



School of Entrepreneurship Skills
Session: 2020-21 (Summer Semester)
B. Voc. Program, I Semester,
End-Sem. Examination

(A)

Course Code: SES1101

Set A

Time: 02 Hour

Course Name: Creativity, Innovation & Entrepreneurship

Max. Marks: 50

Section - A

Answer following objective type questions, each question carries 01 mark.

1. Revised MSME classification has suggested composite criterion including-
 - a) Total cost of project and Projected turnover
 - b) Total capital Investment and annual turnover
 - c) Investment in Plant & machinery and annual turnover
 - d) None of the above
2. Which of the following is not an essential Skills required for a person to become an Entrepreneur-
 - a) Creative Mindset
 - b) Technical know-how of driving
 - c) Human/Interpersonal Skills
 - d) All of the above
3. Which one of the following is the correct option related to innovation process-
 - a) Energise, Ideate, define, prototype, test
 - b) Ideate, Empathy, define, prototype, test
 - c) Empathy, define, Ideate, prototype, test
 - d) None of the above
4. Entrepreneurship is purposeful innovation aimed at creating customers-
 - a) By creating utility
 - b) By adaptation to the customers social and economic reality
 - c) By delivering what represents true value to the customer
 - d) All of the above
5. Innovation is classified as-
 - a) Incremental Innovation
 - b) Disruptive Innovation
 - c) Breakthrough Innovation
 - d) All of the above
6. Creative problem solving is a method for-
 - a) Solving a problem innovatively
 - b) Approaching a problem in an imaginative way
 - c) designing solution using creativity
 - d) All of the above
7. Design thinking framework have-
 - a) 4 Steps
 - b) 5 steps
 - c) 6 steps
 - d) None of the above
8. The correct phase of activities in the Entrepreneurship Process is related to-
 - a) Ideation and opportunity recognition
 - b) Development of the business Strategies
 - c) Determination of the Demand in the market
 - d) Management of the Resources



9. The 1st stage of creative visualization is -
- a) Assembling Creative Elements
 - b) Creative thinking
 - c) Choosing a Goal
 - d) None of the above
10. Entrepreneurship is all about-
- a) Taking advantages of the opportunities
 - b) Exploring and creating new ways of economic activities
 - c) A driver of economic growth
 - d) All of the above

Section - B

Answer following short answer type questions, each question carries 04 marks.

- Q.1 Describe the concept and nature of Business Innovation.
- Q.2 What do you mean by MSME? Describe the revised MSME Classification.
- Q.3. How creativity, innovation & Entrepreneurship are related with each other?
- Q.4. Briefly discuss the concept of creative visualization. Write the core principles of Design thinking for generating ideas.

Section - C

Answer following essay type questions, each question carries 06 marks.

- Q.1 Explain the different types and classifications of Innovations.
- Q.2. Explain briefly the creative techniques for generating business ideas.
- Q.3. Describe the various factors impacting emergence of Entrepreneurship in India.
- Q.4. Briefly discuss the different ways to boost entrepreneurial Creativity and innovation.



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Answer key

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Section - B

Answer following short answer type questions, each question carries 04 marks.

Q.1 Describe the concept and nature of Business Innovation.

Answer- **Business innovation** is an organization's process for introducing new ideas, workflows, methodologies, services or products.

Business innovation is when an organisation introduces new processes, services, or products to affect positive change in their business. This can include improving existing methods or practices, or starting from scratch.

Objective: Ultimately the goal is to reinvigorate a business, creating new value and boosting growth and/or productivity.

Types of Business innovation

There are basically four types of innovation-

Product Innovation: e.g. Electric and gas lawn mower; GPS in cars, Cell phone pairing in cars, LED light bulbs, Infrared cookers, Waterproof cell phones, Depth-Sensing Cameras for handheld 3D scanning, augmented reality games, and better photo-taking capabilities

Process Innovation : e.g. Henry Ford's invention of the world's first moving assembly line. This process change not only simplified vehicle assembly but shortened the time necessary to produce a single vehicle from 12 hours to 90 minutes.

Marketing Innovation : e.g. 'Smart Search' Online-to-offline campaign by Big Bazaar partnered with Google to increase footfalls in its stores

Organizational Innovation : e.g. Intrapreneurship or innovation within the organization, Idea competitions, innovation labs, internal maker spaces, innovation teams, hiring for innovation skill, speaker series, workshops, hackathons, etc. are examples of how organizations are promoting and inspiring innovation internally.

Q.2 What do you mean by MSME? Describe the revised MSME Classification.

Answer- **Micro, small and Medium Enterprises (MSMEs)** popularly called as **MSMEs** are the backbone of Indian economy. Silently operating in different areas across the country, more than 6 crore MSMEs have a crucial role to play in building a stronger and self-reliant India. These small economic engines have a huge impact on the country's GDP-making a contribution of 29 percent. They contribute to almost half of exports from the country. Additionally, more than 11 crore people are employed in the MSME sector.

Existing and Revised Definition of MSMEs

Existing MSME Classification			
Criteria : Investment in Plant & Machinery or Equipment			
Classification	Micro	Small	Medium
Mfg. Enterprises	Investment < Rs. 25 lac	Investment < Rs. 5 cr.	Investment < Rs. 10 cr.
Services Enterprise	Investment < Rs. 10 lac	Investment < Rs. 2 cr.	Investment < Rs. 5 cr.

Revised MSME Classification			
Composite Criteria : Investment And Annual Turnover			
Classification	Micro	Small	Medium
Manufacturing & Services	Investment < Rs. 1 cr. and Turnover < Rs. 5 cr.	Investment < Rs. 10 cr. and Turnover < Rs. 50 cr.	Investment < Rs. 20 cr. and Turnover < Rs. 100 cr.

Q.3. How creativity, innovation & Entrepreneurship are related with each other?

Answer- Entrepreneurship = Creativity + Innovation ---This explain that Entrepreneurship is the result of a process that apply both creativity and innovation to capitalize on marketplace opportunities. This further explain that Entrepreneurship is Innovation Driven and such innovations are fuelled by ideas i.e. Ideas bring about innovation and ideas are fueled by creativity.

So fundamentally-

1. Creativity is all about thinking the unthinkable (Novel ways or creative thoughts) that spark bright Ideas (Inventing Idea).
2. Innovation is the vital spark of all human change, improvement and progress that follows capturing unique mix of value to transform the ideas into commercially viable Creation (Product, Process, Concept etc).
3. **Entrepreneurship** tends to bring the innovation to the market through viable business Model.

Creativity & Innovation are the first stages of Successful Entrepreneurial Initiatives

- Creativity=Thinking New things
- Innovation=Doing New Things
- Entrepreneurship=Creating Value in the Marketplace
- Entrepreneurship is the result of a disciplined, Systematic process of applying creativity & Innovation to needs and opportunities in the marketplace. This involves applying focused strategies to new ideas & new insights to create a product/Service that satisfies customers needs or solves their problems

Q.4. Briefly discuss the concept of creative visualization. Write the core principles of Design thinking for generating ideas.

Answer- Visualization is the process of putting together visual mental imagery of what you are wanting to manifest. Consequently, you can start to gain emotions associated with the desired image. In simpler terms, creative visualization is where you visualize what you want and experience the emotions or feelings you would have if it were true.

Visualization is a type of technique where a person creates an image in their mind. The formation of mental visual images or picture in your mind the things that you want in your life.

Example: For example, if you want to win an award in the future for contribution at your work, you would close your eyes and picture yourself winning the award. You would think about what it would feel like to hear your name called as the winner. You would think about what you were wearing and what you looked like. You would even imagine the details about who is presenting the award to you, what are they saying about you, and what it feels like to hold the award in your hand.

There are certain beliefs that make creative visualization work. However, as Gawain and others have suggested, you don't have to accept any particular beliefs at all to start practicing and benefiting from this technique. All you have to do is apply the technique consistently. The following beliefs are simply the theoretical framework behind the practice.

- Everything is energy, including thought.
- Energy has a magnetic quality, so that certain thoughts and feelings attract similar types of energy.
- Thought transforms energy, so that what you expect and believe most strongly is formed, first in your mind and then in actuality.

Section - C

Answer following essay type questions, each question carries 06 marks.

Q.1 Explain the different types and classifications of Innovations

Answer- we can define the Innovation as "Executing an idea which addresses a specific challenge and achieves value for both the company and customer"

Types of Innovations

1. Incremental innovation

Incremental innovation seeks to improve the systems that already exist, making them better;



faster cheaper. Incremental Innovations are improvements to an existing product, service, or process.

2. Process innovation

Process innovation means the implementation of a new or significantly improved production or delivery method.

3. Service innovation: Service Innovation can be defined as "a new or considerably changed service concept, client interaction channel, service delivery system or technological concept that individually, but most likely in combination, leads to one or more (re)new(ed) service functions that are new to the firm

Based on the dimensions of Technology & Market, following are the types of innovation-

Incremental Innovation

Incremental Innovation is the most common form of innovation. It utilizes your existing technology and increases value to the customer (features, design changes, etc.) within your existing market. Almost all companies engage in incremental innovation in one form or another.

Examples include adding new features to existing products or services or even removing features (value through simplification).

Disruptive innovation

A disruptive innovation is an innovation that helps create a new market and value network, and eventually goes on to disrupt an existing market and value network (over a few years or decades), displacing an earlier technology.

Such innovations may be related to new products or services that enter at the bottom of the market and overtime move up and displace established market leaders.

Radical innovation

Radical innovations (sometime referred to as breakthrough, discontinuous or disruptive innovations) provide something new to the world that we live in by uprooting industry conventions and by significantly changing customer expectations in a positive way. Ultimately, they often end up replacing existing methods / technologies.

Breakthrough Innovation?

Breakthrough innovation is defined as an innovation from inside a company that pushes something to the next level. It is innovation that opens the company to new markets or changes the way customers interact with the market or the industry.

Breakthrough Innovation are changes to an existing product, service, or process that has a significant impact on the business. For example, it could open up a new consumer category for the business, or change the way existing customers interact or perceive the organization.

Q.2. Explain briefly the creative techniques for generating business ideas.

Answer- Following are the important Creative Techniques for Generating Business Ideas:

- **Focus groups-** Group of individuals providing information in a structured format is called a focus group. The group of 8 to 14 participants is simulated by comments from other group members in creatively conceptualizing and developing new product idea to fulfill a market need.
- **Brainstorming-** A group method of obtaining new ideas and solutions is called brainstorming. The brainstorming method for generating new ideas is based on the fact that people can be stimulated to greater creativity by meeting with others and participating with organized group experiences. Although most of the ideas generated from the group have no basis for further development, often a good idea emerges.
- **Problem inventory analysis-** Generate new product ideas by providing with a list of problems in a general product category, to relate known products to suggested problems and arrive at a new product idea then to generate an entirely new idea by itself.
- **Reverse brainstorming-** Similar to brainstorming, but criticism is allowed and encouraged as a way to bring out possible problems with the ideas.
- **Synectics-** Synectics is a creative process that forces individuals to solve problems through one of four analogy mechanisms: personal, direct, symbolic and fantasy. This forces participants to consciously apply preconscious mechanisms through the use of analogies in order to solve problems.
- **Gordon method-** Gordon method is a method of developing new ideas when the individuals are unaware of the problem. In this method the entrepreneur starts by mentioning a general concept associated with the problem. The group responds with expressing a number of



ideas.

- **Checklist method-** Developing a new idea through a list of related issues is checklist method of problem solving.
- **Free association method-** Developing a new idea through a chain of word association is free association method of problem solving.
- **Forced relationship-** Forced relationship is the process of forcing relationship among some product combination. It is technique that asks questions about objects or ideas in an effort to develop a new idea.
- **Collective notebook method-** It is method in which ideas are generated by group members regularly recording ideas.
- **Heuristics-** It is method of developing a new idea through a thought process progression.
- **Scientific method-** This is a more structured method of problem solving, including principles and rules for concept formation, making observations and experiments, and finally validating the hypothesis.
- **Value analysis-** Value analysis is developing a new idea by evaluating the worth of aspects of ideas.
- **Attribute listing-** This is an idea finding technique that requires the entrepreneur to list the attributes of an item or problem and then look at each from a variety of viewpoints.
- **Matrix charting-** Matrix charting is a systematic method of searching for new opportunities by listing important elements for the product area along two axis of chart and then asking questions regarding each of these elements.
- **Big dream approach-** Developing a new idea by thinking about constraints is big-dream approach of problem solving.
- **Parameter analysis-** Parameter analysis is developing a new idea by focusing on parameter identification and creative synthesis.
- **Reversal-** This involve asking the opposite of the question one want to ask, and apply the results. The strength of this techniques lies in assuming that all assumptions are false, limiting, reversible and therefore one needs to make assumptions for improving a product or service.
- **SCAMPER-** This method has a checklist that facilitates thinking of changes one can make to an existing product or service to create a new one. The technique has idea-driven questions which are powerful in coming up with new thoughts and ideas. The changes **SCAMPER stands for are as follows-**

S- Substitute

C- Combine

A-Adapt

M- Modify

P- Put to another use to derive different value proposition

E- Eliminate

R- Reverse

Q.3. Describe the various factors impacting emergence of Entrepreneurship in India.

Answer-

Various factors influencing the entrepreneurship are as follows:

Capital: The amount of money to be invested in any business to start with, then to operate and run day to day business affairs and further to take the business to the next level and scale up is one of the most important determinant impacting emergence of entrepreneurship.

Labor: The quality rather quantity of labor is another factor which influences the emergence of entrepreneurship. Entrepreneurs, therefore, often find difficulty to secure sufficient skilled, semi-skilled, un-skilled, managerial & supporting labor.

Raw Material: Inadequate availability of raw materials inhibits the emergence of new entrepreneurs.

Market: The size and composition of market for the manufactured product to be sold, influence entrepreneurship in their own ways.



Infrastructure: Infrastructure enhances connectivity and linkages that facilitate regional startup activities and, furthermore, to foster entrepreneurial activities in desired industries. Poor infrastructure a big hurdle to MSME growth and the deficiency in infrastructure negatively impacts the profitability and performance of existing MSMEs which in turn discourage the emergence of new entrepreneurs.

Social Factors: Various social factors such as age, sex, educational level, caste, form of organization, family background, education level, standard of living & life style of the people, changing social values, ideologies, new emerging aspirations, environmental pressures, religious beliefs, Cultural values, attitude of the society towards entrepreneurship, consumer wants, Need Achievement of the people in the society and society needs etc. influence the growth and emergence of entrepreneurship in any society

Q.4. Briefly discuss the different ways to boost entrepreneurial Creativity and innovation.

Answer- Following are some of the ways to boost entrepreneurial Creativity and innovation-

- 1. Step Outside the Box (Or office)-** Sometimes we get too comfortable in our own workspace, stepping away for a brief moment can allow fresh ideas to percolate.
- 2. Visualize-** Creativity and innovation stem from our ability to use our imagination. So try a visual brainstorming exercise or two.
- 3. Listen to Music-** Research suggests that listening to your favorite music can help boost creativity and innovation.
- 4. Network-** Join networking groups so you can collaborate with other entrepreneurs and creative people. This can help generate ideas and it's a great opportunity to gather feedback. Creativity is all about making connections. Remember, two minds are better than one!
- 5. Google It-** Don't be afraid to scout out your competitors and observe what they're doing. Sometimes that's how we get the best ideas!
- 6. Use Technology-** There are plenty of innovative tools that can help spark creativity like using Eyewire Creativity Cards, Brainsparker, TED Talks, Trello etc helps you organize and prioritize your thoughts in a fun and creative way, and it also allows you to collaborate with other team members using visuals (which, as we mentioned earlier, can boost creativity).
- 7. Be Positive-** There are several benefits to positive thinking that can trigger creative thought. Not only does positivity make you more willing to open yourself up creatively, but it also keeps you focused and helps you operate on a more productive level.
- 8. Start a Routine-** Set aside time every day to get your creative juices flowing. For me, this takes place in the morning and can be invoked by listening to my favorite music in the car, visualizing how my day is going to go, or reading the latest blogs on what's trending in the marketing world.



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Section - A

Answer following objective type questions, each question carries 01 mark.

1. To the Architect, Creativity is the ability to-
 - a) Explore the new ways of extending knowledge
 - b) Discover and apply dynamic methods
 - c) Develop new approaches, form & Material
 - d) None of the above

2. Intrapreneurship refers to-
 - a) Embarking on a new innovative idea
 - b) Entrepreneurial Mindset
 - c) Practice of Entrepreneurship by any employed person
 - d) None of the above

3. According to Eric Rise, concept of entrepreneurship include-
 - a) Anyone who works within the definition of Startup
 - b) A human institution designed to create new products and services
 - c) Creation under conditions of extreme uncertainty
 - d) All of the above

4. An entrepreneur as an innovator-
 - a) Do Ideation and opportunity recognition
 - b) Visualizes a business opportunity
 - c) Takes steps to promote a new enterprise
 - d) Introduces new products in the market

5. Which one of the following is not an entrepreneurial traits-
 - a) Passion for positive change and clear vision
 - b) Taking calculated risk and well informed decisions
 - c) They are self-directed and self-motivated
 - d) Strong desire to do everything successfully

6. Which one of the following is the correct option related to innovation process-
 - a) Energise, Ideate, define, prototype, test
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 - c) Empathy, define, Ideate, prototype, test
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7. Entrepreneurship is purposeful innovation aimed at creating customers-
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8. Design thinking framework have-
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9. The 1st stage of creative visualization is -
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Section - B

Answer following short answer type questions, each question carries 04 marks.

- Q.1 How Spearman and Guilford has defined the concept of Creativity?
- Q.2 Discuss the Creative techniques for generating business ideas.
- Q.3. Explain the different steps in innovation process.
- Q.4. Briefly discuss the concept of Enterprise. Define MSME and the revised criterion of MSME classification.

Section - C

Answer following essay type questions, each question carries 06 marks.

- Q.1 Explain the concept and different types of creativity. What are the different techniques for fostering creativity?
- Q.2. Explain briefly the concept of Entrepreneurship in your own words. Write the definitions of entrepreneurship given by Robert D. Hisrich, Peters & Shepherd and Howard Stevenson
- Q.3. Describe the concept, functions and types of Entrepreneurs.
- Q.4. Distinguish Between the following-
- Creativity and Innovations
 - Invention & Innovations
 - Innovation & Entrepreneurship



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Section - B

Answer following short answer type questions, each question carries 04 marks.

Q.1 How Spearman and Guilford has defined the concept of Creativity?

Answer- Creativity is one of the aspects of intelligence and is one of the most important features of the human mind. Creativity is regarded as the Capacity or ability of any person, that helps in the creation of an innovative concept, design or product and Creation of innovative ideas or objects.

According to Spearman, "Creativity is the power of human mind to create new contents by transforming relations and generating new correlates".

Hence, Creativity is marked by the ability or power to create — to bring into existence, to invest with a new form, to produce through imaginative skill, to make or bring into existence something new.

According to Guilford, "Creativity involves divergent thinking with respect to the traits of fluency, flexibility and originality of thought process." It means that creativity involves the thinking process in various forms with the originality and flexibility in the thought process.

Q.2 Discuss the Creative techniques for generating business ideas.

Answer- Following are the important Creative Techniques for Generating Business Ideas:

- **Focus groups-** Group of individuals providing information in a structured format is called a focus group. The group of 8 to 14 participants is simulated by comments from other group members in creatively conceptualizing and developing new product idea to fulfill a market need.
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- **Gordon method-** Gordon method is a method of developing new ideas when the individuals are unaware of the problem. In this method the entrepreneur starts by mentioning a general concept associated with the problem. The group responds with expressing a number of ideas.

Q.3. Explain the different steps in innovation process.

Answer- we can define the Innovation as "Executing an idea which addresses a specific challenge and achieves value for both the company and customer"

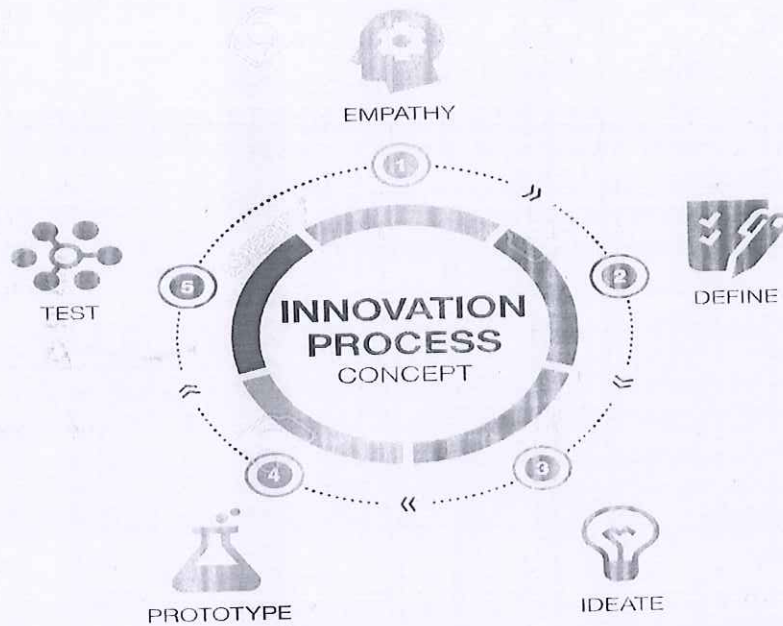
Innovation Process entails the different steps for transforming some ideas and create value in terms of a product and service. Following are some of the important steps in a 3-step approach to innovation-

Conception- This entails requirement analysis, Idea generation, Idea evaluation and Project planning

Implementation- This entails prototype development, Pilot application, Design and Testing

Marketing- This entails Production and Market Launch of the innovation.

Another Approach to innovation process is depicted as under-



Q.4. Briefly discuss the concept of Enterprise. Define MSME and the revised criterion of MSME classification.

Answer- Answer- Micro, small and Medium Enterprises (MSMEs) popularly called as MSMEs are the backbone of Indian economy. Silently operating in different areas across the country, more than 6 crore MSMEs have a crucial role to play in building a stronger and self-reliant India. These small economic engines have a huge impact on the country's GDP-making a contribution of 29 percent. They contribute to almost half of exports from the country. Additionally, more than 11 crore people are employed in the MSME sector.

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Composite Criteria : Investment And Annual Turnover			
Classification	Micro	Small	Medium
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Section - C

Answer following essay type questions, each question carries 06 marks.

Q.1 Explain the concept and different types of creativity. What are the different techniques for fostering creativity?

Answer- Creativity is one of the aspects of intelligence and is one of the most important features of the human mind. Creativity is regarded as the Capacity or ability of any person, that helps in the creation of an innovative concept, design or product and Creation of innovative ideas or objects.

This concept is defined as the ability of any person to generate innovative ideas and convert them to reality. It basically involve imaginative and original thinking and implementing that into reality. It is the ability to think and design something new, solve problems in new and different ways and to give shape to an abstract idea in the mind based on an original, new or unconventional approach. Further, Someone has defined Creativity as a mental process involving the generation of new ideas or concepts, or new associations between existing ideas or concepts. One more definition describe the Creativity as an imaginative process of generating alternatives for creative problem solving.

Nature and Characteristics of Creativity:

It is universal (individual, cast, colour, creed, age, location, culture)

It is innate as well as acquired

It produces something new, original or novel

It is adventurous and open thinking leading to imagination & Visualization of things

(It encourages complete freedom to accept and express the multiplicity of responses)

It is both a complex & dynamic process and a product

It is the resultant of some interactions and has a wide scope

No positive correlation between Creativity and Intelligence

Different types of creativity

- Essence Creativity
- Empowering Creativity
- Collaborative Creativity
- Entrepreneurial Creativity
- Existential Creativity

Different techniques for fostering creativity- Following are some of the ways to boost entrepreneurial Creativity and innovation-

1. Step Outside the Box (Or office)- Sometimes we get too comfortable in our own workspace, stepping away for a brief moment can allow fresh ideas to percolate.
2. Visualize- Creativity and innovation stem from our ability to use our imagination. So try a visual brainstorming exercise or two.
3. Listen to Music- Research suggests that listening to your favorite music can help boost creativity and innovation.
4. Network- Join networking groups so you can collaborate with other entrepreneurs and creative people. This can help generate ideas and it's a great opportunity to gather feedback. Creativity is all about making connections. Remember, two minds are better than one!

Q.2. Explain briefly the concept of Entrepreneurship in your own words. Write the definitions of entrepreneurship given by Robert D. Hisrich, Peters & Shepherd and Howard Stevenson

Answer- Basically, entrepreneurship is both an art and science of converting business ideas into marketable products or services to improve the quality of living. Further, the term Entrepreneurship is viewed as-

- A Creative Process;
- A distinct Discipline (Subject, Course of Study)
- A Distinct field of Human Occupational Behaviour
- A factor of Production in Economics and
- A Driver of Economic Growth & Development



Entrepreneurship as a Theoretical Concept refers to the creative and dynamic process of Creating, Building, Launching, Operating & Managing a new business venture by Taking calculated risks with due diligence, Assuming the resulting rewards of personal satisfaction, Independence & Monetary gains.

According to Howard Stevenson, professor at Harvard Business School, "Entrepreneurship is the pursuit of opportunity beyond resources controlled". This simply means that Entrepreneurship is the process of pursuing opportunity creatively.

According to Robert D. Hisrich, Peters and Shepherd, "Entrepreneurship is the process of creating something new with value by devoting the necessary time and effort, assuming the accompanying financial, psychic, and social risks, and receiving the resulting rewards of monetary and personal satisfaction and independence."

This definition stresses four basic aspects of being an entrepreneur as under-

- **First**, entrepreneurship involves the creation process—creating something new of value.
- **Second**, entrepreneurship requires the devotion of the necessary time and effort.
- **The third part** of the definition involves assuming the accompanying financial, psychic, and social risks.
- **The fourth part** of the definition involves the rewards of being an entrepreneur.

Q.3. Describe the concept, functions and types of Entrepreneurs.

Answer- An entrepreneur as a person is someone who have the ability to see and evaluate business opportunities and start a new business to offer a new or existing product or service into a new or existing market, whether it is for a profitable or Social outcome. The term Entrepreneur refers to a person-

- Who visualizes a business opportunity,
- Takes steps to promote a new enterprise,
- Assembles resources in the form of men, materials and money to make the business venture successful and
- Bears the risk and uncertainties involved.

An entrepreneur is one who always searches for changes responds to it and exploits it as an opportunity. Some of the good qualities of entrepreneur are-

- Opportunity-seeker,
- Risk-taker,
- Goal-setter;
- Excellent planner;
- Problem-solver;

Functions of a successful entrepreneur are;

- Taking Decisions, Initiative and calculated Risk
- Visualizing a business opportunity & Innovation
- Organizing Resources
- Public Relations
- Experience Sharing
- Managerial Roles
- Social Responsibility to ensure Balanced Economic Development.



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- Social Responsibility to ensure Balanced Economic Development.

TYPES OF ENTREPRENEUR

1. According to the Type of Business

- i. *Business entrepreneur: Business entrepreneurs are those entrepreneurs who conceive the idea of a new product or service and then translate their ideas into reality.*
- ii. *Trading entrepreneur: As the very name indicates trading entrepreneur is concerned with trading activities and not manufacturing.*
- iii. *Industrial entrepreneur: As the very name indicates, an industrial entrepreneur is one who sets up an industrial unit.*
- iv. *Corporate entrepreneur: Corporate entrepreneur is the one who plans, develops and manages a corporate body.*
- v. *Agricultural entrepreneur: Agricultural entrepreneur is the one who is engaged in the agricultural activities.*

Types of Entrepreneurs

Innovating Entrepreneur	• Who introduces new goods, inaugurates new method of production, discovers new market & reorganizes the enterprise
Imitative Entrepreneur	• Characterized by readiness to adopt successful innovations inaugurated by successful innovating entrepreneur.
Fabian Entrepreneur	• Are characterized by very great caution and skepticism in experimenting any change in their enterprise.
Drone Entrepreneur	• Are characterized by refusal to adopt opportunities to make changes in production formulae even at the cost of severely reduced returns.



Q.4. Distinguish Between the following-

1. Creativity and Innovations

Answer- Creativity is referred to the act of producing new and novel ideas. While innovation is referred to the act of producing a new and novel idea and the idea is applied in some specific context. Creativity is starting point for innovation and is necessary but not sufficient for Innovation. Creativity and innovation are not one and the same, but they do complement one another. In fact, one can't function without the other.

The primary difference between creativity and innovation is that the former refers to conceiving a new idea while the latter involves converting that idea into a marketable commodity.

Creativity is the act of conceiving something new, whether a variation on an existing theme or something wholly original. Innovation is the act of putting that concept into practice. It's the difference between suggesting the idea that an aircraft could fly through space and actually building a rocket that astronauts can use to get to the moon. It's best to think of it like this—creativity is to ideation what innovation is to implementation.

The most creative ideas are generated by connecting dots that most wouldn't think to connect, driven by a keen understanding of what consumers truly want and need. Creativity lets you think of new goals for which to reach, and innovation lets you get to those goals and find new ones.

2. Invention & Innovations

Answer- Invention can be defined as the creation of a product or introduction of a process for the first time.

- Innovation, on the other hand, occurs if someone improves on or makes a significant contribution to an existing product, process or service.
- Invention refers to the creation of a brand new product or device.
- Conversely, innovation is an act of making changes to the existing product or the process by introducing new ways or ideas.
- While invention is all about creating or designing something, innovation is the process of turning a creative idea into reality.

3. Innovation & Entrepreneurship

Answer- The Entrepreneurship tends to be innovation-driven and entrepreneur is primarily concerned with developing new products and markets, the ability to bring something new into the market through innovation.

- They seize the opportunity to innovate to make the lives more comfortable. The importance of innovation in entrepreneurship is key value for the longevity of a business. Entrepreneurs and businesses began with a need.
- Therefore innovation plays an important role in building up entrepreneurial spirit within.
- Innovation is the specific instrument of entrepreneurship. Entrepreneurship is the continuing generation of Innovation in response to perceived opportunities in the business environment.
- Entrepreneurship brings the innovation to the market . Entrepreneurs are innovators of the economy. It is not just the scientist who invents and come up with the solutions.
- Innovation is the successful development of competitive advantage and as such, it is the key to entrepreneurship.
- Innovation is the process through which the entrepreneur converts market opportunities into workable, profitable, and marketable ideas.



BHARTIYA SKILL DEVELOPMENT UNIVERSITY

Registration No.:

School of Entrepreneurship Skills
Session: 2020-21 (Summer Semester)
B.Voc Program, 1st Semester,
End-Sem. Examination

Set A
Time: 2 Hours

Course Code: SES1102

Course Name: Entrepreneurial Motivational Training

Max. Marks: 50

Instruction:

1. SECTION-A: Answer all questions from section A. Each question carries 01 mark
2. SECTION-B: Answer all questions from section B. Each question carries 04 marks
3. SECTION-C: Answer all questions from section C. Each question carries 06 marks

Section-A

10x1 = 10 marks

1. Entrepreneur is related to

- a) Passionate
- b) Risk taker
- c) Creative thinker
- d) All of the above

2. A person owning and running a small firm, is known as _____.

- a) A manager-owner.
- b) An owner-manager.
- c) A professional adapter.
- d) An enterprise worker.

3. In SWOT, the letter 'O' stands for –

- a) Omnipresent (product lines)
- b) Obvious (Marketing responses)
- c) Occurrence (of trade cycles)
- d) None of the above

4. Which of the following SWOT elements are internal factors for a business?

- a) Strengths and Weaknesses
- b) Opportunities and Threats
- c) Strengths and Opportunities
- d) Weaknesses and Threats

5. Which among the following is not a desired need & goal for entrepreneurial motivation?

- a) Need for Achievement
- b) Need for Power
- c) Need for Control
- d) Need for Affiliation

6. Which of the following is a characteristic typical of most entrepreneurs?

- a) Choose high risk ventures.
- b) Choose low risk ventures.
- c) Choose moderate (or calculated) risk ventures.
- d) Choose no risk ventures.

7. Which personal characteristic of entrepreneurs reflects that successful entrepreneurs develop a plan of action and make a decision to achieve that plan?

- a) Self Confidence
- b) Risk Taker

c) Independent

d) Goal Oriented

8. Which personal characteristic of successful entrepreneurs reflect that they work until the job is done?

a) Self Confidence

b) Inquisitive

c) Persistent

d) Creative

9. The theory of Achievement Motivation was developed by:

a) Philip Kotler

b) David Mc. Gregor

c) David Mc. Clelland

d) Albert Mehrabian

10. EDPs course contents contains _____.

a) General introduction to entrepreneurs.

b) Motivation training.

c) Managerial skills.

d) All the above

Section-B

04x04 = 16 Marks

1. What do you mean by an enterprise? Write a short note on entrepreneurship.
2. What are entrepreneurial values? How is motivation important in the development of an entrepreneur?
3. What do you mean by competence? Mention any four personal competencies required by an entrepreneur.
4. Write a short note on the objectives of EMT.

Section-C

04x06 = 24 marks

1. Explain the personality traits of an entrepreneur.
2. Write a short note on the following:
 - a) Micro Lab
 - b) Creative Thinking
3. What is Johari Window? Explain its various components with the help of a diagram.
4. Explain the concept of Competency Mapping in detail with the help of a diagram.



Answer key
A

BHARTIYA SKILL DEVELOPMENT UNIVERSITY

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B.Voc Program, 1st Semester,
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Answer key

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Section-B

04x04 = 16 Marks

1. What do you mean by an enterprise? Write a short note on entrepreneurship.

Ans. The enterprise is the basic unit for economic organization. It transacts with other unit in the economy, it produces a product worth more than the resources used. It is a company run by a single individual, typically for their benefit, with unlimited liability for any damages that occur as a result of the business' operations.

Entrepreneurship is the ability and readiness to develop, organize and run a business enterprise, along with any of its uncertainties in order to make a profit. The most prominent example of entrepreneurship is the starting of new businesses. In economics, entrepreneurship connected with land, labour, natural resources and capital can generate a profit.

2. What are entrepreneurial values? How is motivation important in the development of an entrepreneur?

Ans. Values are a set of beliefs and thoughts that are socially or individually acceptable and preferred. It is a specific code of conduct or behaviour which is preferable personally, or by society, over the opposite code of conduct. These values are further subdivided into three main categories namely, internal, external, and fun and excitement values.

The main objective of an entrepreneur is to achieve organizational objectives by putting in maximum efforts. For this, the entrepreneur needs to have the required skill, ability and willingness. Skill and ability come with educational qualification or training, whereas willingness comes with motivation. Thus, it can be said that motivation is important for the development of an entrepreneur.

3. What do you mean by competence? Mention any four personal competencies required by an entrepreneur.

Ans. Competence is the characteristic of a person, which results in effective and/or superior performance in a job. It is an underlying characteristic of a person, that is, it may be

motive/traits/skills or aspect of one's self image or a body of knowledge which one uses. The existence of these characteristics may or may not be known to the person.
The four personal competencies required by an entrepreneur are as follows:

- i.) Persistence: They take repeated and different actions to overcome obstacles.
- ii) Initiative: They take actions that goes beyond job requirements or demand of the situation.
- iii) Problem Solving: They identifies new and potentially unique ideas to reach goals.
- iv) Self-Confidence: Entrepreneurs with this competency will have a strong belief in self and in their own abilities.

4. Write a short note on the objectives of EMT.

Ans. The objectives of EMT are as follows:

- i) To help entrepreneurial spirit and improve entrepreneurial competence by emphasizing motivation, planning and cooperative efforts.
- ii) To help the entrepreneur to examine his own self and relate his image with the environment.
- iii) To enable him to recognize his creative and innovative potentialities.
- iv) To make him aware about his own style of influencing others and on going situations.

Section-C

04x06 = 24 marks

1.Explain the personality traits of an entrepreneur.

Ans. Ans. The personality traits of an entrepreneur are as follows:-

1. Vision

Successful entrepreneurs have a clear vision of what their business will be and can concisely articulate its purpose, goals and market position. They have identified the who, what, where, when and why of their business

2. Passion

A successful entrepreneur is passionate about their business. It is hard work, and putting in long hours will be tough if you don't love what you are doing. People with passion know what it is that drives them to keep working to achieve their vision.

3. Tenacity

Entrepreneurs remain tough when the going gets rough. They don't give up easily. They can accept rejection and are willing to learn from their mistakes. They are willing and able to adapt and modify their plan in order to be successful the next time around.

4. Willingness to work hard

Being an entrepreneur is harder than being an employee. To be successful, the entrepreneur must be willing to put in the time and effort required, often for little or no pay at the beginning. Successful entrepreneurs recognize the risk and necessary work that achieving their goals will entail.

5. Confidence

Successful entrepreneurs have confidence in themselves and in their business. They must believe in their ability and in their idea. Every entrepreneur will face rejection along the way and successful entrepreneurs are those with the confidence to keep going and bounce back after a setback.

2. Write a short note on the following:

a) Micro Lab

Ans. A micro lab is a process-oriented package of experience, which is used to prepare the participants to learn psychologically. It helps them to motivate, get involved in the programme, make them aware of the importance of learning through experience and open their vision for the programme in totality. It also help trainees familiarize themselves with each other, build up or break trainees expectations about the program.

b) Creative Thinking

Ans. Creative thinking means thinking outside the box. Often, creativity involves lateral thinking, which is the ability to perceive patterns that are not obvious.

Creative thinking might mean devising new ways to carry out tasks, solve problems, and meet challenges. It means bringing a fresh, and sometimes unorthodox, perspective to your work. This way of thinking can help departments and organizations be more productive. Creative problem-solving stands out as innovative

Creative thinking is expressed in several ways. Analysis, Open-Mindedness, Problem-Solving, Communication.

3. What is Johari Window? Explain its various components with the help of a diagram.

Ans. Johari Window is a technique for improving self-awareness within an individual. It helps in understanding your relationship with yourself and others. Johari Window model can be a useful tool if you want to improve your communication skills.

It was developed by American psychologists Joseph Luft and Harry Ingham in 1955, hence the name Johari. Johari Window is generally used in Self-help groups in exercises which help a person to learn and discover things about themselves, like heuristic exercise.

There are four questions in the model just like panes in a window and each person fits into one of this pane. Each window in Johari window model signifies feelings, personal information, and motivation.

	Known to Self	Not Known to Self
Known to Others	Arena "Open Self"	Blindspot "Blind Self"
Not Known to Others	Facade "Hidden Self"	Unknown Self

Johari Window Quadrant 1: Open Area or Arena

This area or pane is called open area because the information in this pane about the behavior, feelings, emotions about the person is known to that person itself as well as the other members in this group.

Johari Window Quadrant 2: Blindspot or BlindSelf

Blindspot is the area in which the certain information on your personality is known to others but that information is not known to you.

In simple terms, other people may interpret your personality different than you might have expected. For efficient communication, this area must be reduced.

Johari Window Quadrant 3: Hidden Area or Hidden Self

Hidden area is the information that you hide from others. Here, the information is known to you but the others are unknown to this information.

The reason for this may be the information might be personal to you so that you are reluctant to share it with others. This includes secrets, past experiences, feelings, etc. Many people keep their information private and do not share it with others.

Johari Window Quadrant 4: Unknown Areas or Unknown Self

In this area, the information is unknown to you as well as the others. Generally, certain feelings, talents, information, etc fall in this area.

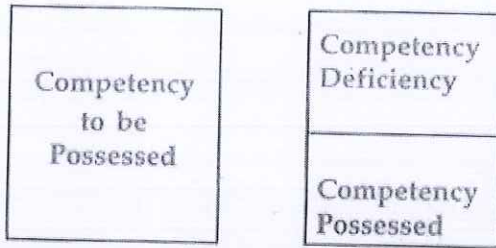
The reason for this might be some traumatic experience in the past about a particular event or experiences which might be unknown for your ever.

The person, as well as the group, is unaware about this till he or she discovers it. One way to reduce this area is through open communication.

4. Explain the concept of Competency Mapping in detail with the help of a diagram.

Ans.) The actual competencies possessed by an entrepreneur are compared with the competencies required to become a successful entrepreneur to ascertain the gap in the entrepreneurial competencies of an entrepreneur. This is called in the human resource training and development lexicon as 'Competency Mapping.' In other words, this is just like 'training needs identification' in case of HR training.

This is presented as follows:



A popular performance tool used to map the (entrepreneurial) competency is based on "Skill to Do / Will to Do" chart, which is depicted in the following diagram as shown:

<i>No Ability to Do</i>	<i>Ability to Do</i>	
(B) <i>Passenger</i> (Train him)	(A) <i>Star / Ideal</i> (Keep motivation high)	<i>Will to Do</i>
(D) <i>Deadwood</i> (Either bear the burden or off load it)	(C) <i>May Run</i> (Involve, Counsel and Motivate)	<i>No Will to Do</i>

Figure 11.2: Entrepreneurial Ability to Do and Will to Do Evaluation Dimensions

These four situations mean the following:

(A) Ability to Do / Will to Do:

Among all four situations, this is the ideal one. The entrepreneur is fully able, i.e. qualified and is performing his job as designed and desired. He is supposed to be star or ideal performer as an entrepreneur.

(B) No Ability to Do / Will to Do:

In this situation, the entrepreneur is putting out his efforts to perform the job, but is not getting the desired results out of his efforts. It means he is lacking ability or skill to perform the job. Thus, it implies that the entrepreneur needs training, or say, 'competency building'.

(C) Ability to Do / No Will to Do:

Here, the entrepreneur is qualified or possesses the ability to do his job but is not willing to perform the same. This implies the lack of desire or motivation. Thus, the entrepreneur needs to be motivated to perform his job.

(D) No Ability to Do / No Will to Do:

The entrepreneur has deficiency in both ability and will (motivation). In a sense, he is just like deadwood and his entrepreneurial job is in jeopardy. Thus, the entrepreneur either needs to continue like this or disappear from the entrepreneurial role.

4. Development Intervention:

After understanding, internalising and practicing a particular behaviour or competence, one needs to make an introspection of the same in order to sharpen and strengthen one's competency. This is called 'feedback'.



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Set B

Time: 2 Hours

Course Code: SES1102

Course Name: Entrepreneurial Motivational Training

Max. Marks: 50

Instruction:

1. SECTION-A: Answer all questions from section A. Each question carries 01 mark
2. SECTION-B: Answer all questions from section B. Each question carries 04 marks
3. SECTION-C: Answer all questions from section C. Each question carries 06 marks

Section-A

10x1 = 10 marks

1. An individual who initiates, creates and manages a new business can be called _____.
a) A leader
b) A manager
c) An entrepreneur
d) A professional
2. Innovation can best be defined as _____.
a) the generation of new ideas.
b) the evolution of new ideas.
c) the opposite of creativity.
d) the successful exploitation of new ideas.
3. In SWOT, the letter 'O' stands for –
a) Omnipresent (product lines)
b) Obvious (Marketing responses)
c) Occurrence (of trade cycles)
d) None of the above
4. Which of the following SWOT elements are internal factors for a business?
a) Strengths and Weaknesses
b) Opportunities and Threats
c) Strengths and Opportunities
d) Weaknesses and Threats
5. Family business always interested to handover the change of his business to:
a) Indian Administration Officers
b) Professional Managers
c) Next generation
d) None of the above
6. A Micro Enterprise is an enterprise where investment in plant and machinery does not exceed
a) Rs. 15 Lakh
b) Rs. 20 Lakh
c) Rs. 25 Lakh
d) Rs.30 Lakh

7. Kakinada experiment was conceptualized by:

a) Philip Kotler

b) David C. Mc. Clelland

c) Jacob Janes

d) Stewart Fleming

8. Which personal characteristic of successful entrepreneurs reflect that they work until the job is done?

a) Self Confidence

b) Inquisitive

c) Persistent

d) Creative

9. Entrepreneurs are curious about the things that effect their business and are not being afraid of asking questions that may supplement his/her research, is a trait of being:

a) Responsible

b) Inquisitive

c) Goal Oriented

d) Independent

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Section-B

04x04 = 16 Marks

1. What do you mean by an enterprise? Explain in brief the role of motivation for an entrepreneur.
2. Write a short note on the following:
 - a) Market Survey
 - b) Business Plan
3. Explain the concept of Thematic Apperception Test (TAT).
4. What do you mean by entrepreneurial competencies? Mention any four enterprise management competencies.

Section-C

04x06 = 24 marks

1. Explain the characteristics of successful entrepreneurs.
2. Write a note on Myths and Realities related to Entrepreneurs.
3. What is Johari Window? Explain its various components with the help of a diagram.
4. Write a short note on the following:
 - a) Achievement Motivation
 - b) Micro Labs
 - c) Objectives of EMT



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Ans key
Answer key

B

Set B

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Section-B

04x04 = 16 Marks

1. What do you mean by an enterprise? Explain in brief the role of motivation for an entrepreneur.

Ans. The enterprise is the basic unit for economic organization. It transacts with other unit in the economy, it produces a product worth more than the resources used.

The main objective of an entrepreneur is to achieve organizational objectives by putting in maximum efforts. For this, the entrepreneur needs to have the required skill, ability and willingness. Skill and ability come with educational qualification or training, whereas willingness comes with motivation. Thus, it can be said that motivation is important for the development of an entrepreneur.

2. Write a short note on the following:

a) Market Survey

Ans. Market survey is the survey research and analysis of the market for a particular product/service which includes the investigation into customer inclinations. Market surveys are tools to directly collect feedback from the target audience to understand their characteristics, expectations, and requirements

b) Business Plan

Ans. A business plan is a formal written document containing the goals of a business, the methods for attaining those goals, and the time-frame for the achievement of the goals.

3. Explain the concept of Thematic Apperception Test (TAT).

Ans. The Thematic Apperception Test (TAT) is a type of projective test that involves describing ambiguous scenes. It was developed by psychologist Henry A. Murray and artist and lay psychoanalyst Christina D. Morgan during the 1930s. The test is one of the most widely researched and utilized psychological tests in use today.

The purpose of the test is to learn more about the respondents' thoughts, concerns, and motives based on the stories they create to explain the vague and often provocative scenes depicted in the pictures.

Subjects are asked to tell a story explaining what is happening in the picture including the events that led up to the scene, what is happening in the scene, what each of the characters is thinking or feeling, and what happens next.

4. What do you mean by entrepreneurial competencies? Mention any four enterprise management competencies.

Ans. Entrepreneurial competencies are defined as underlying characteristics such as generic and specific knowledge, motives, traits, self images, social roles and skills which result in birth of a venture, its survival and growth.

They are started by entrepreneurs who begin or transform organizations and who add value through their organizing of resources and opportunities.

The four enterprise management competencies are as follows:

i) Competency to manage the business:

a) To plan goal & objectives for the business.

b) To develop a diagram showing the organizational structure for the business.

ii) Competency to manage human resource:

a) To write a job description for a position in the business.

b) To develop a training programme outline for employees.

iii) Competency to promote the business:

a) To create a long term promotional plan.

b) To describe the techniques used to prepare advertising and promotion.

iv) Competency to manage sales efforts:

a) To develop sales plan for the business.

b) To develop a plan for training and motivating sales people.

Section-C

04x06 = 24 marks

1.Explain the characteristics of successful entrepreneurs.

Ans. Ans.) The characteristics are as follows:

1. Disciplined

These individuals are focused on making their businesses work, and eliminate any hindrances or distractions to their goals. They have overarching strategies and outline the tactics to accomplish them. Successful entrepreneurs are disciplined enough to take steps every day toward the achievement of their objectives.

2. Confidence

The entrepreneur does not ask questions about whether they can succeed or whether they are worthy of success. They are confident with the knowledge that they will make their businesses succeed. They exude that confidence in everything they do.

3. Open Minded

Entrepreneurs realize that every event and situation is a business opportunity. Ideas are constantly being generated about workflows and efficiency, people skills and potential new businesses. They have the ability to look at everything around them and focus it toward their goals.

4. Self Starter

Entrepreneurs know that if something needs to be done, they should start it themselves. They set the parameters and make sure that projects follow that path. They are proactive, not waiting for someone to give them permission.

5. Competitive

Many companies are formed because an entrepreneur knows that they can do a job better than another. They need to win at the sports they play and need to win at the businesses that they create. An entrepreneur will highlight their own company's track record of success.

6. Creativity

One facet of creativity is being able to make connections between seemingly unrelated events or situations. Entrepreneurs often come up with solutions which are the synthesis of other items. They will repurpose products to market them to new industries.

2. Write a note on Myths and Realities related to Entrepreneurs.

Ans. The myths and realities related to Entrepreneurs are as follows:

Myth No. 1: Entrepreneurs are Essentially Inventors

Many aspirations die in the bud due to the existence of this perceived prerequisite. Entrepreneurship is often confused with the invention, where it's taken as a condition to be able to tangibly invent an app, system, product or a new equation in order to create market value. For example, the way Ola/Uber disrupted travel and Airbnb/Oyo Rooms disrupted hotel stays.

Reality: Entrepreneurs are Ideators

Entrepreneurship is a phenomenal journey which is flagged off with something as basic and simple as an idea. Entrepreneurs arise from an existing gap, and the right idea to fill that gap. Once the idea stands out as disruptive, innovation and invention automatically fall in line. Work it up to the

top before someone else works on it to build an empire.

Myth No. 2: Entrepreneurs are Mainly Motivated by Money

While money is the big game, it definitely isn't the end game. Money making makes for a very narrow viewpoint for those who certainly wish to establish a business. There are a larger passion and a bigger purpose that every budding entrepreneur holds or must hold onto than just making big bucks.

Reality: Entrepreneurs are Motivated by Passion

Most entrepreneurs believe in taking a risk and living life on the edge. They carry small phones but wider visions, live on bare necessities but live for huger possibilities. For any new business, the first few years are all about reaching a break-even, profits become a part once execution is patiently handled and aimed for. Passion is the biggest motivation.

Myth No. 3: Entrepreneurs Have to be Risk-takers

A myth almost ingrained in the market almost believed to be a fact. Risk taking is more of an attitude when it comes to entrepreneurship. In the sea of bigger things, risk-taking is only one of the sailing boats. Very often many fierce risk takers fail due to the lack of ability to be risk avengers or that of being on the safe side of the spectrum at all times.

Reality: Entrepreneurs Have to be Challenge-takers

As an entrepreneur, all you need to be is a relentless challenger, which encompasses taking risks as well as avoiding them. To pose your idea as the distinguisher, all that you need is the attitude of a go-getter. The always prepared to face the adversity attitude should always come in play while facing obstacles, financial ups-downs and severe, cut-throat competition. Nothing is as strong as a strong will.

Myth No. 4: Entrepreneurs are Born

Where do we think they plan for the idea, while they develop in the womb? This is one of the biggest scandals of a myth, which makes thousands of people miss the chance of being the next big entrepreneur. Intelligence, high scores, family blood, none of these actually guarantees your ticket to the top.

3. What is Johari Window? Explain its various components with the help of a diagram.

Ans. Johari Window is a technique for improving self-awareness within an individual. It helps in understanding your relationship with yourself and others. Johari Window model can be a useful tool if you want to improve your communication skills.

It was developed by American psychologists Joseph Luft and Harry Ingham in 1955, hence the name Johari. Johari Window is generally used in Self-help groups in exercises which help a person to learn and discover things about themselves, like heuristic exercise.

There are four questions in the model just like panes in a window and each person fits into one of this pane. Each window in Johari window model signifies feelings, personal information, and motivation.

	Known to Self	Not Known to Self
Known to Others	Arena "Open Self"	Blindspot "Blind Self"
Not Known to Others	Facade "Hidden Self"	Unknown Self

Johari Window Quadrant 1: Open Area or Arena

This area or pane is called open area because the information in this pane about the behavior, feelings, emotions about the person is known to that person itself as well as the other members in this group.

Johari Window Quadrant 2: Blindspot or BlindSelf

Blindspot is the area in which the certain information on your personality is known to others but that information is not known to you.

In simple terms, other people may interpret your personality different than you might have expected. For efficient communication, this area must be reduced.

Johari Window Quadrant 3: Hidden Area or Hidden Self

Hidden area is the information that you hide from others. Here, the information is known to you

but the others are unknown to this information.

The reason for this may be the information might be personal to you so that you are reluctant to share it with others. This includes secrets, past experiences, feelings, etc. Many people keep their information private and do not share it with others.

Johari Window Quadrant 4: Unknown Areas or Unknown Self

In this area, the information is unknown to you as well as the others. Generally, certain feelings, talents, information, etc fall in this area.

The reason for this might be some traumatic experience in the past about a particular event or experiences which might be unknown for your ever.

The person, as well as the group, is unaware about this till he or she discovers it. One way to reduce this area is through open communication.

4. Write a short note on the following:

a) Achievement Motivation

Ans. Achievement Motivation is defined as the desire to do well, not so much for the sake of social recognition or prestige, but to attain an inner feeling of personal accomplishment.

It is a talent disposition to strive for a particular goal, stage or aim.

b) Micro Labs

Ans. The micro lab is the most effective tool to begin to engage the interest and encourage the participation of attendees in a meeting or a training or team building session. By the end of the session, the participants will be able to understand that a well-selected icebreaker makes people comfortable enough to speak up.

A micro lab is a process-oriented package of experience, which is used to prepare the participants to learn psychologically. It helps them to motivate, get involved in the programme, make them aware of the importance of learning through experience and open their vision for the programme in totality. It also help trainees familiarize themselves with each other. Build up and break and trainees expectations about the program.

c) Objectives of EMT:

Ans. i) To help entrepreneurial spirit and improve entrepreneurial competence by emphasizing motivation, planning and cooperative efforts.

ii) To help the entrepreneur to examine his own self and relate his image with the environment.

iii) To enable him to recognize his creative and innovative potentialities.

iv) To make him aware about his own style of influencing others and on going situations.



BHARTIYA SKILL DEVELOPMENT UNIVERSITY

Registration No.:

School of Entrepreneurship Skills
Session: 2020-21 (Summer Semester)
B.Voc Program, 1st Semester,
End-Sem. Examination

Set A

Course Code: SES1103

Course Name: MSMEs & FAMILY BUSINESS

Time: 2 Hours

Max. Marks: 50

Instruction:

1. SECTION-A: Answer all questions from section A. Each question carries 01 mark
2. SECTION-B: Answer all questions from section B. Each question carries 04 marks
3. SECTION-C: Answer all questions from section C. Each question carries 06 marks

Section-A

10x1 = 10 marks

1 Family business succession means:

- a) To achieve success
- b) Transitioning the ownership of the business to the next generation of family business.
- c) Success story
- d) None of the above

2. What are two of the most important parts of the economic map of nations?

- a) Entrepreneurship & Family Businesses.
- b) . Air and Water
- c). Businesses and Profits
- d). Online Businesses and Import

3. MSMED act was enacted in the year

- a) 2004
- b) 2007
- c) 2006
- d) 2008

4. MSMEs are important for the Nation's Economy because they significantly contribute to

- a) Industrial Production
- b) Exports
- c) Employment
- d) All of the above

5. In SWOT, the letter 'O' stands for –

- a) Omnipresent (product lines)
- b) Obvious (Marketing responses)
- c) Occurrence (of trade cycles)
- d) None of the above

6. SIDBI stands for

- a) Small Institutions Developing Banks of India
- b) Small Industries Development Bank of India
- c) Small Institutions Drained Banks of India
- d) Small Industries Develop Bank of Indonesia

7. Family Business System model is explained by which shape:

- a) Triangle
- b) Circle

- c) Square
d) Rectangle
8. Three-Circle model includes:
a) Family
b) Business
c) Ownership
d) All of the above
9. In production sector, a micro enterprise is an enterprise where investment in plant and machinery does not exceed how much amount?
a) Rs. 10 Lakh
b) Rs. 15 Lakh
c) Rs. 25 Lakh
d) None of the Above
10. In production sector, a small enterprise is an enterprise where the investment in plant and machinery is more than Rs. 25 lakh but does not exceed how much amount?
a) Rs. 2 Crore
b) Rs. 5 Crore
c) Rs. 10 Crore
d) Rs. 15 Crore

Section-B

04x04 = 16 Marks

1. List the characteristics that defines a family business.
2. What do you understand by family business? How will you define 'Roles' of family members in Family Business?
3. Explain in brief any four corporate giants and their founders that had humble beginnings.
4. Write a short note on the following:
a) WTO
b) GATT

Section-C

04x06 = 24 marks

1. What are the stages for the Development of Family Business? Write in detail
2. Define MSME. What are the challenges faced by the MSME sector?
3. With the help of a diagram, explain Three Circle Model of a Family Business.
4. What are the salient features of the MSME Task Force Report (2010)?

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BHARTIYA SKILL DEVELOPMENT UNIVERSITY

Registration No.:

School of Entrepreneurship Skills
Session: 2020-21 (Summer Semester)
B.Voc Program, 1st Semester,
End-Sem. Examination

Answer key

Set A

Course Code: SES1103

Time: 2 Hours

Course Name: MSMES & FAMILY BUSINESS

Max. Marks: 50

Instruction:

1. SECTION-A: Answer all questions from section A. Each question carries 01 mark
2. SECTION-B: Answer all questions from section B. Each question carries 04 marks
3. SECTION-C: Answer all questions from section C. Each question carries 06 marks

Section-A

10x1 = 10 marks

1 Family business succession means:

- | | |
|-----------------------|---|
| a) To achieve success | b) Transitioning the ownership of the business
the next generation of family members |
| c) Success story | d) None of the above |

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| a) Triangle | b) Circle |
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8. Three-Circle model includes:

a) Family

b) Business

c) Ownership

d) All of the above

9. In production sector, a micro enterprise is an enterprise where investment in plant and machinery does not exceed how much amount?

a. Rs. 10 Lakh

b. Rs. 15 Lakh

c. Rs. 25 Lakh

d. None of the Above

10. In production sector, a small enterprise is an enterprise where the investment in plant and machinery is more than Rs. 25 lakh but does not exceed how much amount?

a. Rs. 2 Crore

b. Rs. 5 Crore

c. Rs. 10 Crore

d. Rs. 15 Crore

Section-B

04x04 = 16 Marks

1. List the characteristics that defines a family business.

Ans. The characteristics that defines a family business are as follows:

1. The presence of the family
2. The overlap of family, management, and ownership, with its zero sum (win-lose) proposition, which in the absence of growth of the firm, render the family business vulnerable during succession
3. The unique source of competitive advantage derived from the interaction of family, management, and ownership, especially when family unity is high
4. The owner's dream of keeping the business in the family (the objective of business continuity from generation to generation).
5. The fact that the family business managers are dealing with their own money and the inheritance of their children and are not as subject to the quarterly whims of Wall Street allows for more patient capital
6. They will act intelligently but boldly at critical junctures, knowing that the benefit or loss will directly affect the family
7. That knowledge keeps family managers making decisions that steadily contribute to the family's incremental and long-term wealth
8. The goal is for each generation to grow the company's value leaving behind a stronger and better than the one they inherited
9. This makes them more imaginative, innovative and progressive in their decision making

2. What do you understand by family business? How will you define 'Roles' of family members in Family Business?

Ans. A family business is a commercial organization in which the decision-making is influenced by multiple generations of a family, related by blood or marriage or adoption, who has both the ability to influence the vision of the business and the willingness to use this ability to pursue distinctive goals.

A family enterprise welcoming the new family members in the business is faced with a vital question: Do incoming family members fill an existing vacancy or will a new position be created for them? Other employees may feel resentment when a family member is given preferential treatment, but by and large, most employees are willing to make concessions to the owning family as they understand that it is the family's money that is running the business.

The role of new entrants in a family enterprise has to suit their abilities. If they are occupying a position just because they belong to the family, they may not do justice to their responsibilities. Unless they prove themselves worthy of the responsibilities, they will gain neither the trust of the older generation nor the professional respect of the other employees.

3. Explain in brief any four corporate giants and their founders that had humble beginnings.

Ans. The brief description is as follows:-

i) Sony was born in a devastated shed after World War II in Tokyo, Japan, but now is a big corporate company. Sony co-founder Akio Morita founded Sony Corporation of America in 1960

ii) Volkswagen was a little car maker in Wolfsburg, Germany, but now is very large company. It was founded in 1937 by the German Labour Front and Ferdinand Porsche.

iii) Hewlett Packard: The Hewlett Packard Enterprise Company is an American multinational enterprise information technology company based in San Jose, California founded by Bill Hewlett & Dave Packard

iv) Microsoft: Microsoft, American multinational technology company develops, manufactures, licenses, supports, and sells computer software, consumer electronics, personal computers, and related service was founded by Bill Gates & Paul Allen

4. Write a short note on the following:

a) WTO: The World Trade Organization (WTO) was formed on 1st Jan, 1995, and now comprises of 155 member nations. The WTO is a culmination of the rule-based GATT negotiation. The goal is to help producers of goods and services, exporters, and importers conduct their business.

b) GATT: The General Agreement on Tariffs and Trade (GATT) is a legal agreement between many countries, whose overall purpose was to promote international trade by reducing or eliminating trade barriers such as tariffs or quotas.

Section-C

04x06 = 24 marks

1. What are the stages for the Development of Family Business? Write in detail

Ans. The stages of development of a family business are as follows:

Stage 1: **The Entrepreneur(s)**: In this stage the ownership and management of the business is in

the hands of the entrepreneur(s) himself .He takes advice from a number outside advisors but still major decisions are taken by himself .There are limited corporate governance issues .The biggest challenge of the entrepreneur(s) is to plan for succession if they want the venture to continue.

Stage 2: **The Second Generation - Sibling Partnership:**

This is a stage where the children of the entrepreneur(s) might have joined the business and the entrepreneur(s) will also be there in in business. In this stage the corporate governance issue becomes more complex. The most important issues to be taken care are –

1. Harmony between the family members
2. Smart and Timely Communication between the family members
3. Standardising the business process etc by having good SOP's
4. Listing down the criteria for key management positions

Stage 3: **The Third Generation - Family Dynasty:**

This is a complex web of family including in-laws , siblings , cousins etc. There will be differences in ideas about what should the business do , how should it do it etc due to difference in generations and difference in family branches. The biggest risk is that the conflicts existing in the Stage 2 might not only continue but might also be more difficult to be solved. This is stage where not only corporate governance issue will be complex but also family governance issue would be complex.

2. Define MSME. What are the challenges faced by the MSME sector?

Ans. MSME stands for Micro, Small, and Medium Enterprises. In accordance with the Micro, Small, and Medium Enterprises Development (MSMED) Act in 2006, the enterprises are classified into two divisions.

1. Manufacturing enterprises– engaged in the manufacturing or production of goods in any industry
2. Service enterprises– engaged in providing or rendering services

The challenges faced by MSME sector are as follows:

- i) Inadequate infrastructural facilities
- ii) Lack of Access to the Marketing
- iii) Difficulty in finding and retaining human resources
- iv) Lack of availability of adequate & timely credit.
- v) Technological backwardness & lack of product innovation.

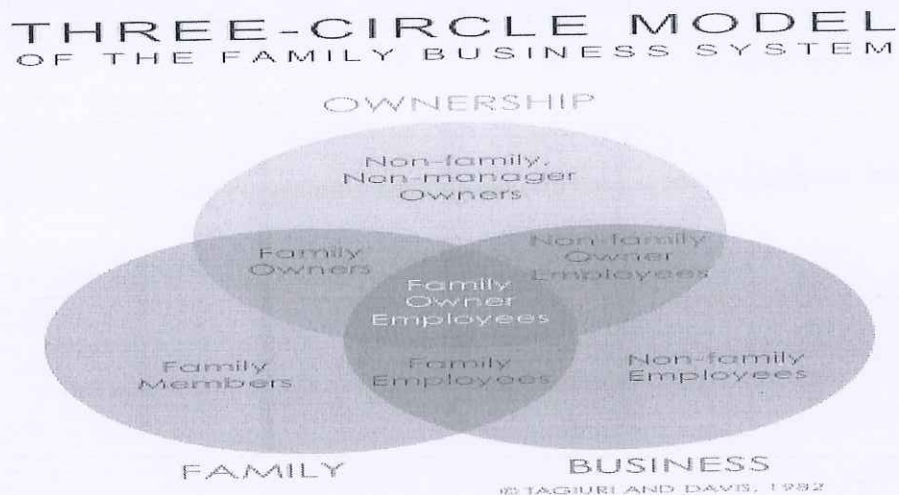
i) Lack of Availability of Adequate and Timely Credit: Despite their dominant number, high growth potential, and importance in job creation, MSME face difficulty in obtaining adequate and timely equity capital on competitive terms. The major reason for this problem is the high risk perception among the banks with regards to this sector and the high transaction costs for loan appraisal. The level of non performing assets is also very high in this segment. Hence, banks are reluctant to provide credit to MSME.

ii) **Technological backwardness and lack of product innovation:** It is very important to use latest technology & invest in Research & Development for product innovation. The knowledge gap of MSME will increase with the digital divide and rapid change in technology. Due to their small scale of operation, MSME have limited access to R&D and can't invest much in acquiring latest technologies.

3. With the help of a diagram, explain Three Circle Model of a Family Business.

Ans. The Three-Circle Model of the Family Business System shows three interdependent and overlapping groups: family, ownership, and business.

An individual in a family business system occupies one of the seven sectors that are formed by these three overlapping circles. An owner (partner or shareholder) and only an owner will sit within the top circle. Family members will occupy the left-hand circle, and employees of the family company the right-hand circle. If you have only one of these roles, you will be in just one circle. However, if you have two roles, you will be in an overlapping sector, sitting within two circles at one time. If you are a family member who works in the business but has no ownership stake, you're in the bottom center sector. If you are a family member who works in the business and is an owner, then you will sit right in the center of the three overlapping circles.



With the Three-Circle Model, one can depict seven distinct interest groups (or stakeholders) with a connection to the family business:

1. Family members not involved in the business, but who are descendants or spouses/partners of owners
2. Family owners not employed in the business
3. Non-family owners who do not work in the business
4. Non-family owners who work in the business
5. Non-family employees
6. Family members who work in the business but are not owners

7. Family owners who work in the business

4. What are the salient features of the MSME Task Force Report (2010)?

Ans. The salient features are as follows:

- i) District Industry Centres should be modernized with IT-enabled facilities and available resources. State govt. may establish a mechanism at the district level, in the DIC to re-examine the viability of sick units in coordination with the banks.
- ii) The govt. should consider earmarking funds to the tune of Rs. 1,500 Crores to support clean technology initiatives of the different ministries involved.
- iii) A separate sub-group was constituted to look into the development of MSME in north-eastern India and in J&K.
- iv) A separate fund with SIDBI, named the "Special Funds for Micro Enterprises" may be created to facilitate lending to microenterprises.
- v) Wide publicity should be given to new formats like limited Liability Partnerships and Single Person Companies.



BHARTIYA SKILL DEVELOPMENT UNIVERSITY

Registration No.:

School of Entrepreneurship Skills
Session: 2020-21 (Summer Semester)
B.Voc Program, 1stSemester,
End-Sem. Examination

Set B

Course Code: SES1103

Course Name: MSMEs & FAMILY BUSINESS

Time: 2 Hours

Max. Marks: 50

Instruction:

1. SECTION-A: Answer all questions from section A. Each question carries 01 mark
2. SECTION-B: Answer all questions from section B. Each question carries 04 marks
3. SECTION-C: Answer all questions from section C. Each question carries 06 marks

Section-A

10x1 = 10 marks

Q1. Who said, "Ownership control by the members of a single family" is Family Business:

- | | |
|---------------|------------|
| a) Rosenblatt | b) Barry |
| c) Anderson | d) Johnson |

Q2. Family firms are differentiated by:

- a) Active involvement of family in firm management.
- b) No involvement of family in firm management.
- c) Involvement of outsiders in firm management.
- d) None of the above

3. In service sector, a medium enterprise is an enterprise where the investment in equipment is more than Rs. 2 crore but does not exceed how much amount?

- | | |
|----------------|----------------|
| a) Rs. 1 Crore | b) Rs. 3 Crore |
| c) Rs. 5 Crore | d) Rs. 7 Crore |

4. What does ZED stand for in the context of MSMEs and certification in manufacturing?

- | | |
|----------------------------|--|
| a) Zero Effect Zero Defect | b) Zero Effectiveness Zero Defectiveness |
| c) Zero Delays Zero Effect | d) Zero Defect Zero Effect |

5. DIC stands for –

- | | |
|-------------------------------------|---------------------------------------|
| a) Direct Industry Centres | b) District Industries Centres |
| c) District Institution Corporation | d) District Institutional Corporation |

6. Who among these is the co-chairman of Pune-based Forbes Marshall, also current chairman of FBN International?

- | | |
|------------------|---------------------|
| a) Farhad Forbes | b) Nurman C. Forbes |
|------------------|---------------------|

- c) Gautam Adani
d) J.N Marshall
7. MSMEs are important for the Nation's Economy because they significantly contribute to
- a) Industrial Production
b) Exports
c) Employment
d) All of the above
8. Self help groups convert the savings into a common fund known as_____
- a) Common Fund
b) Group Corpus Fund
c) Group Fund
d) None of the above
9. MSME is defined under which act
- a) MSME Act, 2006
b) MSMED Act, 2009
c) MSME Act, 2004
d) MSMED Act, 2006
10. Which is not the meaning of Exit plan in Family Business?
- a) Retirement
b) Closing a Business
c) Sale of the business
d) Starting a Business

Section-B

04x04 = 16 Marks

1. What is Family Business? List the steps involved in Succession in Family Business.
2. Write a short note on roles and importance of MSME.
3. Explain the steps involved in Succession in Family Business.
4. Write a short note on the MSMED Act.

Section-C

04x06 = 24 marks

1. How one can improve the performance of a family business?
2. Write a short note on any three of the current schemes for MSME.
3. What are the challenges faced by Family owned firms?
4. What do you mean by a Cluster? Name some of the well known clusters in India.

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Answers
B

BHARTIYA SKILL DEVELOPMENT UNIVERSITY

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School of Entrepreneurship Skills
Session: 2020-21 (Summer Semester)
B.Voc Program, 1st Semester,
End-Sem. Examination

Course Code: SES1103
Course Name: MSMEs & FAMILY BUSINESS

Set B
Time: 2 Hours

Max. Marks: 50

Instruction:

1. SECTION-A: Answer all questions from section A. Each question carries 01 mark
2. SECTION-B: Answer all questions from section B. Each question carries 04 marks
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Section-A

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- | | |
|-------------------------|---------------------|
| a) Farhad Forbes | b) Nurman C. Forbes |
|-------------------------|---------------------|

b) MSMEs in tier-2 and tier-3 cities help in creating opportunities for people to use banking services and products, which can amount to the final inclusion of the contribution of MSMEs for the economy.

c) MSMEs promote innovation by providing an opportunity to budding entrepreneurs to help them build creative products and thereby boost competition in business and fuel the growth.

3. Explain the steps involved in Succession in Family Business.

Ans. The steps involved are as follows:

1. Make a solid case of Succession Planning
2. Prepare an Exit Plan
3. Identify the Successor
4. Grooming and Developing the Successor

4. Write a short note on the MSMED Act.

Ans. The Micro, Small and Medium Enterprises Development Act, 2006 is an Act of the Parliament of India. According to the act, "any buyer who fails to make payment to MSMEs, as per agreed terms or a maximum of 45 days, would be liable to pay monthly compounded interest at three times the bank rate notified by RBI".

The MSMED Act is a comprehensive legislation for the promotion, development and enhancement of the competitiveness of the MSME sector. This act came into effect on 2nd October, 2006, with the core purpose of strengthening the Indian MSME and making them globally competitive.

Section-C

04x06 = 24

marks

1. How one can improve the performance of a family business?

Ans. One can improve the performance of a family business by following these steps:

1. **Talk to each other regularly:** Healthy family businesses should meet twice each year to address family issues using a structured agenda for adults and spouses. Plans for the future of the business, particularly succession planning, are high-priority topics.

2. **Create a desirable, long-term succession goal with clarity:** Owners must be able to passionately describe what their future looks and feels like for the senior and next generation.

3. **Never say never:** Non-candidates can change their minds later. Family succession candidates emerge unexpectedly from the next generation as teenagers become educated and experienced young adults with passion to get involved in the family legacy. Earlier denials about being a successor get modified and even reversed by life events.

4. **Look beyond the family:** Succession that effectively delivers the assets and family members into the next generation is often realized by adding non-family members to the team. Finding an interim leader or manager who spans a five-year growth and development path for a young successor is a well-proven strategy.

5. **Actively manage family dynamics:** Working with family means the personal matters generally don't stay at home when you go to the office.

6. **Put the best people in the right roles because of ability, not lineage:** not everyone is suited to handle positions well, and there may be other talent outside the family that may help the company perform better

2. Write a short note on any three of the current schemes for MSME.

Ans. The three schemes are as follows:

i) Zero Defect Zero Effect

In this model, goods that are manufactured for export have to adhere to a certain standard so that they are not rejected or sent back to India. To achieve this the government has launched this scheme. In this, if the goods are exported these are eligible for some rebates and concessions.

ii) Quality Management Standards & Quality technology Tools

Registering in this scheme will help the micro, small and medium enterprises to understand and implement the quality standards that are required to be maintained along with the new technology. In this scheme, activities are conducted to sensitize the businesses about the new technology available through various seminars, campaigns, activities etc.

3. With the help of a diagram, explain Three Circle Model of a Family Business.

Ans. The challenges faced are as follows:

1. Family problems
2. Informal culture and structure
3. Pressure to hire family members.
4. Lack of training.
5. High turnover of non-family employees.
6. Sources for growth.
7. Lack of an external view.
8. Misunderstanding the value of the business and how it is to be divided
9. Who will take over the business?
10. No exit plan.

4. What do you mean by a Cluster? Name some of the well known clusters in India.

Ans. The cluster is a geographical concentration of MSME with close supply links, specialist suppliers, service providers and related industries and institutions, faced with common opportunities and threats.

Some of the well known clusters in India are as follows:

- i) The power loom clusters located in Guntur (Andhra Pradesh).
- ii) The diamond processing cluster in Surat (Gujrat)
- iii) The auto component cluster in Faridabad (Haryana)
- iv) The sports good and leather cluster in Jalandhar (Punjab)
- v) The marble slab cluster in Udaipur (Rajasthan)

