

FIT3134

IT-BASED ENTREPRENEURSHIP

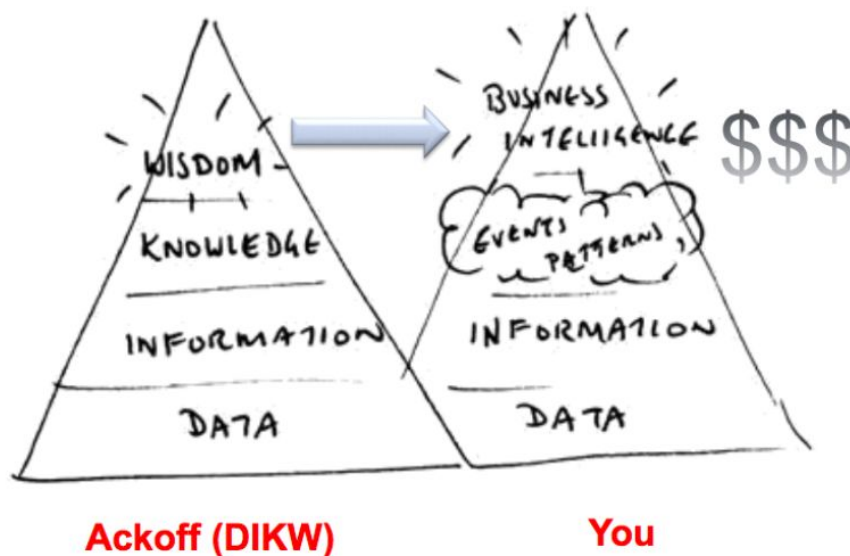
Exam Date: 19/06/2017

Week 1 - Introduction to Entrepreneurship

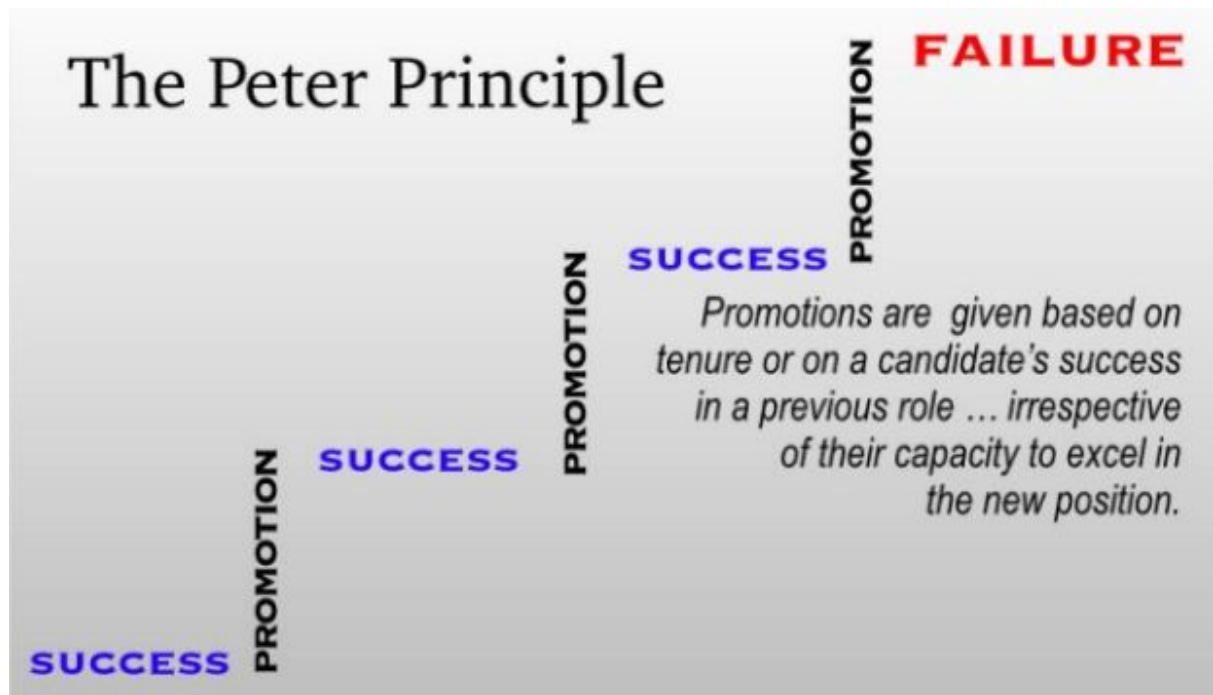
Personality characteristics of entrepreneurs:

- Communication Skills
 - Analytics
 - Risk Assessment
 - Self-Awareness
 - Organisation
 - Commitment
-

Domain Knowledge is no longer vital to either career or financial success.



“Entrepreneurship is the recognition and pursuit of opportunity without regard to the resources you currently control, with confidence that you can succeed, with the flexibility to change course as necessary, and with the will to rebound from setbacks.” - Bob Reiss



The **Peter Principle** is a concept in management theory formulated by Laurence J. Peter and published in 1969. It states that the selection of a candidate for a position is based on the candidate's performance in their current role, rather than on abilities relevant to the intended role. Thus, employees only stop being promoted once they can no longer perform effectively, and "managers rise to the level of their incompetence".

Lean startup is a methodology for developing businesses and products.

The methodology aims to shorten product development cycles by adopting a combination of **business-hypothesis-driven experimentation, iterative product releases, and validated learning.**

The central hypothesis of the lean startup methodology is that if startup companies invest their time into *iteratively building products or services* to meet the needs of **early customers**, they can reduce the market risks and sidestep the need for large amounts of initial project funding and expensive product launches and failures. **(MVP)**

A **minimum viable product (MVP)** is the "version of a new product which allows a team to collect the maximum amount of validated learning about customers with the least effort"

The goal of an MVP is to test fundamental business hypotheses (or leap-of-faith assumptions) and to help entrepreneurs begin the learning process as quickly as possible.

The **Business Model Canvas** is a strategic management template for developing new business models or documenting existing ones.

It is a visual chart with elements describing a firm's **value proposition, infrastructure, customers, and finances**. It assists firms in aligning their activities by illustrating potential trade-offs.

KEY PARTNERS Who are our key partners? Who are our key suppliers? Which key resources are we acquiring from our partners? Which key activities do partners perform?	KEY ACTIVITIES What key activities do our value propositions require? Our distribution channels? Customer relationships? Revenue streams?	VALUE PROPOSITIONS What value do we deliver to the customer? Which one of our customers' problems are we helping to solve? What bundles of products and services are we offering to each segment? Which customer needs are we satisfying? What is the minimum viable product?	CUSTOMER RELATIONSHIPS How do we get, keep, and grow customers? Which customer relationships have we established? How are they integrated with the rest of our business model? How costly are they?	CUSTOMER SEGMENTS For whom are we creating value? Who are our most important customers? What are the customer archetypes?
	KEY RESOURCES What key resources do our value propositions require? Our distribution channels? Customer relationships? Revenue streams?		CHANNELS Through which channels do our customer segments want to be reached? How do other companies reach them now? Which ones work best? Which ones are most cost-efficient? How are we integrating them with customer routines?	
COST STRUCTURE What are the most important costs inherent to our business model? Which key resources are most expensive? Which key activities are most expensive?			REVENUE STREAMS For what value are our customers really willing to pay? For what do they currently pay? What is the revenue model? What are the pricing tactics?	

The 9 Building Blocks



Kauffman View

A start-up is a search for :

- Repeatability
- Scalability

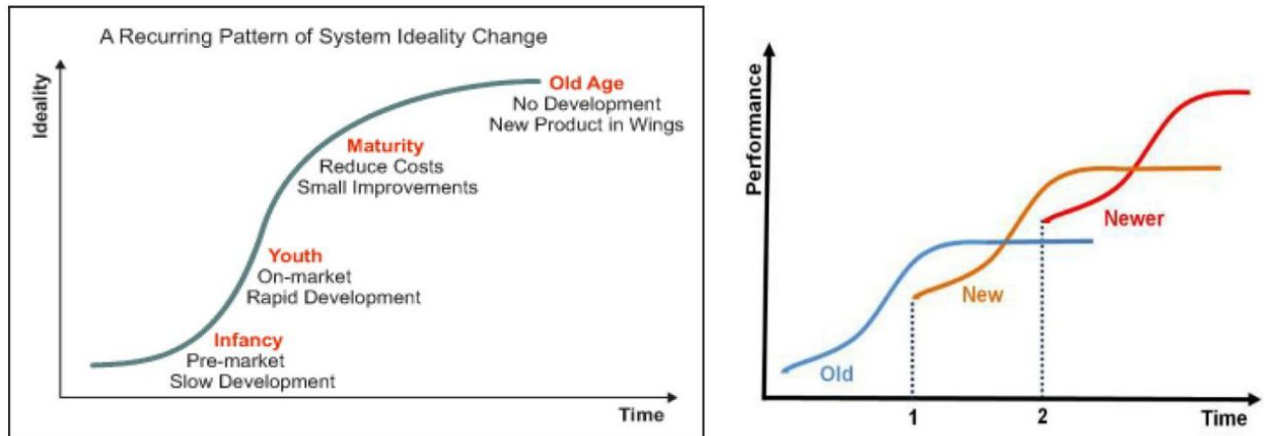
Several Types:

- A start-up in an **existing** market.
 - Conquer market share.
- A **new** market.
 - No users, no competitors.
- A **segmented** market.
 - A different product tier / niche.
- A **clone** market.
 - Adapt / regionalise into a new market/territory/geography.

It is important to define your own vanity metrics for success.

Week 2 - Global Entrepreneurship and Diversity

Product S-Curve



Customers

- Can be hard to access / find
- Can be anywhere
- May have unique needs and expectations
- Can 'empower' your business, but also 'threaten' your business by moving elsewhere.
- Ultimately drive innovation.
- Will drive the success of our **value proposition**.
- Each customer drives a revenue stream.

Tax Averaging

Corporate Tax in Singapore = 17%

Corporate Tax in Australia = 30%

Google optimises its taxes by funnelling profits through Holland and Bermuda in the form of royalties for the use of Intellectual Property.