

Internal Assessment Test - II

Sub:	Management & Entrepreneurship for IT Industry						Code:	15CS51	
Date:	7 / 11 / 2017	Duration:	90 mins	Max Marks:	50	Sem:	5th	Branch:	CSE

Answer Any FIVE FULL Questions

	Marks	OBE	
		CO	RBT
1 (a) Define entrepreneur	[03]	CO1	L1
(b) List the characteristics of entrepreneur and his functions	[07]	CO1	L1
2 (a) Differentiate entrepreneur from intrapreneur	[05]	CO2	L2
(b) Describe the various stages in entrepreneurial process	[05]	CO1	L1
3 (a) Explain in detail the various feasibility studies undertaken by an entrepreneur	[10]	CO1	L4
4 (a) Classify in detail the various entrepreneurs	[08]	CO2	L3
(b) What is the meaning of project	[02]	CO2	L1
5 (a) Discuss the significance of project report	[05]	CO2	L2
(b) Summarise the criteria for project selection	[05]	CO3	L4
6(a) What is Feasibility study in entrepreneurship	[03]	CO1	L1
(b) Discuss in detail the role of entrepreneurs in economic development	[07]	CO2	L2
7(a) What are the barriers to entrepreneurship	[03]	CO2	L1
(b) Guidelines of planning Commission for project report.	[07]	CO2	L4
8(a) Summarize in detail the contents of a project report.	[10]	CO2	L2

Answer key ME for It Industry IAT -2

1. A) **Define entrepreneur**

Joseph A Schumpeter defines an entrepreneur as “ one who innovates, raises

- money, assembles inputs and sets the organization going with the ability to identify them and opportunities, which others are not able to fulfil such economic opportunities”.

b) **List the characteristics of entrepreneur and his functions:**

Entrepreneur builds new enterprises. He possesses intense level of determination and a desire to overcome hurdles and solves the problem and completes the job

Entrepreneur finds the resources required to exploit opportunities

Entrepreneur does extraordinary things as a function of vision, hard work, and passion.

He

challenges assumptions and breaks rules

2a) **Differentiate entrepreneur from intrapreneur**

<b>Entrepreneur</b>	<b>Intrapreneur</b>
An entrepreneur bears the risk involved in the business	An intrapreneur does not fully bear the risk involved in the enterprise
An entrepreneur himself raises the funds required for the enterprise	An intrapreneur does not raise the funds
An entrepreneur operates from outside the circle of the organisation	An intrapreneur operates from within the organisation itself.
An entrepreneur is independent in his operations	An intrapreneur is dependent on the entrepreneur i.e. the owner

b) **Stages in entrepreneurial process**

**Stages in entrepreneurial process**

The **process of starting a new venture** is the main theme of entrepreneurial process which involves more than just problem solving in any typical management position.

An entrepreneur must **find, evaluate, and develop an opportunity by overcoming the problem** that arise in developing something new. This process has 5 important stages:

1. Identification of an opportunity
  2. Evaluation of the opportunity
  3. Preparation of the business plan
  4. Determination and organising the resources
- Management of the enterprise

**Identification of Opportunity:** The first step in the entrepreneurial process is the identification of opportunity. This may be from his **own idea or from external sources** like consumers, and business associates, members of distribution system, independent technical organisations, consultants etc

**Evaluation of the opportunity:**

The **opportunity identified** by using either input from consumers, business associates, channel members or technical people, must be carefully **screened and evaluated**. This evaluation is perhaps the most critical element of the entrepreneurial process as it allows the entrepreneur to **assess whether the specific product or service provides sufficient return on investment**.

**Development of the business plan:**

To achieve the proposed business opportunity, a well defined business plan need to be developed. This is a tedious and time consuming activity of the entrepreneurial process. The business plan should contain the following in order

1. Title of the project, table of contents and executive summary
2. Description of business and industry
3. Technology plan
4. Financial plan
5. Organisational plan
6. Production and operational plan
7. Marketing and distribution plan

**Management of Enterprise:**

After resources are acquired, the entrepreneur must use them to **implement the business plan**. The **operational problems** of the growing enterprise must also be examined. This calls for a management with all functions like planning, organising, staffing, directing and controlling.

**3 (a) Explain in detail the various feasibility studies undertaken by an entrepreneur**

**Feasibility studies**

Feasibility study is done to find whether the proposed project would be feasible or not. It is important to demarcate environmental appraisal and feasibility study at this point.

**Types of feasibility studies**

1. Market feasibility.
2. Technical/Operational Analysis
3. Financial Feasibility

#### 4. Production feasibility

##### 4 (a) **Classify in detail the various entrepreneurs**

###### **Types of Entrepreneurship**

By simple definition – all active owner-managers are entrepreneurs. They can be classified into following categories

###### **Classification on the Basis of Ownership**

###### **I. Entrepreneurship can be classified on the basis of ownership as follows:**

- a) Pure entrepreneur
- b) Second generation entrepreneur
- c) Franchisee
- d) Owner manager

###### **II. Classifications based on personality:**

- a) Achievers
- b) Induced entrepreneurs
- c) Real manager
- d) Real acheiver

###### **III Classification based on the types of business:**

- a) Industrial entrepreneur
- b) Trading entrepreneur
- c) Corporate entrepreneur
- d) Agricultural entrepreneur

###### **IV. Classifications based on stages of development:**

- a) First generation entrepreneur
- b) Modern entrepreneur
- c) Classical entrepreneur

###### **V. Other Classifications:**

- a) Innovative entrepreneur
- b) Imitative entrepreneur
- c) Fabian entrepreneur
- d) Drone entrepreneur
- e) Women entrepreneur
- f) Copreneur

##### 5a) **Significance of a project report**

###### **Significance of project report:**

An objective without a plan is a dream. The preparation of a project report is a of great significance of an entrepreneur.

### **The project report serves the two essential functions.**

1. First and most important, the project report is like a **road map**. It describes the direction the enterprise is going on, what its goals are, where it wants to be, and how it is going to get there.

It also enables an entrepreneur to know that he is proceeding in the right direction. Some hold the view that without spelled out goals and operational methods/ tactics, most businesses flounder on the rocks of hard times.

2. **The second function of the project report is to attract the lenders and investors.** Although it is not mandatory for the small enterprises to prepare project reports, yet it is useful and beneficial for them to prepare the project reports for various reasons.

The preparation of project report is beneficial for those **small enterprises which apply for financial assistance from the financial institutions and the commercial banks.**

It is on the basis of project report that the **financial institutions make appraisal** if the enterprise requires financial assistance or not.

### **5b) Explain the benefits of implementing ERP in organization**

An ERP system is an attempt to integrate all functions across a company to a single computer system that can serve all those functions' specific needs.

“Integration” is the key word for ERP implementation

It may also integrate key customers and suppliers as part of the enterprise's operation.

It provides integrated database and custom-designed report systems.

It adopts a set of “best practices” for carrying out all business processes

Improving integration, flexibility

Fewer errors

Improved speed and efficiency

More complete access to information

Shorten throughput times

Reduce stock to a minimum

Enlarge product assortment

Improve product quality

Provide more reliable delivery dates and higher service to the customer

Efficiently coordinate global demand, supply and production

### **6(a) Define ERP**

#### **Definition of ERP**

Researchers and practioners have defined ERP in many different ways

Minahan ( 1998) defines ERP as a complex software system that ties together and automates the basic process of a business.

Kumar et.al defined ERP system as “ configurable information system packages that integrate information and information based process within and across various functional areas in an organisation.

(b) **Discuss in detail the role of entrepreneurs in economic development**

Capital formation

Improvement in per capita income:

Improvement in living standards

Economic independence

Backward and forward linkages

Generation of employment

Harnessing locally available resources

Harnessing locally available resources

Reducing unrest and social tension among youth:

Innovations in enterprises

7(a) **Summarize in detail the contents of a project report.**

I. **General Information:**

The information of general nature given in the project report include the following:

- a) **Bio- data of promoter:** Name and address of the entrepreneur: his / her qualifications, experience and other capabilities of the entrepreneur, if there are partners, state their characteristics of all the partners individually
- b) **Industry Profile:** A reference of analysis of industry to which the project belongs , Ex: past performance, present status, its organisations, its problems etc.
- c) **Constitution and Organisation:** the Constitution and organisation structure of the enterprise; in case of partnership firm, its registration with the Registrar of Firms; application for getting Registration of Certificate from the Directorate of Industries/ District Industry Centre.
- d) **Product details:** Product utility, product range, product design, advantages offered by the product over its substitutes , if any.
- e) **2. Product description:**
- f) A brief description of the project covering the following aspects is given in the project report.
- g) a) **Site:** Location of enterprise; owned or leasehold land; industrial area; No Objection Certificate from the Municipal Authorities if the enterprise location falls in the residential area
- h) **Physical Infrastructure:** Availability of the following items of infrastructure should be mentioned in the project report:
- i) **Raw material:** Requirement of raw material, whether inland or imported, sources of raw material supply

- j) **Skilled labor:** Availability of skilled labor in the area, arrangements for training of laborers in various skills.
- k) **Utilities: these include:**
- l) **Power:** Requirement of power, load sanctioned, availability of power.
- m) **Fuel:** Requirement of fuel items such as coal, coke, oil or gas , state of their availability.
- n) **Water:** the sources and quality of water should be clearly stated in the project report.
- o) **Pollution Control:** the aspects like scope of dumps, sewage system and sewage treatment of plants should be clearly stated in case of industries producing emissions.
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- u) vii) **Other Common Facilities:** Availabilities of common facilities like machine shops, welding shops and electrical repair shops etc should be stated in the report.
- v) viii) **Production Process:** A mention should be made for process involved in production and period of conversion from raw materials into finished goods.
- w) ix) **Machinery and Equipment:** A complete list of items of machinery and equipment's required indicating their size, type , cost and sources of their supply should be enclosed with the project report.
- x) x) **Capacity of the Plant:** the installed capacity of the plant along with the shifts should also be mentioned in the project reportxi) **Technology stated:** the selection of technology, arrangements made for acquiring it should be mentioned in the business plan.
- y) xii) **Research and Development:** A mention should be made in the project report regarding proposed research and development activities to be undertaken in future