the reasons of faster growth of Reliance Groups.

1.9 Ethical Business Leader: N.R. Narayana Murthy



Infosys

Infosys is a global leader in technology and consulting services. They deliver software projects, on the basis of extreme advances in technology such as automation and artificial intelligence to enable clients to take advantage of the best opportunities of our times.



Case Study of successful Entrepreneurs

They help enterprises by making new technologies and concepts – from machine learning to design thinking so that they can thrive based on automation, innovation and knowledge.

Infosys foundation in India creates opportunities for the underprivileged. Infosys foundation USA aims to give children, young adults and workers across the United States the skills they need to become creators and not just consumers of technology. Infosys Science Foundation awards Infosys Prize to important reasons in the science and the humanities.

Locations:

- Corporate headquarters: Bengaluru, India
- Employees: 1.97 lakh representing 122 nationalities
- Main officers of the company:
- Chairman of the Board and Chief Mentor: Narayana NR Murthy
- Managing Director, President and CEO: Nandan M Nilekani
- and Key Executives
- Exchange listings:
- USA: NASDAQ (INFY) : First Indian Company to be listed in NASDAQ
- India: National Stock Exchange, Mumbai Stock Exchange & Bangalore Stock Exchange, Large Market Capitalism.

Summary Financials:

For the financial year ending March 31, 2016

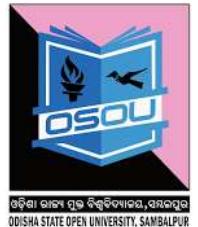
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|--------------------|----------------|
| • Revenues | \$9501 billion |
| • Operating Income | 2375 billion |
| • Earnings per ADS | 2052 billion |
| • Total assets: | 11378 billion |

Milestone:

- Established 1981
- ISO 9000/Tick IT 1993
- Certification 1993
- Introduces Employee Stock option

Infosys Foundation Established 1996

- | | |
|---|------|
| • Assessed at CMM level -4 | 1997 |
| • Attained CMM Level – 5
(21 st Company in the world) | 1999 |
| • Best employer rated by Business World | 2001 |
| • N.R. Narayana Murthy rated as TIME Magazine / CNN's most influential business man the world | 2001 |
| • Touches revenue of \$500 billion | 2002 |



Case Study of successful Entrepreneurs

- Annual Revenue reaches US 1 Billion 2004
- Infosys consulting inc. launched
- Employee strength over 1 Lakh 2009
- Listed in the NYSE Market 2012
- Forbes ranks it among the world's most innovative companies.
- Vishal Sikka appointed CEO 2014
- Infosys acquired SKAVA, a leading provider of 2015
- Digital Experience Solution in the Retail industry.
- Infosys acquired Panaya Inc., provider of automation technology for large scale Enterprises Software Management.
- Infosys acquired Noah Consulting LLC, a leading provider of advanced information management consulting services for the oil and gas industry.

Subsidiaries :

- Edge Verve Systems Ltd. - Serves 56 crore customers in 84 countries – Develops Software products and offers them as cloud – hosted business platform. Finacle becomes the choice of financial Institution over 84 countries.
- Infosys BPO Ltd.- Focus on end – to – end outsourcing delivers benefits such as reduced cost, ongoing productivity improvements and process reengineering.
- Infosys Lodestone, Zurich-advises International Companies on Strategies and Process Optimization as well as IT transformation.
- Infosys Public Services Inc. (USA) – a leader in business consulting technology solutions.
- Infosys Technologia do Brasil Ltda. Provides best of breed business solutions.
- Infosys Technology (China) CEO Ltd. – to become world class hub, offering Global Consulting and IT services.
- Infosys Technologies (Shanghai) Co. Ltd. – provides advanced facilities for software development, Data centers training facility, a 1500 seater auditorium and other facilities.
- Infosys Technologies S.do. R.L.d.e. C. V. – provides IT and BPO services to clients in North America, Latin America and Europe- ISO 27001, ISO 9001-2008 and SSAE 16 certified.
- Kallidus (California, USA) develops mobile commerce and digital marketing services to large retail clients.
- Panaya (US) – Provides automation technology for large scale Enterprises Software Management.

Operations :

Infosys has 1045 clients across 50 countries.

Summary Financial :

For the financial year ended 2016

Revenue \$9501 billion

Operating Income	\$2375 billion.
Profit	\$ 2053 billion
Total Assets	\$11387 billion

Awards :

- International Ashden award, 2014, a green energy award.
- Asian Most Admired Knowledge Enterprises (MAKE) 2014-Won 12 times from 2000 onwards.
- It's a leader in Gartner's International Retail Core Banking Report for its Finacle Core Banking Solutions – 8 times in a row. Named as leader.
- Thomson Reuters India Innovation Award in Hi –Tech. Corporate category, 2014.

Man Behind :

N.R. Narayana Murthy, M.Tech. from IIT Kanpur is Co-founder of Infosys. He was CEO from 1981 to 2002 and Chairman from 2002 to 2011. When Infosys declined in performance, he returned as Executive Chairman in June 2013 and remained for a year. Murthy is described as Father of Indian IT Sector by TIME. He is listed among 12 greatest entrepreneurs of our time by Fortune magazine. The Economist ranks him 8th in the list of the most admired global leaders (2005). Earnest and Young voted him as World Entrepreneur of the Year. (2003).He is awarded Padma Vibhusan by Government of India.

Learning Points :

- 1) Infosys under Narayana Murthy showed steadfast growth. It was among the few companies to see opportunities in IT outsourcing during 1981 – 2002, Infosys clocked a compounded revenue growth of 65 percent and net profit growth of 64%. When Infosys struggled and found 3rd place in revenue growth after TCS and Cognizant, Murthy returned as Executive Chairman at Re. 1 as annual salary for revival of growth. Two other Founding members also worked with annual salary of Re.1.
- 2) Critics say that the culture of a founder - led and founder - centric governing model has cost the company three generations of leaders over the past 25 years.
- 3) With a glittering career, Murthy authored a book – A Better India, a Better World- a significant contribution to the world of ideas.
- 4) He preached ethics and practiced ethics. That makes Narayana Murthy a great man and Infosys a great company.

1.11 WIPRO

Wipro is a global technology consulting and outsourcing company with 1.7lakh work force serving clients in 175 cities. It helps customer to do business better by leveraging Industry – wide experience, deep technology



Case Study of successful Entrepreneurs

expertise and vertically aligned business model. Its revenue is \$7.7 billion (2016).

Highlights :

- 1980 Diversification into Information Technology.
- 1985 Pioneers in marketing indigenous personal computers.
- 1989 Joint venture with Zee – Wipro Zee Medical System starts and attains Six Sigma quality standards
- 2000 Listed NYSE
- 2001 PCMM level 5 (First company in the world)
- 2002 BPO Business 2008 Eco. – Energy Business.
- 2013 Demerges its diversified business in the Wipro Enterprises Ltd.
Wipro Ltd to focus exclusively on IT business.
- 2014 Recognized – global sector leader for the software and service industry.
- 2015 Wipro Digital Business as a separate unit.
- 2016 Wipro acquired Health Plan Services- Service provider in US, Health Insurance in market.



Case Study of successful Entrepreneurs

Wipro Group of Company :

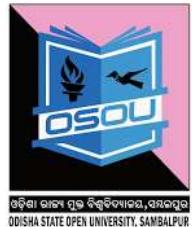
Wipro Consumer Care and Lighting. (1945) – Vegetable Oil, Personal Care and Lighting Products.

Wipro Infrastructure Engineering – Second largest independent Manufacture of Hydraulic Cylinders in the World.

Awarded :

- 2012 2nd in Netroweek Global 500 Green Companies.
Nasscom Corporate Award for excellence in diversity and inclusion
- 2014 Ranked 52nd among India's most trusted brands, according to Trusts Research Advisory study.
- 2015 Most ethical company for four consecutive years (US based Ethicsphere Institute)

Azim H. Premji



Case Study of successful Entrepreneurs

Azim H. Premji, Chairman of WIPRO Ltd. guided WIPRO through four decades of diversification and growth. With net worth of US \$16.5 billion, he has been twice listed among top 100 most International people in 2006 and 2011 by Time Magazine. In 2010, he was voted among 20 most powerful men in the world by Asiaweek.

Awarded Padmabibhusan by Government of India, he gave away 25% of his personal wealth to charity in 2013 and has pledged the rest of 25% in the next five years. He signed The Giving Pledge, a campaign led by Warren Buffet and Bill Gates. He established Azim Premji foundation which works in the area of elementary education to improve the quality of school education. In 2010, he pledged US \$ 2 billion, the largest donation of its kind in India. Azim Premji university runs programme to develop education and development professionals, offers alternative models for educational change and invest in educational research. In his famous words, "I strongly believe that those of us who are privileged to have wealth should contribute significantly to try and create a better world for the millions who are less privileged".

IT Services :

Information Technology Services or IT Services from Wipro are focused on helping customers realize their business goals by delivering tangible, measurable benefits.

Service Offering :

- Application Development and Maintenance
- Architecture Consulting
- B2E
- Business Intelligence and Data Warehousing
- Business Process Management (BPM)
- Content Management
- CRM
- E-Business
- ERP
- E-procurement & B2B Marketplaces

- Enterprise Security
- Package Implementation
- Product Life – Cycle Management (PLM)
- System Integration
- SCM
- Enterprise Application Integration
- Technology Infrastructure Services
- Web Services Distribution and Logistics
- Energy and Utilities
- Finance
- Government
- Health Science
- Hospitality
- High Technology
- Insurance
- Manufacturing
- Media and Entertainment
- Retail
- Software Products
- Telecom Service Providers
- Travel and Transportation
- Entrepreneurship

Wipro Spectramind, largest third-party offshore BPO (Business Process Outstanding) provider in India, provide a full spectrum of BPO services covering all five levels :

- Data entry
- Processing
- Decision making
- Direct customer interface
- Expert knowledge services

Service Offering :

- Customer Interaction Services :
- Finance & Accounting Services
- Payment Services
- Industry Administration Services
- Insurance Processing
- Mortgage Processing
- HR Processing Service
- Supply chain services
- Knowledge Services

Questions :

1. Discuss the entrepreneurial qualities of Azim Premji

2. Riches did not ‘thrill’ Premji. Philanthropy and charity thrills him. Discuss the statement.

1.3 Self – assessment questions:

1. Who is an entrepreneur?
2. Is every dreamer an entrepreneur?
3. What is innovation?
4. Is innovation market - driven or it drives the market?
5. What is risk taking? Can entrepreneur take unlimited risk?

1.12 Further Readings :

Desai V., the Dynamics of entrepreneurial Development, Homalaya, Mumbai

Badi, R.V. & N.V. Badi, Entrepreneurship, Vrinda, New Delhi.

Roy. R., Entrepreneurship Oxford, New Delhi

Dutta B, Entrepreneurship Management, Excel, New Delhi.

1.15 Model Questions :

1. With reference to the case study, what are the qualities an entrepreneur?
2. What are his/her principles?
3. What are the qualities for success?
4. How is entrepreneur looking for unchartered areas to conquer?
5. What is the dream of entrepreneurs? Measure his / her success?
6. What is innovation? Is it one-time affair ? How does the entrepreneur meet the uncertainties?
7. How entrepreneurs are creating new frontiers of the knowledge economy?
8. Is entrepreneur a nation builder?
9. What are humanitarian and social activities undertaken by the entrepreneur?

Unit-2- Entrepreneurial Skills and Competencies

Learning Objectives :

After reading this unit, you will

- 1) Understand what are entrepreneurial skills
- 2) Know what are entrepreneurial competencies and how these are acquired.

Structure :

- 2.1 Entrepreneurial competencies
- 2.2 Entrepreneurial Launching Competency, Enterprise Management Competency.
- 2.3 Qualities of Entrepreneur , Habits of Entrepreneur
- 2.4 Entrepreneurial skills
- 2.5 Let us sum up
- 2.6 Key terms
- 2.7 Self-assessment questions
- 2.8 Further Readings
- 2.9 Model Questions.

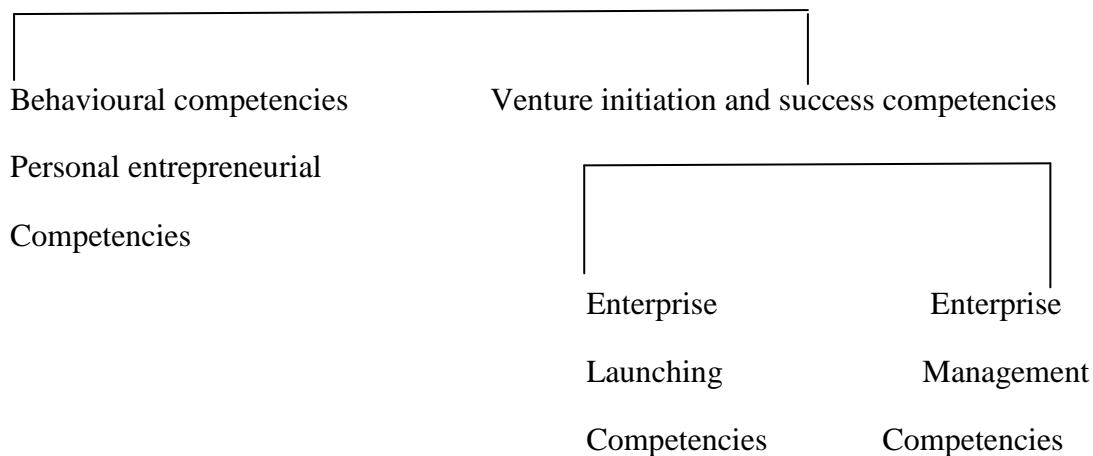
2.1 Entrepreneurial competencies:

Competencies are underlying characteristics of a person which result in effective action and / or superior performance. Entrepreneurial competencies are inborn urban qualities and qualities developed through training, experience and guidance.

There are classified under the following heads :

- Behavioural competencies
- Enterprise launching competencies
- Enterprise managing competencies

Chart-1 ENTREPRENEURIAL COMPETENCIES



Behavioural competencies are basic competencies which are latent in the entrepreneur which needs to be identified and nurtured. Some others are acquired through training and practice. These are necessary.

- i) to venture into an enterprise
- ii) to realize goal for which the enterprise is established.
- iii) is, to organise an enterprise

Various behavioral competencies are given as under :

Chart-2

Behavioral competencies

Initiatives	Look for Opportunity
Persistence	Information Seeking
Quality Consciousness:	Commitment to work
Efficiency Orientation	Systematic planning
Problem solving	Self- Confidence
Assertiveness	Persuasion
Monitoring	Concern for employee welfare
Effective Strategist	

1. Initiatives:

It is an inner urge to do something. Jamsetji had urge to start a steel plant. He saw established steel plants set up by the colonial masters. Yet he dreamt big. His spirit of nationalism might have fired him to action. The same spirit inspired J.R.D. Tata to start commercial aviation. He diversified Tata empire to locomotive and automobiles. He was shooting at series of moving targets, by setting himself new goals , Kiran Mazumdar Shaw took initiative to start biotechnology industry with ambition to make it one of the top 10 biotechnology companies of the world. The first step is taken, then the results follow.

He does things before being asked or forced by events its. He starts from scratch or extends, business into new areas, products or services.

2. Looks for opportunity :

He sees and acts on opportunities. M.S. Oberoi collected cash and purchased hotel at Shimla. Had he thought twice, he wavered he would never have become owner of a chain of hotels. Narayana Murty saw the opportunities in outsourcing IT and never looked back. The first



Entrepreneurial Skills and Competencies

man has great advantages. He faces uncertainty but that is about entrepreneurship. No uncertainty, no risk, no gain.

An opportunity has four essential qualities :

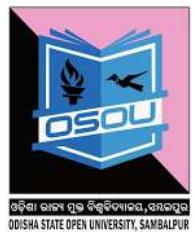


Diagram 1 : Opportunity

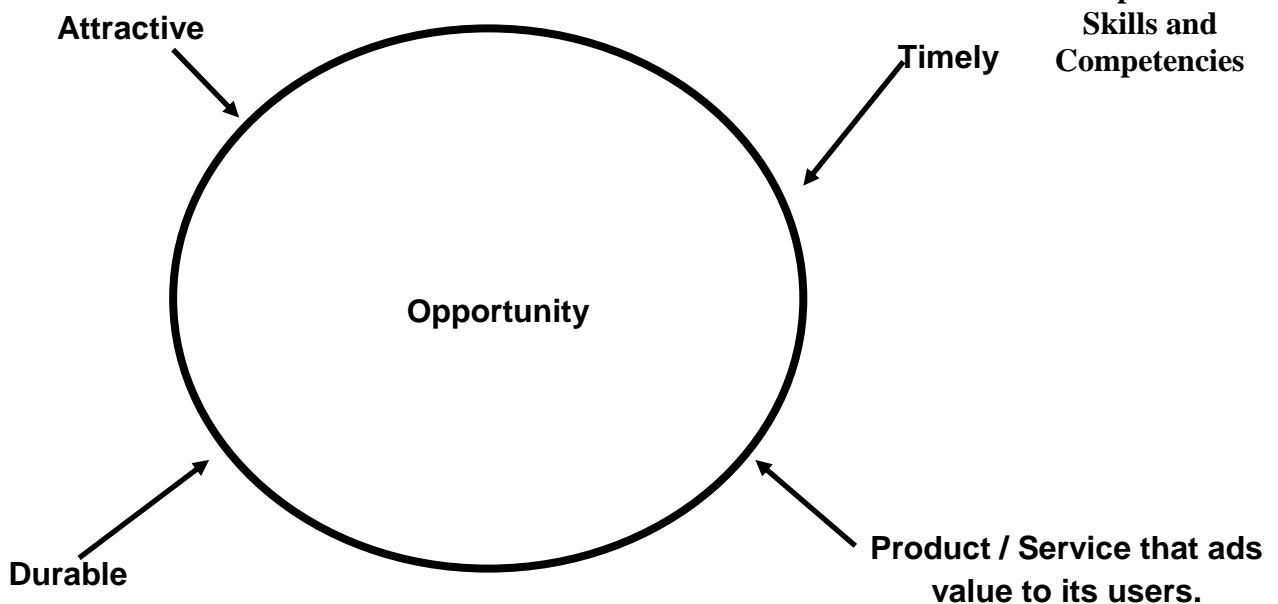
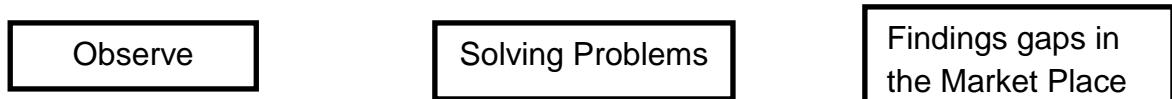


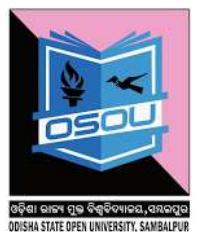
Diagram 2 -

Three ways to identify an opportunity.



From trends, an entrepreneur can study and observe them. They can purchase market forecast and analysis from independent research firms. Environmental trends – economic forces, social forces, political changes, technological advances – suggest business or product opportunity gaps.

The second stage involves, finding a solution. The third step is to find out gap in market place - a product or service needed by a specific group of people. One may not have large market to be of interest to manufacturers. e.g. design of clothes. The entrepreneur senses opportunity by prior experience or social network. If he is creative enough, he can divine it.



Entrepreneurial Skills and Competencies

3. Persistence :

No enterprise is free from obstacles. It is not roses all the way. You try, you fail, you try and try again. ‘Try again’ formula makes him succeed. Obstacles may come once or in a series. The entrepreneur does not give way. He persists and persists till the obstacles are removed and he attains success. Talent with help initially to set up a business, persistence with stabilize the business. As Japanese say, fall seven times, stand up eight.

4. **Information seeking :** An entrepreneur keeps his eyes and ears open. He dreams but is not blind to opinions around. He consults experts, he may not be one. He does personal research on how to provide a product or services. He asks questions, listens to all points of view, even the negative ones. After collecting information, he takes decision or changes decision.

5. **Quality Consciousness:** An entrepreneur sets high quality standards. He does nor compromise on quality. Mumbai Dabbawala, take dabba, hand over and return the dabba back home in time. It is done seven days in a week for 365 days with precision. That is how they have won Six Sigma recognition. Very few industries run by more wealthy, more Educated, more organized industries have this standard.

6. **Commitment to work :** Entrepreneurs make personal sacrifice. They work more and more, give away more time and efforts to realize their dream. They work to get a job done, aim at customers satisfaction. There are no ‘ifs’ and ‘but’s in their commitment.

7. **Efficiency Orientation :** An entrepreneur does things efficiently. He does it with fewer resources or at a lower cost. He finds ways of reducing cost or improving efficiency, tries new method of working, new products, new markets, all with cost efficiency and fewer resources.

8. **Systematic planning :** He plans step by step to reach goal. Large task is divided into smaller task. With each task, he lists problems and how to overcome these obstacles. Step by step approach with a time schedule falls. It is not about, anyhow, anytime. He plans and knows how to do it. He puts time so that the task is performed in set time.

Some people see:

- i) Planning is unnecessary; whatever has to be done is to be done.
- ii) There is no time for planning. We are known for action rather than planning.
- iii) Planning takes away flexibility. You have to take decision on the job immediately without the luxury of thinking, planning and changing.

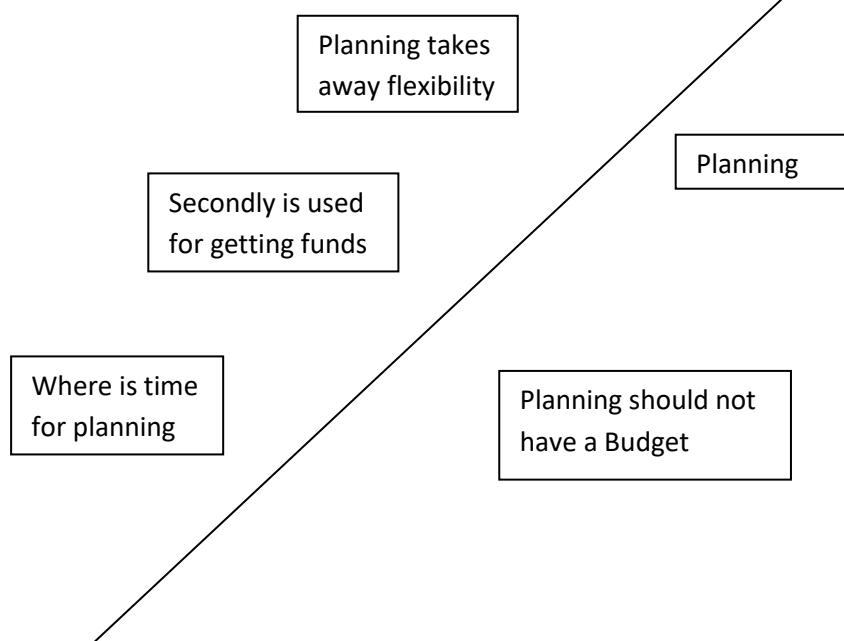
Entrepreneur is not one who subscribes to these views. He thinks :

- i) Planning is necessary as what to do, how to do and what not to do in future should be thought about.
- ii) There is time for everything. If we plan earlier, you do not waste time later.

- iii) Flexibility does not mean that one will act thoughtlessly.
So he plans, and act flexibly.



Entrepreneurial Skills and Competencies



9. **Problem Solving :** He takes problems as challenges, and tries different ways of solving all these. If one way of solving is not helpful, he tries other ways. When he discuss with people, he takes a cue and adopts new ideas / solutions. He solves as and when these arise. It may not be perfect way but he solves in time, may be imperfectly. When an Entrepreneur looks for idea, he does not looks for profession. He starts with imperfect ideas and improve on it.

10. **Self-Confidence :**

An entrepreneur has strong belief in self and own abilities. He does not consider himself inadequate. He sticks, to own judgement even if he has nor attained success at early stages. He is futuristic and is hopeful of success in future.

11. **Assertiveness:** He does not avoid problems. He faces them directly. He knows what to say, when to say and whom to say. He takes people to task for failure or non-compliance.
12. **Persuasion:** He successfully persuades others. He
 - Convincing someone to provide financing.
 - Convincing customers to buy a product or service.
 - Convincing employees that what they are doing is right.
 - Convincing himself about organisation's product or services.
13. **Monitoring :** He develops procedures to ensure that work is completed in time with lesser cost. He monitors so that his goals are achieved within a prescribed time limit. Time is valuable. Monitoring is time-bound and effectively reduces cost and eliminates delay.
14. **Concern for employee welfare :** He is employee-oriented to improve the welfare of employees. They are important stakeholders in business. Their interest is concern to him. He promotes loyalty by working with them, working for them. Tata introduced labour welfare schemes in such a way that there was no strike in that company for decades , N.R. Narayananamurthy of Infosys made hundreds of \$ and rupee millionaires among the employees. The entrepreneur learns that the happiest are those who do the most for others.
15. **Effective strategist :** An entrepreneur faces problems and uncertainties in future with a strategy. Dhirubhai Ambani found out loopholes in License -Permit Raj, These restrictive instruments became strategies for growth for Reliance Industries.

The strategist uses business contacts or industrial people as his agents to accomplish his goals.

2.2.1 Enterprise Launching Competency :

There are

Determination competencies: competencies and focus needed to bring a business into existence.

Opportunities Competencies : Competence necessary to identify and exploits elements of business environment that can lead to profitable and sustainable business.

Resource competencies : The ability of the entrepreneurs at funding expendable components necessary to the operation of business.

Time	Financing
Information	Raw materials
Location	Expertise

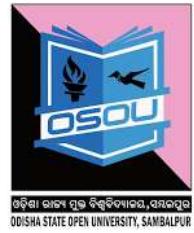
The following are **Enterprise launching competency**

- Competency to understand the nature of business.

To analyse advantages of business



Entrepreneurial Skills and Competencies



Entrepreneurial Skills and Competencies

- To maximize opportunities and minimize the risks of running business.
- Competency to determine the potential as entrepreneur.
 - To find out ability of employees in his business.
 - To determine potential for planning, operations, personnel and public relations.
 - To evaluate own potentials for decision - making, problem - solving and creativity.
- Competency to develop a business plan.
 - To identify business plan
 - To use mechanism for developing business plan.
- Competency to obtain technical assistance
 - To select professional consultants.
 - To work effectively with them.
- Competency to choose the type of ownership.
 - To analyze the type of ownership of business
 - To take steps and to follow the steps necessary to file for ownership of business.
- Competency to plan the market strategy.
 - To plan tools for marketing.
 - To plan marketing mix.
 - To use decision - making tools and evaluate marketing activities.
- Competency to locate the business
 - To undertake local feasibility study
- Competency to finance business.
 - To estimate finance for business and to sources
 - To prepare cash flow, fund flow , and profit loss statements.
- Competency to deal with business.
 - To assess the effects of regulations on business.
 - To ensure compliance of Government rules and regulations.

2.2.2 Enterprise management Competencies

- Competency to manage the business.
 - To plan goals for the business.
 - To establish organizational structure and control practices and procedure.
- Competency to manage human resources.
 - To plan goals for the business.

- Competency to manage human resources
 - To write job description for employees.
 - To develop training programme for employees.
 - To develop Employee Evaluation System.
- Competency to promote the business.
 - To develop long term plan
 - To conduct and evaluate promotional effectiveness
- Competency to manage sales
 - To develop sales plan for the business.
 - To develop policies and procedure for seeking the customers.
 - To develop a plan for training and motivating sales people.
- Competency to keep business records.
 - To determine how books of account will be maintained.
 - To identify the types of records that is to be maintained.
- Competency to manage finance
 - To identify financial control points.
 - To identify Break Even Point and to fine Cash Flow Patterns.
- Competency to manage credit and collection.
 - To develop various credit and collection policies.
 - To adopt Management Information System for policy implementation.
- Competency to protect business
 - To determine cost of insurance to minimize losses on a account of theft, robbery etc.

2.2.3 Classification of competencies

Competencies

Achievement

Competencies

Planning competencies seeking,

Power

Characteristics

Initiative, looking for opportunity
persistence, commitment to work
Quality consciousness, Risk taking.

Goal setting, Information
Planning, Monitoring
Persuasion, self-confidence.

To sum up

Enterprise launching competencies are :

Competency to understand the nature of business.

Competency to determine potential of enterprise.

Competency to develop business plan

Competency to obtain technical assistance.

Competency to choose the type of ownership.

Competency to plan the market strategy.

Competency to locate the type of business.

Competency to plan the market strategy.

Competency to locate the business.

Competency to final business.

Competency to deal with business.

Entrepreneur management competencies are :

Competency to manage business

Competency to manage human resources.

Competency to Manage business

Competency to manage sales

Competency to keep business records

Competency to manage sales

Competency to manage credit and collections.

Competency to protect business.

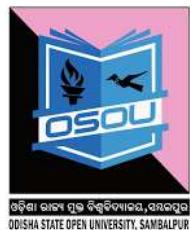


Entrepreneurial Skills and Competencies

From customer's point of view , the capabilities are classified as follows :

Product specific capabilities visible to customers

Product quality. Performance features Range / variety New Products



Process specific capability visible to customers

Pre and post sales process Tendering process
Dealer management process Complaint handling process

Entrepreneurial Skills and Competencies

Process specific capabilities invisible to customers :

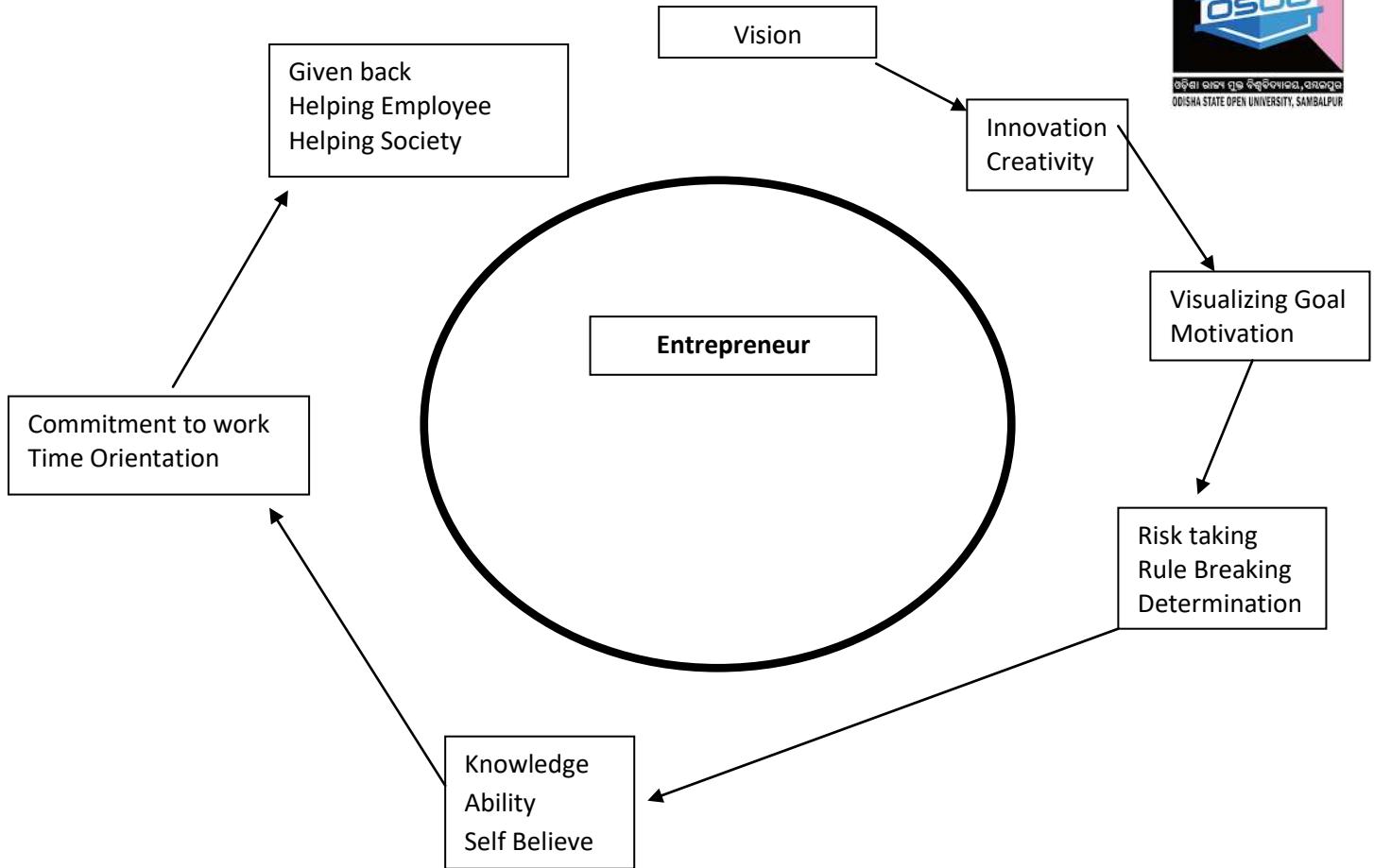
Creation of data base on low cost. Purchase process
Material management process Product development process
Quality assurance process

2.3 Qualities of an entrepreneur :

2.3.1 An entrepreneur possesses the qualities as given under :

- Visionary
- Visualizes goal and success
- Initiative
- Motivation
- Risk-taking
- Creativity
- Knowledge
- Ability
- Self-confidence
- Determination
- Aptitude
- Time Orientation
- Commitment to work

Diagram – 4



Stephen Key, author of One Simple Idea series tells, about 5 qualities of entrepreneur.

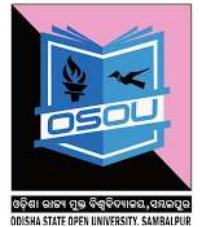
- i) An unwavering passion
- ii) Open mindedness
- iii) The desire to be an expert
- iv) A forward looking approach
- v) A constant flow of ideas.

Meiko Patton adds :

- vi) Willingly fail and reflect.

Samuel Beckett adds, “Ever tried, ever failed. Try again. Fail again, “ Planning for failure makes, you strong .Radical results demand extreme behaviour. Doing a little more is not enough Being extreme is winning strategy.

2.3.2 Habits of successful entrepreneurs :



1. Always learn an entrepreneur is a student of business, technology and human resources. He learns not in classroom but in work situation and by committing mistakes.
 2. Lack of money does not stop any one to succeed as entrepreneur. You need money. How to get and manage money, how to get credit is not common knowledge. But a coach / consultant helps.
 3. Focus on mission not money. You need money you need return on money. But focus on long term success.
 4. Don't just be busy. The key is not effort but efforts with a focus on the returns on your time and effort.
 5. Create assets that create income and work flow.
 6. Delegate routine matters, so that the entrepreneur concentrates on higher value adding policy, planning or strategy.
 7. Shift from selling products to selling solutions that attract new customers.
With right habits one can be a successful entrepreneur.
 8. Planning for failure or thinking of an exit strategy forces to look unpleasant possibilities you look from the viewpoints of investors / customers.. Planning for failure makes it easier to move on. Connect with people, make business happen. It is that simple. If you are hurt, lick your wounds and get up again, says, Richard Branson. It is certain that you do not know all answers. Do what you are best at. Constantly think about doing things better and questioning yourself.
- vii) To win big, you have to take big risks. Big risks mean big failures as well as success, says Bill Gates in his famous book Business @ the speed of thought.

Bad Habit :

1. To win at all costs and all situations.
2. Passing, judgement, the need to rate others.
3. Starting with 'no but somehow' does not show your positive approach.
4. Failing to give proper recognition to employees and partners.
5. Everybody except me is responsible for failure.
6. Not listening : The most aggressive form of disrespect for colleagues.
7. Making excuses
8. Failing to express gratitude.

2.3.2 Entrepreneur Under Thirty:

Successful businessman under 30 have the following qualities-

- | | |
|----------------|------------------|
| 1) Disciplined | 3) Open minded |
| 2) Confident | 4) Self-starter |
| 5) Creativity | 6) Determination |

- 7) Strong peoples skills 8) Competition
 9) Strong work ethics 10) Passion

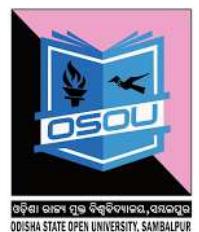
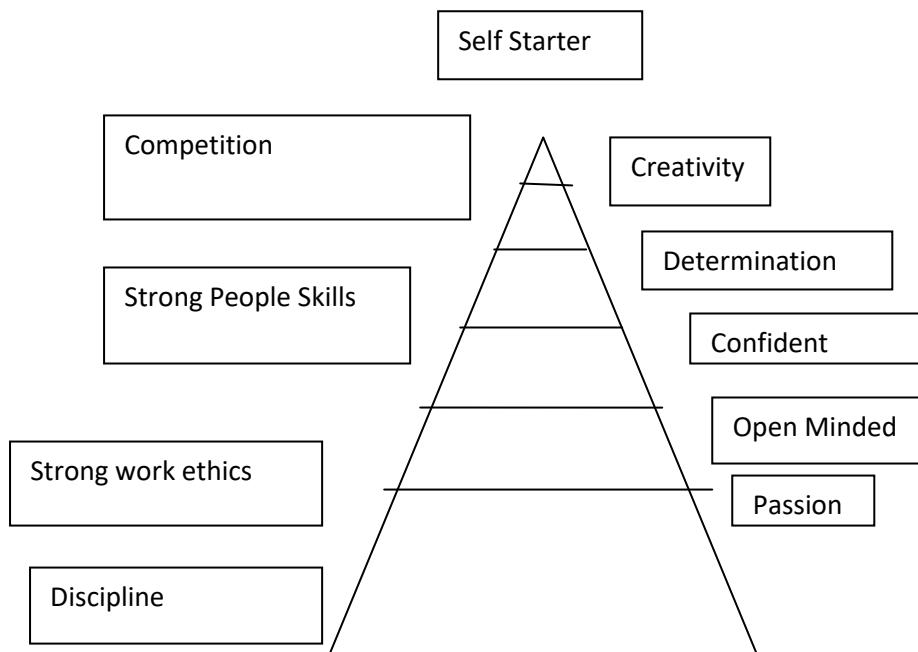


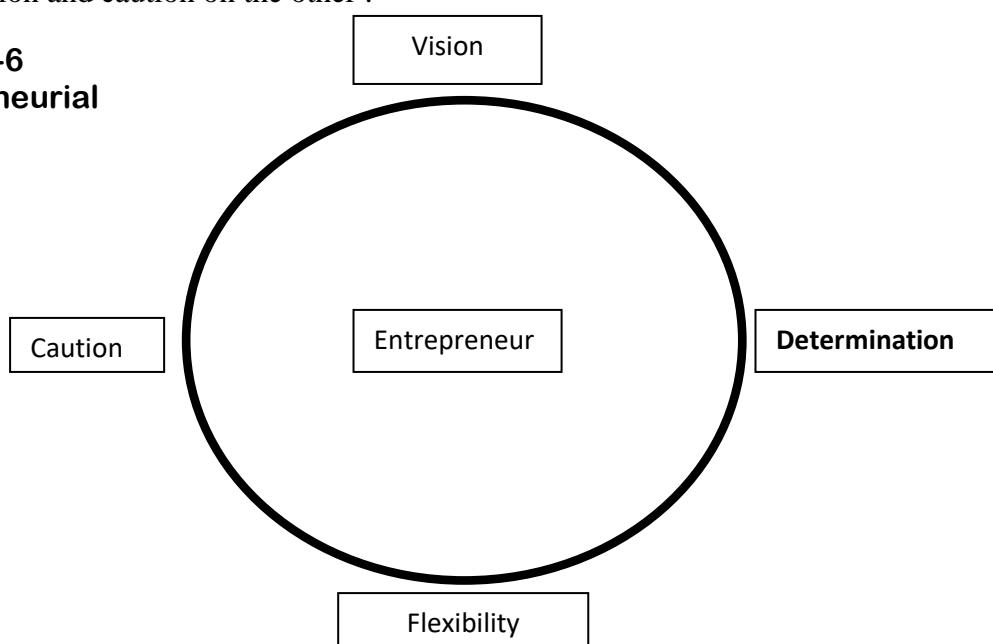
Diagram- 5
Who is an Entrepreneur

**Entrepreneurial
 Skills and
 Competencies**



The Entrepreneur Balances between vision and pragmatism on one hand and innovation and caution on the other :

Diagram -6
**Entrepreneurial
 Balance**



Gallup studies mere than 1000 entrepreneurs and pins on the following qualities:

1. Business focus
2. Confidence
3. Creative Thinker
4. Delegator
5. Determination
6. Independent
7. Knowledge seeker
8. Prompter
9. Relationship Builder
10. Risk Taker

2.3.3 :

What award winning entrepreneurs say :

1. Fear of failure :" If you are afraid of losing money, you will not make it to success".

Hamdi Ulukya, Founder of Chobani.

2. Risk taking : "You have to be able to take the risk and be prepared to lose everything " Hank and Donna Roth, founder of Cool Gear International".
3. Flexibility : "When you realize you are not good at something, you need to try something else".

David M. Rubenstein, Co-founder D.Carlyle Group.

4. Delegates : "Don't delegate at the beginning. The best way to get a handle on the business is to learn every aspect".

Seth Goldman, Co-founder, Honest Tea.

5. Listen : "Listen to those who have been before".

Karin Mayr, Founder of Sabika.

6. Passion : "You do everything and need to be willing to do everything"

Annette Catino, Founder of Quality Care.

7. Failure : Failure does not mean stop. It is simply a u-turn to keep going"

Lisa William, Founder world of EPI.

8. Problem solving - "Solve a problem and create something that people need"

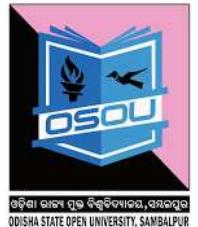
Brian Schultz, Founder of Studio Movie Grill.

9. Re-invention : "Keep your ears to the ground and be ready for constant reinvention".

Jennifer Blumin, Founder of Skylight Group.



Entrepreneurial Skills and Competencies



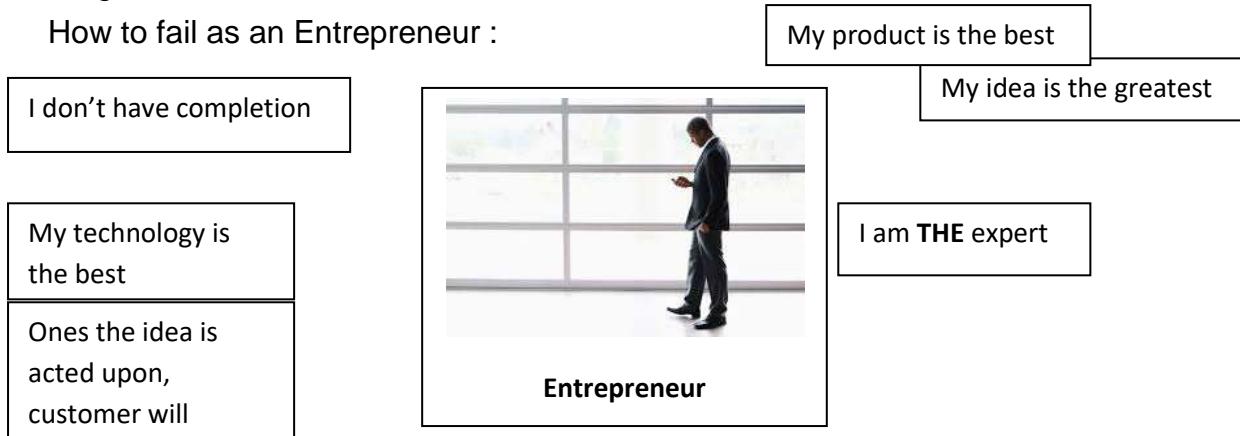
Entrepreneurial Skills and Competencies

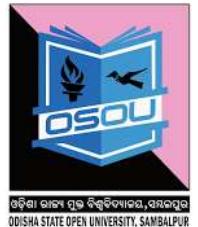
10. Excellence: “Always execute with excellence and learn forward to take smart risks”
Karri Bass, Co-founder, Illumination Research.
11. Paradoxical Thinking : “Trust your self. Remember making big leaps requires paradoxical thinking. What you want is different results compared with what most everyone else wants or is willing to do what it takes to get”.
Ali Brown, Founder of Elevate.
12. Self Confidence : “You have to believe in what you do” Kathy Ireland, Founder, Kathy Ireland World Wide.
13. “Find the ten smartest and most relevant people in your Industry and read every thing they produce. I would learn their wisdom both a short-cut to excellence and competitive opportunity”.
Tim Mc., Mullen, Founder Redpepper.
14. Idea : “Be curious and questioned, everything”
Justin Gold, Founder Justin’s.
15. Learn from failure : “Rejection is a gift and failure is the best education . So when someone knocks you down, get back up”.
Kathy Ireland, Founder of Kathy Ireland worldwide.
16. Determination : “And to win you have to go all in “No half way”. “No partway” in. All in”.
Pat Riley, President Miami Heat.
17. Passion : “ Do something you are passionate about, do something you love”.
Marry Perra, CEO General Motors.
18. Quality : “Be so good they can not ignore you,”
Marc Anderessen, Co-Founder Anderessen Horowitz.
19. Persistence : “My motto, persistence and speed”
Martin Sowell, CEO, WPP Group.
20. Learning : “Never stop learning. This strongest leader are those who are life long students”.
Indra Nooyi, Chairman, Pepsi-co.
21. Get the Best Out of Employee : “People can be bought with their pockets” and they can be stimulated with their brains, but only if you win their hearts, they will give you their fullest effort driven by their positions”
Andrew Liveris, President, Dow Chemicals.
22. Decision Making : “Never make an important decision while you are feeling emotional, either too happy, surprised or angry. Never make a big decision, until you have talked it over with people you trust. Then, be decisive, ones you have heard them out”
Andreus Gluski, President, The AES Corporation.

23. Opportunity : In a world of scarcity, the critical skill is to maximize opportunities. In the new world where everything is abundant, the critical need is to make good choices.
 Francisco, D'Souza, CEO, Cognizant.
24. “Good leaders put their team first and create where employees feel empowered to share ideas and feedback”.
 Michale F. Mahoray, President, Boston Scientific.
25. ‘Do, not to do’
 It is far more important to decide what you are not going to do than what you are going to do ? We wont do XYZ. Focus and simplicity are work force multipliers”.
 Darren Huston, CEO, the Priceline Group.
26. People – Oriented : “Take care of your people and they will take care of you”
 Hicks, Chairman Foot Locker.
27. Reputation : “Most things into the world can be bought or sold, but not a reputation”.
 Bettinges, CEO, Charles Schwab
28. Mistake : “Think but don’t over think. Make mistakes. Learn, then try again You can learn from every one and any one but be your self. Pour everything you have into everything you do. There will be no regrets because you did your best”.
 Jen Hsun, Huang, CEO, N.Vidia.
29. Comparison: “Never compare your weakness to someone else’s strength, It is important to focus on your own special talents”.
 Hayley, Barna, CEO, Birch box.
30. Conflicts: “Don’t be afraid of tension, Creative tension is essential for creating a product for the audience, with maximum musical and theatrical rigour.
 Christopher Koelsch, President, Los Angeles Opera.

Diagram - 5

How to fail as an Entrepreneur :





Entrepreneurial Skills and Competencies

2.3.4 Developing Entrepreneurial Competencies

Entrepreneurs have certain innate qualities. Others can be acquired through experience and training. Resource competencies regarding location and information and can be acquired by liaison and relationship with people. Experience can help in developing competency to obtain technical assistance and competence to choose the type of ownership. Entrepreneur management competencies like competencies to manage credit and collection, competency to manage finance, competency to keep business records and competency to manage sales are learnt in Basic programme on Entrepreneurship. Consultants may be engaged for hiring of right people to man finance public relations, sales and human resources. How to weld them into a team is the entrepreneurial responsibility. This can be facilitated by training intervention.

Most difficult part relates to training of Behavioural Competencies like initiative, risk taking, looking for opportunity etc. Prof. Davis Mc Cleland who is known for his celebrated theory of achievement motivation through Kakinada experiments proved that these competencies can be acquired by training. First, we try to find out what we doing self-assessment gives a clue to competency recognition. Second, we compare individual competencies with competencies required for desired performance. Third, Behavioral scientist can devise ways and means to develop the required competencies. Various simulation exercises and visualization methods are used to enhance competency. Continuous application can reduce the gap between the actual and desirable level of performance. Feedback is freely and professionally given so that the gap is reduced over time. Fourth motivational training may help job performance, . Job designing, Job re-engineering, Organisation Behavioural intervention, flexitime, flexible benefits and empowerment help in improving entrepreneur and employees competency.

2.4 Entrepreneurial skills :

The skills are entrepreneurs ability to deal with socio - economic forces, organisations, situations and those areas of setting up an enterprise and its management.

Individual Skill	Functional skill
Group skill	Technical skill
Business Management skills	Personal Entrepreneurial skill
Behavioural skill	Communication skill.

Individual skills

- knowledge skills
- Analytical skills
- Problem solving skills
- learning skill
- functional skill

Group skills :

- Interpersonal skill
- Ability to work and learn together

Technical skill :

- Technology management
- Writing skill

Business management skill :

- planning
- Goal settings
- Decision making
- Accounting
- Management
- Control

Personal Entrepreneurial Skill :

- Risk Taking
- Innovation
- change Orientation
- Vision

Behavioural Skill :

- Initiative
- motivation
- Team play
- Self - management

Communication skills :

- listening skill
- Writing skill
- Speaking skill

World Health Organization (WHO) classifies the life skills into three categories :-

Thinking Skill :

Social awareness, goal setting, problem solving and decision making.

Social skills :

Working with others, building positive relationship with stakeholder, listening and efficient communication, inter personal relationship.

Negotiation skill :

Negotiating with others

There are different types of entrepreneurs. Types of skill vary according to type of entrepreneur, location, clientele. A serial entrepreneur has the followings skills in order of importance as revealed in Harvard Business Review survey of 17000 working adults.

1. Persuasion
2. Leadership
3. Personal accountability

4. Goal orientation
5. Interpersonal skills

Serial entrepreneurs gets things started, gives responsibility to somebody, moves on to a new idea and new venture. This suits enterprises who has lot of unique ideas. They keep opening up virgin products instead of focusing on the existing ones. e.g. Virgin Group by Sir Richard Branson owns 200 different companies, Indian serial entrepreneur Ashok Soota is CEO for more than half his life time, established Mindfree and Happiest Minds. K. Ganesh, and Meena Ganesh have Marketics, Tutorvista and other companies.

Rural entrepreneurs, on the other hand, require altogether different skills. They demand Group skills (interpersonal effectiveness) Personal entrepreneurial skills rather than strong Business management skills. Similarly, Entrepreneur established in backward districts and interior areas will emphasise on Marketing skill and Human relations skills, other condition remaining the same. Micro enterprises requires interpersonal skill rudimentary accounting and marketing skills.

2.5 Let us sum up :

Possession of certain competencies result in superior performance . Behavioural competencies are: Initiatives, Looking for opportunity, Persistence, information seeker, Quality Consciousness, Commitment to work, Commitment to efficiency, Proper planning, Problem - solving, Self confidence , Assertive, Persuasive Effective monitoring Employee Welfare - Oriented and Effective strategist. Besides there are Enterprise Launching Competencies and Enterprise Managing Competencies.

These competencies are in innate nature. They can also be acquired by training, experience and guidance.

Entrepreneurial skills rises can be of different types : Individual skill, Functional skill, Social Skill, Knowledge Skill, problem - solving skill, Group Skill, Technological skill, Personal Entrepreneurial skill, Behavioral skill and Communication skill etc.

Types of skill vary according to location, country, product, clientele etc. Rural areas with emphasis on local consumption requires simpler skill. Some skills are innate, some skills can be in acquired by training and experience.

2.6 Key Terms :

Entrepreneurial competencies : Possession of certain competencies result in **superior performance**: these are Initiative, Looking for opportunity, Persistence, Information seeker, Quality consciousness, Commitment to work, Commitment to efficiency, Proper planning, Problem solving, Self-confidence, Assertive, Persuasive, Effective monitoring, Employee Welfare - Oriented , Effective strategist.

Achievement Orientation :

Some of these competencies relate to achievement motivation e.g. Seizes Opportunity, Efficiency orientation, Common for high quality System planning, Monitoring.



Entrepreneurial Skills and Competencies

Product specific capabilities visible to customers. These capabilities belongs to product are seen by the customers e.g. Product quality, Range/Variety Performance features.

Process specific capabilities-invisible to customers. These capabilities are : Order fulfillment process, Sales service process, Tendering process, Dealer Management Process, Complaint handling process. Further, Purchase process, Production process, New product, Development process etc. are also invisible to customers.

Entrepreneurial Skills, Skills dealing with situation, Organization and emerging, socio-economic forces. e.g. Individual skill group skill, Personal Entrepreneurial skill, Behavioural skill, Communication skill etc.

Group skills : Ability to work / learn together.

Personal entrepreneurial skills : Discipline, Risk takes, Innovator, vision, ability to manage change.

Business Management Skills : Planning marketing, financing Human Relations, control decision making.

All skills necessary for running an enterprise.

Communication Skill : Reading, listening, speaking and writing skill, interaction with others with clarity, timeliness and empathy.

Behavioural Skill : Skills which influence / promote business. Certain basic competencies determine type of behaviour.



Entrepreneurial Skills and Competencies

2.7 Self-assessment questions.

1. What are entrepreneurial competencies?
2. What is achievement motivation?
3. Differentiate knowledge skill from problem solving skill?
4. What are personal entrepreneurial skills
5. How individual skills are different from group skills ?

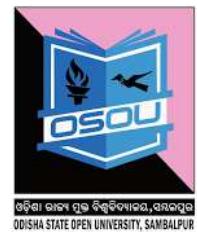
2.8 Further Readings :

1. Desai V, the Dynamics of Entrepreneurial Development and Management, Himalaya Mumbai.
2. Pareek U & Rao T.V. , Developing Entrepreneurship, Learning system, New Delhi.
- 3 www.venturepress.org

2.9 Model Questions :

1. How entrepreneurial competencies can be developed by training, experience and guidance.

2. What are opportunity competencies? How are they different from relationship competencies and conceptual competencies.
3. State entrepreneurial skills? How do you differentiate personal entrepreneurial skills from behaviour skills.
4. How managerial competency is different from behavioural competency?



**Entrepreneurial
Skills and
Competencies**