

Characteristics of a Project

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n University, Kanpur

ACCORDING TO JOSEPH SCHUMPETER “THE CAPABILITIES OF INNOVATING, INTRODUCING NEW TECHNOLOGIES, INCREASING EFFICIENCY AND PRODUCTIVITY, OR GENERATING NEW PRODUCTS OR SERVICES, CHANGE CHARACTERISTIC/QUALITIES OF PRODUCT,”

ROBERT B. REICH CONSIDERS “LEADERSHIP, MANAGEMENT ABILITY, AND TEAM-BUILDING TO BE ESSENTIAL QUALITIES OF AN ENTREPRENEUR.”

FINANCIAL TIMES SAID, “THE ENTREPRENEURIAL MINDSET AS REFERS TO A SPECIFIC STATE OF MIND WHICH ORIENTATES HUMAN CONDUCT TOWARDS ENTREPRENEURIAL ACTIVITIES AND OUTCOMES. INDIVIDUALS WITH ENTREPRENEURIAL MINDSETS ARE OFTEN DRAWN TO OPPORTUNITIES, INNOVATION AND NEW VALUE CREATION. CHARACTERISTICS INCLUDE THE ABILITY TO TAKE CALCULATED RISKS AND ACCEPT THE REALITIES OF CHANGE AND UNCERTAINTY.”



Reid Hoffman
Founder of LinkedIn



infoedge
Sanjeev Bikhchandani
Founder of Info Edge

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zomato
Deepinder Goyal
Founder of Zomato.com

Prof. Mukesh Ranga Institute of Busi
CSJM University, Kanpur

Reid Hoffman 2002, product designer Allen Blue, marketing professional Konstantin Guericke, engineer Eric Ly, and engineer Jean-Luc Vaillant founded

“ The reality of a startup is you have failures very often.”

- Ritesh Agarwal
CEO, OYO Rooms

OYO- Ritesh Agarwal- 2013



The success of your business is based in principle on the idea of offering the latest fashions at low prices, in turn creating a formula

Sources of Business Opportunity

- A resolved problem faced by an actual or potential entrepreneur
- Unmet customer need identified by an actual or potential entrepreneur
- Changes in Business Environment

Characteristics of Business Opportunity

- Urgency of the market need
- Adequate market size
- Sound Business Model
- Potential brand value
- An able Management team

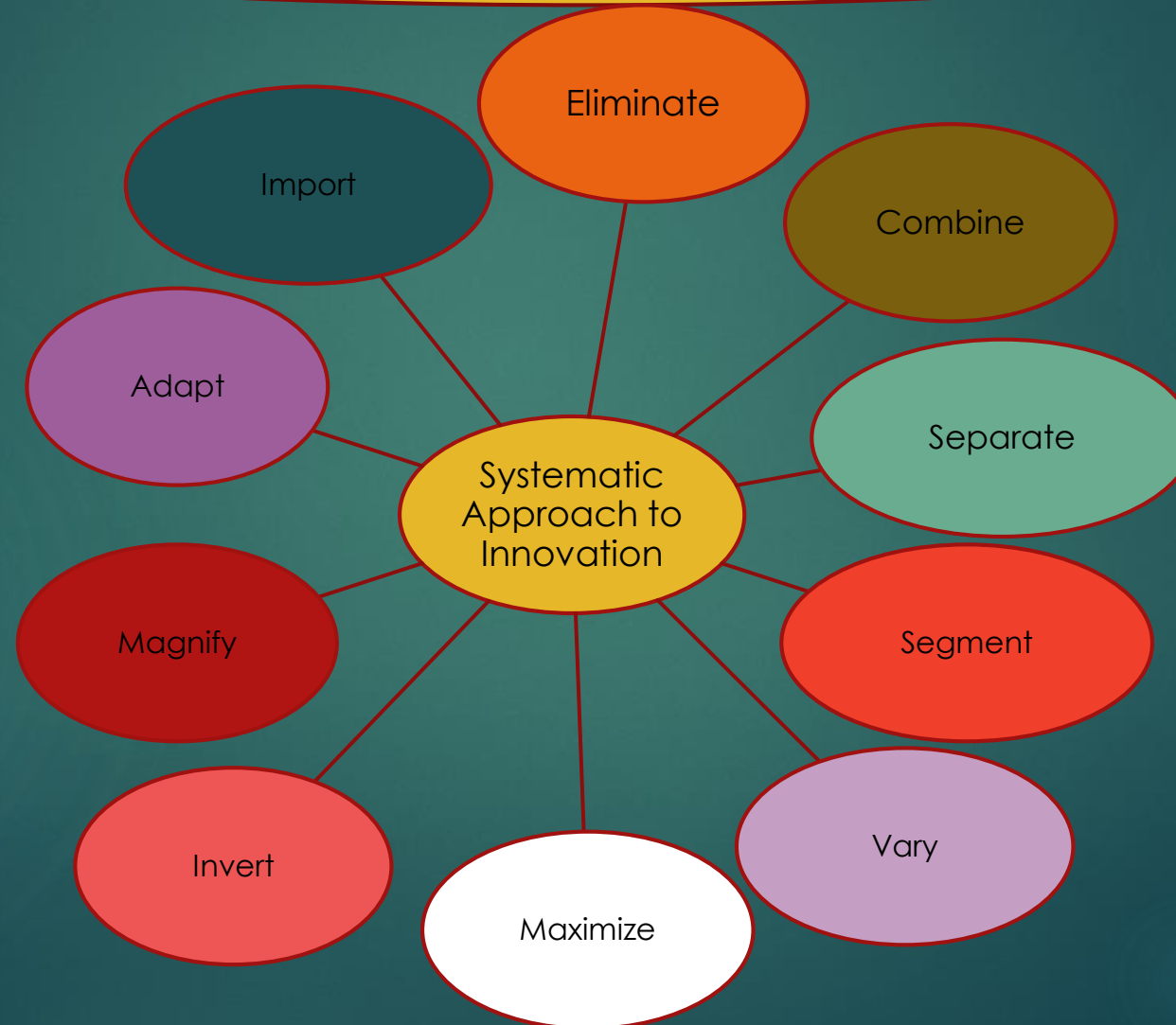
Identify Business idea as an opportunity

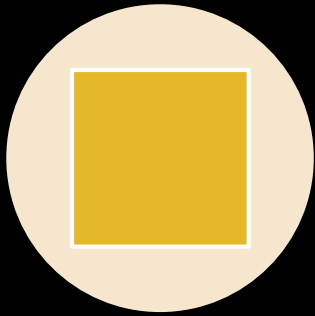
- Attractiveness
- Timeliness
- Durability
- Relevant
- Creative and innovative

Creativity and Innovation

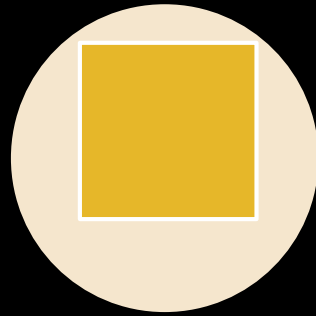
Types of Innovation

- Incremental innovation
- Technological innovation
- Breakthrough innovation





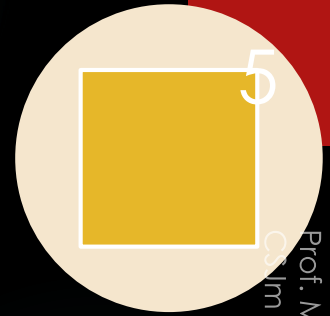
**A SINGLE DEFINABLE PURPOSE,
END-ITEM OR RESULT**



EVERY PROJECT IS UNIQUE



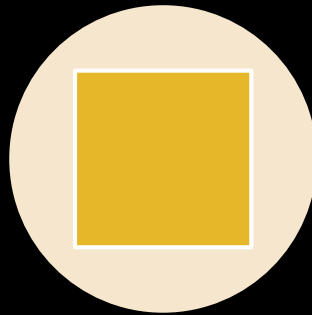
**PROJECTS ARE TEMPORARY
ACTIVITIES**



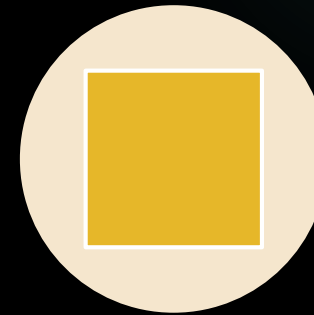
**PROJECTS CUT ACROSS
ORGANIZATIONAL LINES**



**PROJECTS INVOLVE
UNFAMILIARITY**



**THE ORGANIZATION USUALLY
HAS SOMETHING AT STAKE WHEN
UNDERTAKING A PROJECT**



**A PROJECT IS THE PROCESS OF
WORKING TO ACHIEVE A GOAL**

Idea Generation

- ▶ "Everything which is unbranded but consumed today, presents an opportunity to start something. At some stage it will become branded."
- ▶ Neeraj Kakkar- Four of us started this beverage company . We were selling Tzinga energy drinks and were always in search of new beverage ideas. We used to have lunch together and one hot summer day, James decided that he wanted to make 'Aam Panna'. The genesis of the idea was Suhas's mother's homemade 'Aam Panna' which was always in demand. To cut a long story short, one thing led to another, and thus began the journey of Paper Boat; a journey of going back in time and bringing the flavor of summer holidays. We wanted to introduce drinks which are seasonal and delicious; drinks which are products of generations of trial and error, and which are sadly getting lost in the modern day fizz.

According to Neeraj Kakkar, Co-founder and CEO of Hector Beverages, "The brand is having a brilliant initial run, as more and more people are discovering it. The part we find very interesting in this journey is the innovation. We just launched 'Golgappe ka paani' as a drink. I have often heard my mother and wife say to paani-puriwallahs, 'bhaiya, thoda paani aur dena', (please add some extra spicy water) after their fill of golgappe or paani-puri. Looking at that latent demand we launched 'Golgappe ka paani' as a drink, and find this whole process quite kickass." The brand has a distinct visual and brand identity surrounding typical Indian childhood memories as illustrated by the images.

Drinks and Memories

<https://yourstory.com/2014/05/paper-boat>

Prof. Animesh Panigrahi, Institute of Business Management, Kanchi University, Kanchi

Idea Generation for Business



Business

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Brainstorming

Allows people to be stimulated to greater creativity.

□ Good ideas emerge when the brain storming effort focuses on a specific product or market area.

Rules of brainstorming:

- No criticism.
- Freewheeling is encouraged.
- Quantity of ideas is desired.
- Combinations and improvements of ideas are encouraged.



Brain writing-

- A form of written brainstorming.
- Participants write their ideas on special forms or cards that circulate within the group.

Problem Inventory Analysis

- Consumers are provided with a list of problems and are asked to identify products that have those problems.
- Results must be carefully evaluated as they may not actually reflect a new business opportunity

Creative Problem Solving

- Creativity tends to decline with age, education, lack of use, and bureaucracy.
- Latent creative potential can be stifled by perceptual, cultural, emotional, and organizational factors.
- Creativity can be unlocked by using any of the creative problem-solving techniques.

Gordon Method

- Method for developing new ideas when the individuals are unaware of the problem.
- Solutions are not clouded by preconceived ideas and behavioral patterns.

Checklist Method

- Developing a new idea through a list of related issues.
- Free Association
- Developing a new idea through a chain of word associations.

Forced Relationships

- Developing a new idea by looking at product combinations.
- A five step process which focuses on generating ideas from relationship patterns between elements of a problem.

Collective Notebook Method

- Developing a new idea by group members regularly recording ideas.

Attribute Listing

- Developing a new idea by looking at the positives and negatives.

Big-Dream Approach

- Developing a new idea by thinking without constraints.

Parameter Analysis

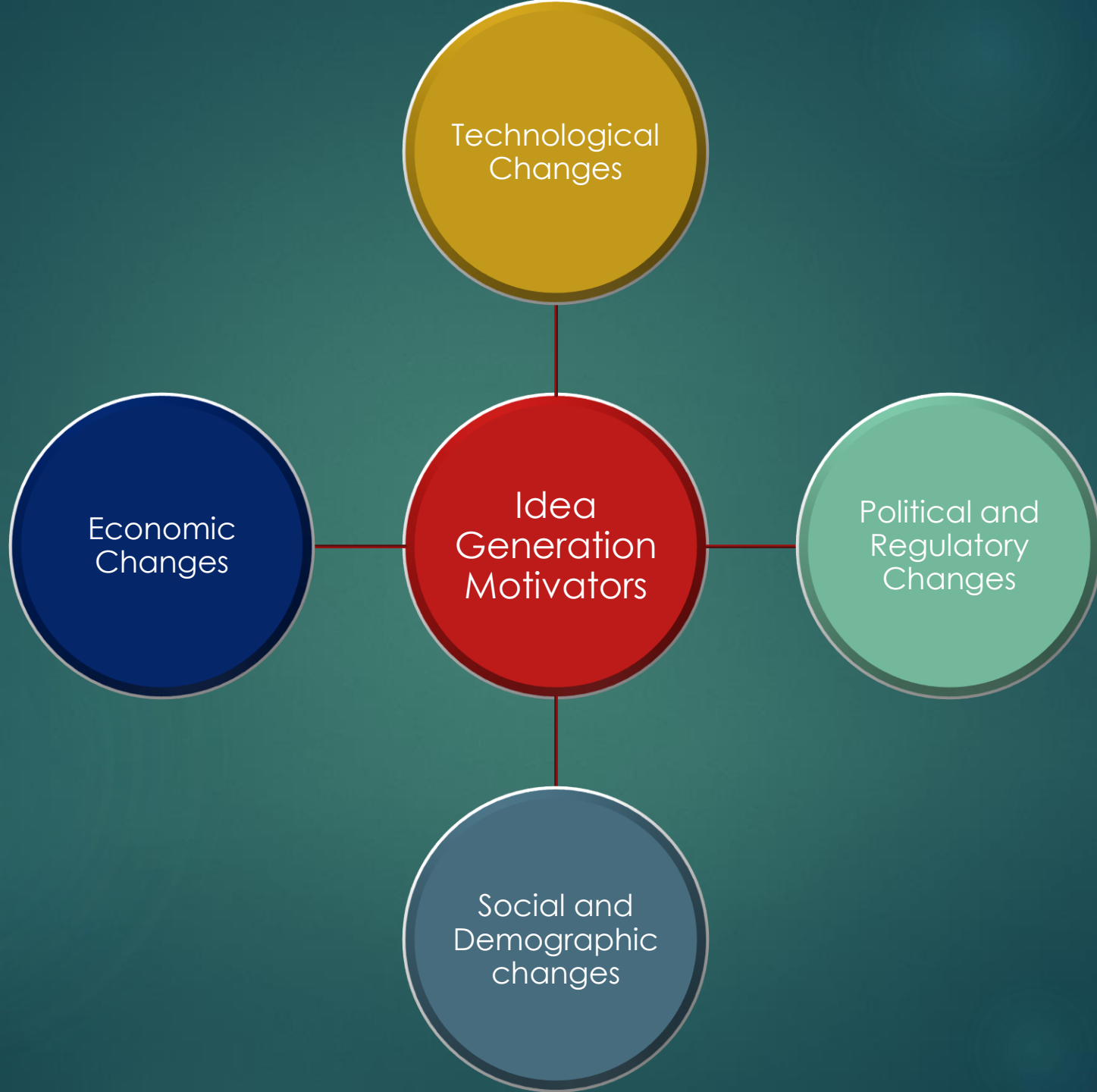
- Developing a new idea by focusing on parameter identification and creative synthesis.

Survey Method

Gathering data from set of people representing set of population

Reverse Brain storming

- A group method that focuses on the negative aspects of a product, service, or idea as well as ways to overcome these problems.
- Care must be taken to maintain group morale



Contents of Business Plan

Cover page and table of Contents-2
Executive Summary 2
Business Concept 4
Management Summary 4
Business Strategy 2
Operations Plan 4
Marketing Plan 4
Financial Plan 4
Appendices 10

Reasons for failure of project

Failure to address customer's problems and needs

Unrealistic goals

Lack of commitment by promoter

Lack of Experience

Lack of Professionalism

Characteristics of Project in Project Management

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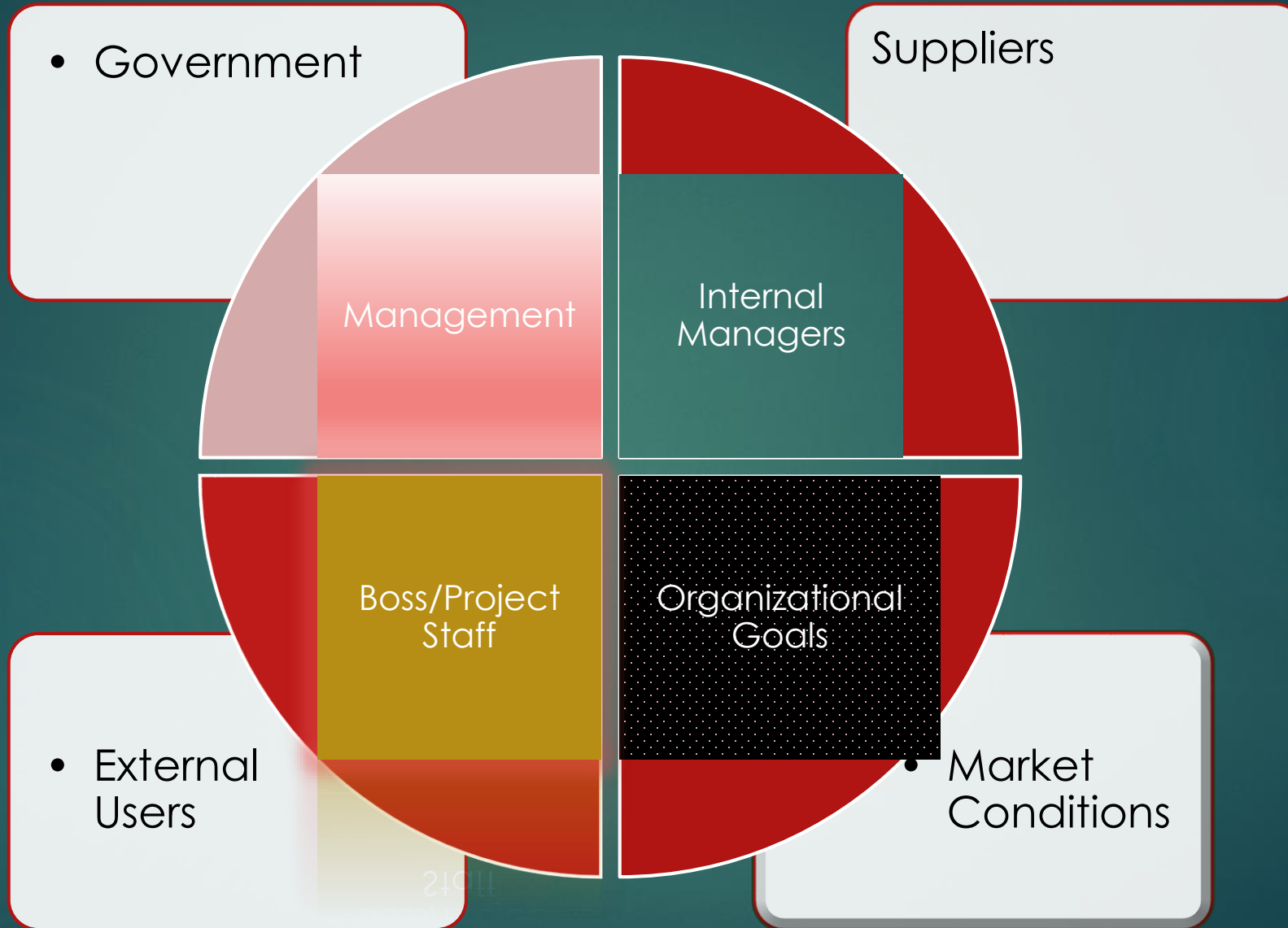
- ▶ Project is temporary with certain starting & ending date.
- ▶ The opportunities and teams of the project are also for temporary duration.
- ▶ Projects are ended when the goals are accomplished or when the goals are not achieved.
- ▶ Often projects continue for many years but still their duration is finite.
- ▶ Multiple resources are involved in the projects along with the close coordination.
- ▶ Interdependent activities are involved in the project.
- ▶ A unique product, service or result is developed in the project.
- ▶ Complex activities are included the projects which need repetitive acts and are not simple.
- ▶ There is also some sort of connection in the activities of the project. Some sequence or order is also required in the activities. The output of certain activity becomes the input of another activity.
- ▶ There is element of conflict in the project management. For resources & personnel, the management should compete with the functional departments.
- ▶ Permanent conflict is associated with resources of the project and leadership roles which are important in solving the problems of the project.
- ▶ Clients desire changes in every project and the parent organization desires to maximize its profits.
- ▶ There is possibility of two bosses in the project at single time, each with different objectives and priorities.

Reasons for Initiation of Projects

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- ▶ For some community issues
- ▶ For regulatory mandate
- ▶ For implementation of new system or process
- ▶ For re-engineering process so that recycle time & complaints are reduced and errors are eliminated.
- ▶ For introduction of new tools, equipment or techniques

Internal and External factors for influencing Entrepreneurship Project



Examples of Projects

- ▶ Hosting a website of certain department
- ▶ In a revenue collection department, designing & implementation of an auto tax filing system
- ▶ Starting agricultural processing unit
- ▶ Developing a new product or service
- ▶ Supply of clean water
- ▶ Acquiring or developing new or modified information system
- ▶ Making a change in the staffing, style or structure of an organization

Operations and Projects

- ▶ The ongoing & repetitive activities performed by staff are considered as operations like
 - ▶ Continuous manufacturing
 - ▶ Product distribution
 - ▶ Financial management & control

1. Identify Risk

- ▶ **Human:** lack of skills, absenteeism, resignation during the project, conflicts within the team, etc.
- ▶ **Financial:** cost over estimate, lack of budget, etc.
- ▶ **Temporal delays:** subcontractors or suppliers delays, incorrect estimation of delays, etc.
- ▶ **Techniques:** inadequate software, failures, obsolete hardware, etc.
- ▶ **Legal requirements:** regulations and laws, bankruptcy of a supplier, etc.
- ▶ **Environmental:** negative impacts of the project on the environment, or environment having an impact on the project (flood, drought, storm).
- ▶ **Organizational changes:** changes in company policy, economic changes, etc.

2. Evaluate and Prioritize Risks

- ▶ severity in terms of impacts, damage and consequences on project objectives.

3. Dealing with Risks

- ▶ **Eliminate the risk:** You can repel the threat by implementing actions to remove the causes of the risk, such as increasing your resources or recruiting competent staff. Cost will then be a determining factor in decision-making.
- ▶ **Limit the effects of risk:** you cannot prevent the risk from happening, but you can limit its negative impact on the project and make it more bearable.
- ▶ **Revising the project:** to avoid risk, the only option is to reorient your project, simplify it or find less risky alternatives.

4. Monitoring and Controlling Risks

Regularly review the risks by updating your list of potential threats, reassessing them and ensuring that prevention actions are always appropriate.

5. Capitalize and Document risks

There are several reasons for this:

- Enhance knowledge of potential risks on similar projects;
- Increase response reactivity;
- Facilitate decision-making;
- Improve the effectiveness of actions to eliminate risk.

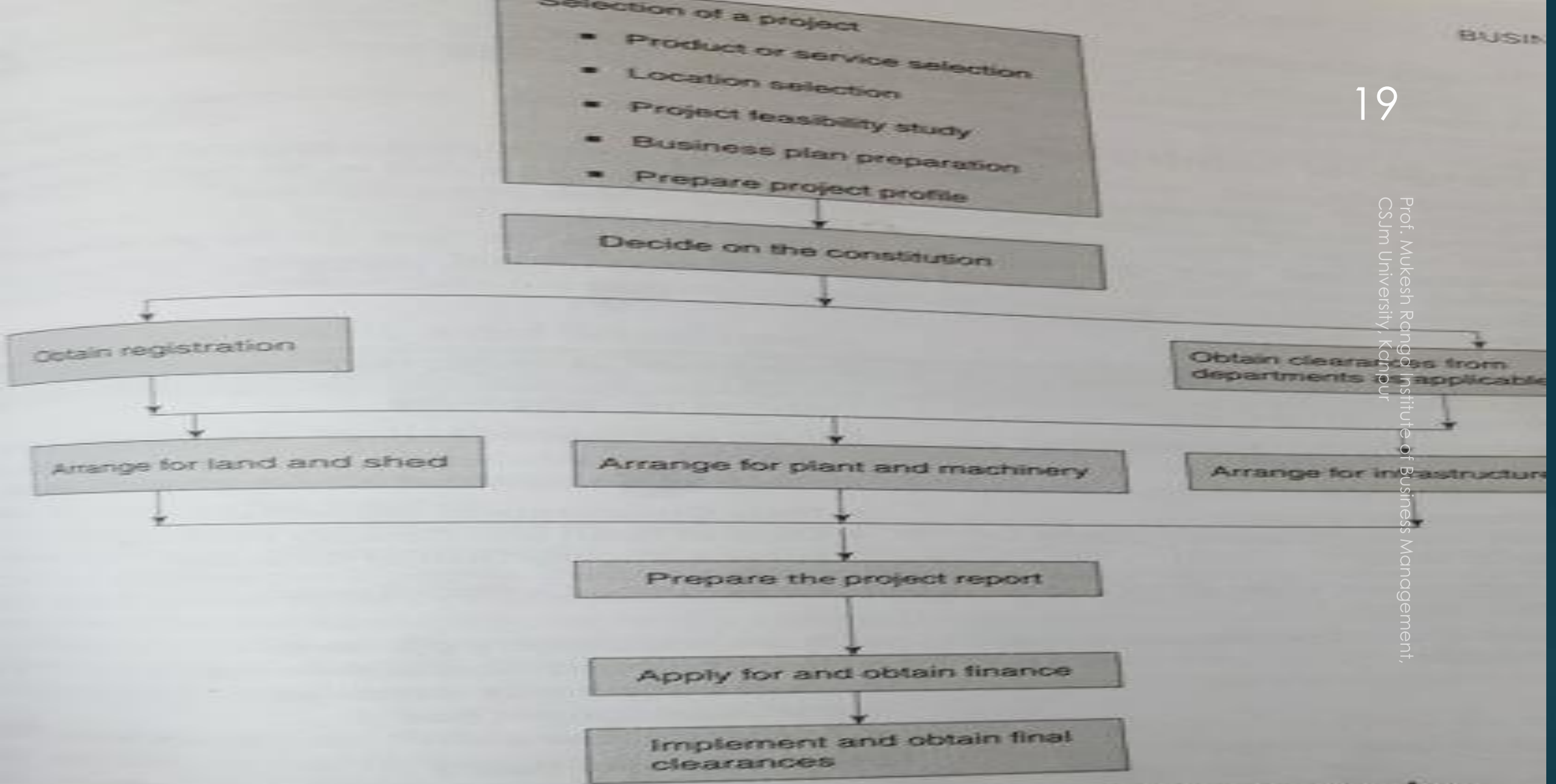


Figure 7.1 Formalities for Setting Up a Business Enterprise

Permissions/Clearances Required Obtaining Clearances

Regulatory Or Taxation Clearances

- Registration under Sales Tax Act - Commercial Tax officer of area concerned
- Registration under Central Excise Act - Collector of Central Excise or his nominee for area
- Payment of Income Tax - ITO of the area concerned
- Registration of Partnership deed - Inspector General of area concerned
- Calibration of weights & measures - Weights and Measures Inspector of State
- Power Connection - Designated Officer of State Electricity Board
- Employee strength exceeding 10 with power connection or 20 without power - Chief Inspector of Factories

Environment And Pollution Related Clearances

Pollution Control

- Industries Requiring Water and Affecting Effluent Disposal
- For units functioning outside Industrial Area
- Registration and Licensing of a Boiler
- For registration as a 100% export oriented unit (EOU) which can enjoy many additional concessions, the clearance of the Development Commissioner of the Export Processing Zone (EPZ)

Product Specific Clearances

- Establishing a Printing Press - District Magistrate
- License for Cold Storage Construction - Designated Official in State
- Pesticides - Central/State Agricultural Department - Ministry of Agriculture
- Drugs and Pharmaceuticals - Drug license from State Drug Controller
- Safety Matches/ Fireworks - License under Explosives Act from Directorate of Explosives, Nagpur
- Household Electrical Appliances - License from Bureau of Indian Standards
- Wood Working Industry within 8 km from forest - District Forest Officer
- Milk Processing & Milk products manufacturing units - Approval under Milk and Milk Products Order from State

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