



BHARTIYA SKILL DEVELOPMENT UNIVERSITY

SET-A

School of General Education
Session: 2021-22 (Winter Semester)
B. Voc. Program, 3rd Semester,
End-Sem. Examination

ANSWER KEYS

Course Name: Entrepreneurship Development

Course Code: GEN1303

Section - A

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

1. The concept of Creativity is viewed as-
 - a) A process
 - b) A Technique
 - c) A Mindset
 - d) **All of the above**

2. Creating Value in the Marketplace is referred to as-
 - a) Creativity
 - b) Innovation
 - c) Business
 - d) **Entrepreneurship**

3. Which one of the following is not a step in the entrepreneurial process?
 - a) Brainstorming & Identification of the business idea,
 - b) Development of the business idea,
 - c) Determination of the dimensions of the business idea
 - d) **All of the above**

4. Lean approach to Business Planning focus on-
 - a) The creating a Lean Plan
 - b) Testing the plan i.e. start putting the plan into action to see if your ideas will work
 - c) Review the results for what changes need to be made & revise the plan as per the feedback, observations etc.
 - d) **All of the above**

5. Banks meet the need of financial assistance of a new startup company-
 - a) In the form of short term loans
 - b) In the form of long term loans
 - c) In the form of working capital assistance
 - d) **All of the above**

6. Market survey is a Research tool-
 - a) To directly collect feedback from the target audience
 - b) To understand Characteristics, expectations, and requirements of the target audience
 - c) To gather data for making well-informed business decisions
 - d) **All of the above**

7. Brainstorming is a method of generating ideas and sharing knowledge to-
 - a) Providing information in a structured format
 - b) Generate new product ideas by providing with a list of problems
 - c) Developing a new idea through a list of related issues
 - d) **None of the above**

8. Which one of the following is an elements of opportunity?
 - a) Creativity
 - b) Business Idea
 - c) Window of Opportunity
 - d) **None of the above**



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9. The project report contains detailed information about-
 - a) Land and buildings required
 - b) Manufacturing Capacity & Manufacturing Process
 - c) Machinery & equipment along with their prices and specifications
 - d) All of the above

10. Environmental Scanning is always beneficial to an entrepreneur to know-
 - a) The present situation in the market
 - b) The various changes occurring in the economy as new trends
 - c) To analyze the Issues and expectations of people due to changes in the environment
 - d) All of the above

Section - B

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

Q-1 Distinguish between Intrapreneurship, Entrepreneurship, Self-Employment & Employment

Answer- Entrepreneurship: Entrepreneurship is both an art and science of converting business ideas into marketable products or services to improve the quality of living. It refers to the process of innovating new products or services and streamline the resources required to commercialize these products or services. Entrepreneurship refers to- "All actions executed by the entrepreneur to establish an enterprise"

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."

Intrapreneurship: Intrapreneurship is simply entrepreneurship in an existing organization. In many ways, intrapreneurship is easier for an individual than entrepreneurship because it has the support of an existing organization. However, there are both facilitators and barriers to intrapreneurship.

The term intrapreneurship refers to a system that allows an employee to act like an entrepreneur within a company or other organization. Intrapreneurs are self-motivated, proactive, and action-oriented people who take the initiative to pursue an innovative product or service. An Intrapreneur knows failure does not have a personal cost as it does for an entrepreneur since the organization absorbs losses that arise from failure.

Self-Employment: Often, self – employment and entrepreneurship are confused to be the same. But Both the concepts are different. An entrepreneur and a self-employed person may share the similarity of owning a business but their mindset and approach are completely different.

As a self-employed person, you hire people to work for you. The vision and goal is set by you and it solely depends on you. Self-employed people are the face of their business. If their absenteeism is constant, their business will significantly go down. A self-employed person is not a risk taker. He fears change. A self-employed person tries to do everything on his own because he thinks he is the best and nobody is better than him. At the same time, Self-employment does not have many requirements and restrictions.



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Q-2 Describe the concept of Entrepreneurial Marketing.

Answer- The term "marketing" means different things to different individuals. Some people view it as advertising, some as selling, and others as trading. Advertising, selling, and/or trading are only aspects of marketing.

For the sake of understanding we can define the concept as "Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large."

Hisrich defines marketing as "the process by which the decisions are made in a totally interrelated changing business environment on all the activities that facilitate exchange in order that the targeted group of customers is satisfied, and the defined objectives are accomplished.

Recently, entrepreneurial marketing has gained popularity in marketing and entrepreneurship. This has been proactive identification and exploitation of opportunities for acquiring and retaining profitable customers through innovative approaches to risk management, resource leveraging and value creation.

The most common features of entrepreneurial marketing include innovation, risk taking, and being proactive. Entrepreneurial marketing campaigns try to highlight the company's greatest strengths while emphasizing their value to the customer. Focusing on innovative products or exemplary customer service is a way to stand out from competitors. They make this pitch using cheap and accessible tools including viral videos, Tweets, Facebook pages, and email marketing. Any and all marketing strategies can be considered as long as they produce results.

Q-3 Distinguish between feasibility study & Environmental Scanning.

Answer- Overview of Feasibility analysis- Feasibility analysis is designed to assess whether your entrepreneurial endeavor is, in fact, feasible or possible. By evaluating your management team, assessing the market for your concept, estimating financial viability, and identifying potential pitfalls, you can make an informed choice about the achievability of your entrepreneurial endeavor. A feasibility analysis is largely numbers driven and can be far more in depth than a business plan.

A feasibility study may become the basis for the business plan, which outlines the action steps necessary to take a proposal from ideation to realization. A feasibility study allows a business to address where and how it will operate, its competition, possible hurdles, and the funding needed to begin. The business plan then provides a framework that sets out a map for following through and executing on the entrepreneurial vision.

The feasibility study acts as an investigative tool to assess the potential, viability or practicability of a new business. It is an excellent instrument for the prediction of the likelihood of success or failure of a new business venture. It may also be adopted in the case of incorporation of new products or ideas into the business mix.

Overview of Environmental Scanning & Analysis- Environment scanning refers to- Careful monitoring of an organization's internal and external environments for detecting early signs of opportunities and threats that may influence its current and future plans. Scanning of environment is always beneficial to an entrepreneur to know- The present situation in the market, and The various changes occurring in the economy as new trends, Issues and expectations of people due to changes in the environment.

Purpose of environmental scanning- The main purpose of environmental scanning is to know the rapid changes occurring in the environment by which organizations gather information on changing conditions and incorporate those observations into a process where necessary changes can be made. Various environmental factors crucial for an entrepreneur- Producer/Seller, Customers, Competitors, Suppliers, Marketing Intermediaries and PESTLGN.



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Q-4 What is full form of RIICO, SIDBI, IDBI, IFCI, RFC, RRBs, SIDs & NABARD?

Answer- The full form of the abbreviations is as under-

RIICO- Rajasthan State Industrial & Investment Corporation Ltd.

SIDBI- Small Industries Development Bank of India

IDBI- Industrial Development Bank of India

IFCI- Industrial Finance Corporation of India

RFC- Rajasthan Financial Corporation

RRBs- Regional Rural Banks

SIDs- State Industrial Development Corporations

NABARD- National Bank for Agricultural and Rural Development

Section – C

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

Q-1 Describe briefly the two approaches to the Entrepreneurship Process.

Answer- Traditional approach to Entrepreneurship Process:

Entrepreneurial process can be defined as the process through which a new venture is created by an entrepreneur. This process involves finding, evaluating, and developing an opportunity by overcoming the strong forces that resist the creation of something new.

Steps in entrepreneurial process: The process has four distinct phases:

- (1) Identification and evaluation of the opportunity,
- (2) Development of the business plan,
- (3) Determination of the required resources, and
- (4) Management of the resulting enterprise.

Phase-1: Identify and evaluate opportunity: opportunity identification is the process by which an entrepreneur comes up with the opportunity for a new venture. Opportunity identification and evaluation is a very difficult task. Most good business opportunities do not suddenly appear, but rather result from an entrepreneur's alertness to possibilities or, in some cases, the establishment of mechanisms that identify potential opportunities.

Different Aspects of this step relates to – Creativity and Business Idea generation, Recognition of entrepreneurial opportunity, Assessment of entrepreneurial opportunity (in terms of real and perceived value, risk and return and Evaluating entrepreneurial opportunity (in terms of personal & entrepreneurial skills and competencies, prevailing and future circumstances and competitive environment)

Phase-2: Develop Business Plan: A business plan is the written description of the future direction of the business. It helps entrepreneur in Putting Ideas together and Preparing B-Plan Draft.

1. A good business plan must be developed in order to exploit the defined opportunity. This is a very time-consuming phase of the entrepreneurial process.
2. An entrepreneur usually has not prepared a business plan before and does not have the resources available to do a good job.
3. A good business plan is essential to developing the opportunity and determining the resources required, obtaining those resources, and successfully managing the resulting venture.

Phase 3: Determine the Resources Required.

1. Determine existing resources
2. Identify Resource Gaps and available Suppliers
3. Develop access to and procure needed resources

Phase 4: Manage the Enterprise.

1. Develop Management Style
2. Understand key variables for success
3. Identify problems and Potential problems



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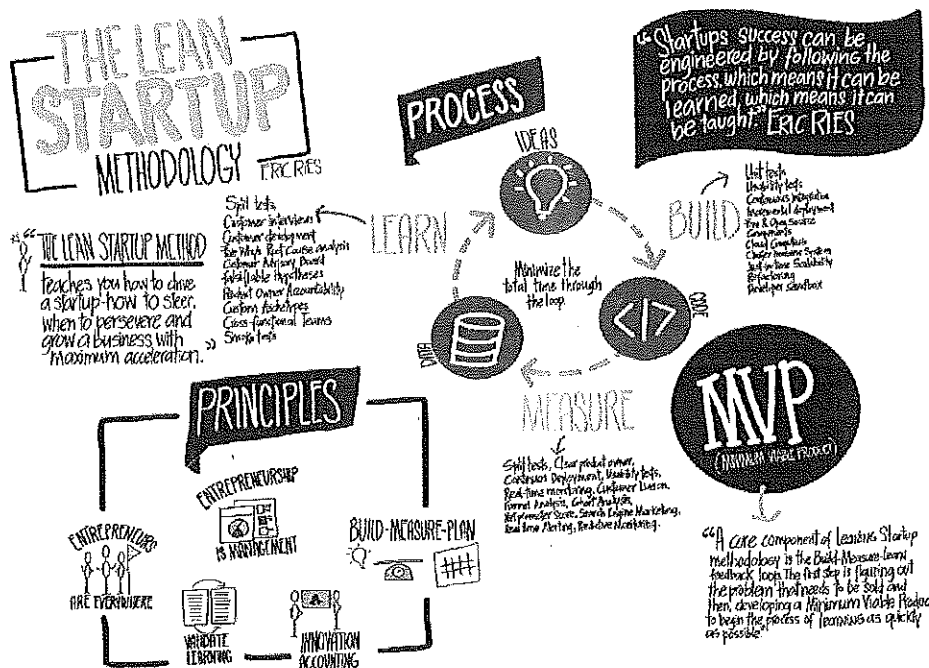
Implement control systems

Develop growth strategy

Lean Startup approach to Entrepreneurship Process

Lean startup approach is a methodology for developing businesses and products that aims to shorten product development cycles and rapidly discover if a proposed business model is viable; this is achieved by adopting a combination of business-hypothesis-driven experimentation, iterative product releases, and validated learning. Lean startup emphasizes customer feedback over intuition and flexibility over planning. This methodology enables recovery from failures more often than traditional ways of product development.

The lean startup methodology was first proposed in 2008 by Eric Ries, using his personal experiences adapting lean manufacturing principles to high-tech startup companies. The Lean Startup approach method teaches you how to drive a startup-how to steer, when to turn, and when to persevere-and grow a business with maximum acceleration.



Q-2 Explore & Explain the different methods of generating new business ideas.

Answer- The entrepreneur can use several methods to help generate and test new ideas, as under-

- 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.



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- 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.
- Creative Problem Solving- Obtaining new ideas focusing on the parameters through creative process. Brainstorming is probably the most well-known and widely used for both creative problem solving and idea generation.
- 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 precocious 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.
- Braindumping – This is like brainstorming, but done individually.
- Brainwriting – This is like brainstorming, but everyone writes down and passes ideas for others to add to before discussing these.
- Brainwalking – This is like brainwriting, but members walk about the room, adding to others' ideas.
- Worst Possible Idea – You take an inverted brainstorming approach, emboldening more reserved individuals to produce bad ideas and yielding valuable threads.
- Challenging Assumptions – You overturn established beliefs about problems, revealing fresh perspectives.
- Mindmapping – You use this graphical technique to connect ideas to problems' major and minor qualities.
- Sketching/Sketchstorming – You use rough sketches/diagrams to express ideas/potential solutions and explore the design space.
- Storyboarding – You develop a visual problem/design/solution-related story to illustrate a situation's dynamics.
- Bodystorming – You use role-playing in scenarios/customer-journey steps to find solutions.
- Analogies – You draw comparisons to communicate ideas better.
- Provocation – You use an extreme lateral-thinking technique to challenge established beliefs and explore paths beyond.



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Q-5 Explain the role of different institutions that support new & existing entrepreneurs.

Answer- The support system and institutional setup would include Entrepreneurship Development Organizations, Financial Institutions, Network of Banks, Industrial development organizations and different Govt agencies engaged in the implementation of the Govt Policies and development programs. This institutional support system has been designed at following four levels:

- Central Government
- State Government
- Non-Government Support System
- District Industries Centers (DIC)
- District Rural Development Authority (DRDA)

Further, National & State level Institutional Support System has the following objectives-

1. To help and support Entrepreneurs
2. To foster Entrepreneurship Development
3. To accelerate the growth of Industrialization
4. To help grow & Develop MSMEs in the country.

National & State level Institutional Support to Entrepreneurs is provided to the Entrepreneurs in the form of following-

1. Banking Institutions like Nationalized commercial Banks (Public & Private Sector), Small Finance Banks, Payment Banks and Co-operative Banks, RRBs etc.
2. Financial Institutions like SIDBI, IDBI, ICICI, IFCI, IRCI, SFCs like RFC in Rajasthan etc.
3. Industrial & Development Institutions like Agricultural Development Bank, National Bank for Agriculture & Rural Development (NABARD), State level SIDCs like RIICO in Rajasthan etc
4. Govt. Ministries/Departments/Agencies

Banking Institutions like Nationalized commercial Banks (Public & Private Sector), Small Finance Banks, Payment Banks and Co-operative Banks, RRBs etc. Banks meet the need of financial assistance of a new startup company in the form of short term and long term loans. Banks provide working capital assistance to help entrepreneurs meet their day to day needs of available fund. Banks advise entrepreneurs on sustainable lines of investment by analyzing the pro and cons of each investment. In addition to the normal lending and other service, banks now also engage in business advisory, guaranty and other consultancy services which help entrepreneurs in the promotion and financing of entrepreneurship activities.

Financial Institutions like SIDBI, IDBI, ICICI, IFCI, IRCI, SFCs like RFC in Rajasthan etc. SIDBI: stand for Small Industries Development Bank of India. This acts as the Principal Financial Institution for Promotion, Financing and Development of the Micro, Small and Medium Enterprise (MSME) sector:

- 1) IDBI: Stand for Industrial Development Bank of India. This provide credit and other financial facilities for the development of the MSMEs.
- 2) ICICI: Stand for Industrial Credit and Investment Corporation of India. Earlier this was a development financial institution but now as a Bank offering only project finance to a diversified financial services group.
- 3) IFCI: Industrial Finance Corporation of India, is a Non-Banking Finance Company and provides financial support for the diversified growth of Industries. This provide finance for projects such as airports, roads, telecom, power, real estate, manufacturing, services sector and such other allied industries.
- 4) IRCI: Industrial Reconstruction Corporation of India assist rehabilitation of sick industrial units or rehabilitation of units likely to face closure, but showing promise of viability.
- 5) SFCs: Stand for State Financial Corporations like Rajasthan Financial Corporation (RFC) in Rajasthan State and HFC in Haryana etc. SFCs help in ensuring balanced regional development, higher investment, more employment generation and broad ownership of various



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industries in the respective state.

Industrial & Development Institutions like Agricultural Development Bank, National Bank for Agriculture & Rural Development (NABARD), State level SIDCs like RIICO in Rajasthan etc.-

- 1) NABARD- The full form of this is National Bank for Agriculture & Rural Development and this Promote sustainable and equitable agriculture and rural development through participative financial and non-financial interventions, innovations, technology and institutional development for Agro-preneurship and Rural Entrepreneurship Development.
- 2) SIDCs: Stand for State Industrial Development Corporations like RIICO in Rajasthan. RIICO stand for Rajasthan State Industrial Development & Investment Corporation Limited. Let's develop a better understanding about RIICO as to how this is actually playing significant role for industrialization in the state and in the growth and development of MSMEs.

Q-4 Discuss some of the Govt. Schemes and Programs for entrepreneurship development.

Answer- The emergence of Entrepreneurship in a society depends on several influencing factors. The most important among them are considered to be the individual, environment, Socioeconomic support system and institutional setup. The environment and the institutional setup are considered to be exerting direct influence on entrepreneurship. That's why the Eco-system for entrepreneurship development and inspiring, guiding and supporting the potential entrepreneurs through the viable support system becomes essential. In our country, there is well-established and robust support system available for Entrepreneurs and Enterprises at the National, State, District, Block Development and Village level.

An Entrepreneurs can get benefits from a good number of Govt. Schemes and Programs related to different economic sectors and ministries. Following Govt. Programs are the ways through which an entrepreneur is entitled to get the benefit of the opportunities to start with the assistance and resources provided by the Government at different level in the country.

1. Start-up India
2. Stand-up India
3. Make-in-India
4. Atal Innovation Mission
5. Support to Training and Employment for Women (STEP)
6. Digital India
7. PMKVY, PMEGP, SEED, WEP and ASPIRE
8. Pradhanmantri Mudra Yojna (Mudra Loan)

Startup India programme was launched on 16th January 2016. The programme was launched to promote bank financing for start-up ventures to boost entrepreneurship and encourage start-ups with jobs creation.

- "Start Up India" is a revolutionary scheme that has been started to help the people who have ideas and capabilities and wish to start their own business.
- The vision of this Program is to encourage and support the job seekers to become job creator by starting their own micro or small level enterprise or startup business without any hassles.
- The program provides funding support and incentives to such job creators related to getting patent of their innovation and by simplification of the Startup process.
- Stand up India Program was launched on 5th April 2016. The scheme was launched to support entrepreneurship among women and SC & ST communities.
- The scheme offers bank loans of between ₹10 lakh (US\$15,000) and ₹1 crore (US\$150,000) for scheduled castes and scheduled tribes and women setting up new enterprises outside of the farm sector. Debit Card (RuPay) for withdrawal of working capital.

The Make in India initiative was launched by Prime Minister in September 2014 as a part of the



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Wider set of nation-building initiatives. This program is designed to transform India into a global design and manufacturing hub. For this Govt has identified 25 priority sectors to boost investment through FDI.

The main objective make in India initiative is-

- To focus on job creation and skill enhancement in various sectors of the economy
- To attract capital and technological investment in India
- It also aims at high-quality standards and minimizing the impact on the environment.
- To create a business-friendly atmosphere in the country by increasing ease of doing business as much as possible.

Atal Innovation Mission (AIM) is the flagship initiative of the Govt. to promote a culture of innovation and entrepreneurship in the country. The core functions of the Mission are as under:

- Entrepreneurship promotion through Self-Employment and Talent Utilization, to support & Mentor the innovators to become successful entrepreneurs.
- Innovation promotion: to provide a platform where innovative ideas are generated.

Objectives of AIM-

- To develop and create awareness about new programmes and policies for fostering innovation in different sectors of the economy
- To provide platform and collaboration opportunities for different stakeholders
- To create an umbrella structure to oversee innovation ecosystem of the country.

The Digital India programme is a flagship programme of the Government of India with a vision to transform India into a digitally empowered society and knowledge economy.

In order to transform the entire ecosystem of public services through the use of information technology, the Government of India has launched the Digital India programme.

Vision of Digital India- The vision of Digital India programme is to transform India into a digitally empowered society and knowledge economy. The program is centered on three key vision areas: Digital Infrastructure as a Core Utility to Every Citizen, Governance and Services on Demand & Digital Empowerment of Citizens

Pradhan Mantri Kaushal Vikas Yojana (PMKVY) is the flagship scheme of the Ministry of Skill Development & Entrepreneurship (MSDE) implemented by National Skill Development Corporation.

The objective of this Skill Certification Scheme is to enable a large number of Indian youth to take up industry-relevant skill training that will help them in securing a better livelihood. Individuals with prior learning experience or skills will also be assessed and certified under Recognition of Prior Learning (RPL).

