

Pan African University Institute For Water
And Energy Sciences (Including Climate Change
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Entrepreneurship and Intrapreneurship CE7

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Entrepreneurship Intrapreneurship concepts and Analyse

SHUMPETER SAID

ENTREPRENEURSHIP IS THE
ENGINE OF EACH CONTRY

THE ENTREPRENEURSHIP IS THE
DESTRUCTIVE CREATION

What about Economic science?

- The Economic science studies the balance between the multiple needs of persons and the scarce resources.
- The important topics are negotiation, satisfaction and utility

Management science?

- Management is the science of coordination and control of the material and human resources in organisation,
- It's purpose is to attain a social balance by satisfaction of most needs of employees and taking a decisions(strategic and operationnal) about them;
- The profit is not only financial ,the ways of doing work(standardisation,rationality),the behaviour in compagny are also important for this science.

- Entrepreneurship is the economic phenomenon, it's relative about creation of value Bruyat 1993, Verstrate 1999, Casson 1991
- In this perspective the entrepreneurship is the learning, and building of actions
- Each country can consider and build this relationship by being at the required level, according to its objectives and means.

The entrepreneurial spirit

- Entrepreneurship spirit is present in all nations however; it is unequally distributed among individuals and nations because it is either encouraged or discouraged by laws and customs.
- This highly personalized vision shows that the individual qualities that exist in a society are strongly **influenced by the predominant ethnic groups, educational level, culture and moral values.**
- **Access to business is conditioned by the commercial freedom granted by the public authorities.** As well as society and its institutions that have a decisive influence on the training of entrepreneurs

3 Questions about the entrepreneurship

- In this sense, three generic questions posed by Stewenson and Jarillo in 1990, can summarize the activity of research in entrepreneurship
- The first "What happens when entrepreneurs act? is the first question that includes entrepreneurial behavior or what essentially Anglo-Saxon litterature calls "entrepreneurial spirit."

- The second "Who do entrepreneurs act" is a question that addresses the person of the entrepreneur, but also recognizes the relevance of the variables of the environment
- Finally, the third question "How do entrepreneurs act? "Pushes researchers to be interested in what the entrepreneur does and the characteristics of the entrepreneurial process, especially when it comes to business creation.
- By these words, researchers in entrepreneurship open the door to a tangle of several approaches and disciplines.

- First the functional approach is of economists community
- The second indicative or individual approach; that of the sciences of human behavior,
- Finally those of the strategists and managers who touches on the managerial approach

Thierry Verstraete 1999, speaks of entrepreneurship as a field of study of a great diversity and positions, it from the outset as a scientific object which presents a constructed model composed of three dimensions:

The cognitive dimension which represents the thought of the entrepreneur, the praxeological dimension (the development of action plans) and the structural dimension (the entrepreneurial structure that the entrepreneur wishes to establish in the larger social structure that surrounds it.)

These three dimensions are the result of a dialectic combining an individual (the entrepreneur) and his organization

- Then the most problematic of entrepreneurship is :
- Exploitation of opportunities
- Organizational emergence
 - By studying
 - -Objectives and behaviors of entrepreneurs
 - -Strategic orientation of the contractor
 - -Values and attitudes of entrepreneurs
 - -Context and Entrepreneur Environment

- As a result, the entrepreneur's success is not an individual affair, but rather a collective adventure in which financial means (personal, family, banking) are combined.
- Markets, state of knowledge and techniques, state aid to business creation and social capital (financial capital + capital knowledge + capital relationship).

Definition of entrepreneur

- Note that we will reserve the term "entrepreneur" « undertaker » or « adventurer » to the person who owns the capital of his company and who directs it independently. The company is part of its heritage unlike the manager who only makes career and enjoys no property privilege.
- Thus, the entrepreneur is a creator ,buyer or heir

- The entrepreneurship is the process with three steps
- The idea+the project+entreprise
- In this way the question is to transform the ideas at feasibility projects by gather informations in structural template which named BUISNESS PLAN

Conditions of success of entrepreneurship

- **The entrepreneurship affect all fields and all sectors**, is not limited to building sector
- The entrepreneur must be free to develop ideas and exploit opportunity in his environment
- Must be free to produce and sell his products
- Must be appropriate of capital ,raw materials and technology
- Working in the competitive ambience

The entrepreneur is not a dreamer he's a Doer

- The entrepreneur must to have some of skills to detect the opportunity
- The vision and feeling of his environment
- Have a passion and ability(training) for one field
- Take a risk,independant and hard worker,capacity to run.

Skills and abilities

- The authors recognize three kinds of skills
- The personal(entrepreneurial) skills
- The technical skills
- The managerial skills

- Mark CASSON tell about this topic «An entrepreneur is someone who makes intuitive decisions about the coordination of scarce resources”
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- It formalises the role of the entrepreneur as innovator, risk-taker and judgemental decision-maker, and relates these functions to the size and growth of the firm.
- Mark Casson discusses entrepreneurship as a form of strategic networking, showing how entrepreneurs gain access to established networks in order to source information, and then create their own networks to exploit this information.
- Then the entrepreneur cannot be a creator of value without this ability and behaviour.

The influence of the environment

- Yvon Gasse in 2003 focus on determinants or factors which increase a level of entrepreneurship,
- He said that social determinants are very important like family education ,culture specially in level of desirability.
- The elements like values perceptions and means help feasibility.
- Markets, universities ,center of training push the birth of enterprises.

Steps of creation of business

- Creating your own business requires a lot of effort, time and energy
- While starting your own business seems obvious to you, many people do not know where to start.
- Become independent, excited at the idea of putting yourself in danger, thirst for learning, or leave your employee status: there are many reasons for this desire.
- But some entrepreneurs are wondering what path to take, and in what order, to succeed in business creation.
- 7 questions and 7 steps are essential
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- **Why** value added
- **What** winning idea
- **Who** targeted clientele
- **Where** location targeted
- **When** launch planning
- **How** to put it into action business plan
- **How much** funding
- Three things must be related to becoming an entrepreneur Activity what I like to do **passion** What can I do **training** What this **benefit** activity brings me

- Step 1: Find your business idea
- Step 2: Conduct a market study
- Step 3: Develop a Presentation Folder
- Step 4: Make an appointment with organizations to help start a business
- Step 5: the business plan time
- Step 6: find investors who will follow you
- Step 7: What's left? Oh yes, the creation of your company!

- No matter what sector you start in, no matter what type of products or services you want to develop, DO NOT focus on futile things, and immediately think of ways to sell and get cash back.
- New entrepreneurs spend nearly 75% of their time looking for the design of their logo, their slogan, or drawing their business card ... and only 25% find their first customers.

The small business

- the entrepreneur creates a small structure with limited turnover in a small market.
- He is his manager and takes all decisions ,
- The functions are limited at production and sell
- But if the entrepreneur create his structure in higher technological sector and have a big part of market we surname this compagny start up.

The Business plan

- The business plan is the reference document that will allow you, your entourage and future investors to have a fair idea of the project.
- The business plan's main objective is to seduce the potential investor (s).
- Throw this document that they will decide (or not) to go further with you.
- The informations obtained must be of good quality and reliables

Construction of a business plan: how to structure the business plan?

- The construction of the business plan generally follows logical reasoning, which demonstrates step by step that:
- **1. The intended activity can generate significant benefits: there is a strong unmet need**
- The solution envisaged meets this need and attractive enough to trigger an act of purchase
- This need concerns a large number of potential customers
- This activity will generate a significant turnover and will be profitable

- 2.The team has complementary profiles that bring together:
- The necessary technical, commercial and financial skills
- Experience and contacts in the market
- The ability to run a business;

Market and Structure of enterprise

- 3.The company will have a significant and sustainable market share:
- Proven or potential competitors are identified
- The company benefits from competitive advantages

• 4. The Company

- Structure: legal form, date of creation, start of activity.
- • Capital, nature of the contributions.
- • Shareholders

5.Action plan

- Business strategy, key success factors, quantified objectives
- • Research and Development (R & D) Plan: investments and necessary means;
- • Production: production site, production costs of products or services, necessary material and human investments;
- Marketing and communication: objectives, communication plan, targets, messages, media, communication budget, marketing action plan, planned campaigns, performance monitoring, marketing budget, conversion rate, cost of recruiting clients;

- • Business Action Plan: business objectives, organization and animation of sales teams, sales process;
- • Human Resource Management
- • International Development Plan

6. Financial forecast

- This part demonstrates the financial profitability of the company. It usually provides quarterly forecasts over three to five years:
- Revenue estimation: consistent with the income model described above, based on conservative, detailed and justified assumptions;
- Estimate of expenses: consistent with the plan of action described previously;
- Neutral point: When will it be reached? Under which conditions?

- Profit and loss account;
- Forecast balance sheet;
- Financing plan: financial needs and anticipated sources of financing, equity, self-financing, aid ...;
- Cash flow plan (for the first year, monthly).

7. Investment opportunity

- Capital required to complete the project, the amount sought, the use of funds;
- Project potential, identified risks to monitor, reasons why the team will succeed;
- Return on investment;
- Exit scenarios envisaged

Intrapreneurship

- **Gifford Pinchot III** is an American entrepreneur, author, inventor, and President of Pinchot & Company. Gifford is credited with inventing the concept of and word “intrapreneur”,
- In a paper that he and his wife, Elizabeth Pinchot, wrote in 1978 titled Intra-Corporate Entrepreneurship.
- His first book, Intrapreneuring: Why You Don't Have to Leave the Corporation to Become an Entrepreneur (1985) presented an expansion of the intrapreneurship concept.

It's focus about innovation

- The act of behaving like an entrepreneur while working within a large organization” Intrapreneurs don't just come up with ideas, their core role is turning ideas into success business realities. In fact, intrapreneurs sometimes are not the inventor, but they are always the implementer of new ideas. I
- **1. Intrapreneurs are employees who do for corporate innovation what an entrepreneur does for his or her start-up.**
- **2. Intrapreneurs are the dreamers that do.**

Social intrapreneurship

- **3. Intrapreneurs are self-appointed general managers of a new idea.**
- **4. Intrapreneurs are drivers of change to make business a force for good.**

Social Entrepreneurship an other way to creation

- The social entrepreneurship don't have for goal the only profit of company but concern the attainment of the social satisfactions of community,
- The actions recorded in this topic is for example ,the work of teenagers,or reducing a poverty,build schools ::: ecological projects

The student Entrepreneur

- The university now have for mission in added of training and research
- **A creation of buisness**
- The student studies a courses of entrepreneurship for sensitize him about the creation in university
- Different structures are created by univesities for helping the students carrying projects

- Clusters, houses of entrepreneurship; incubators
- Their role is to accompany the student whom have an idea and want to create their own company.
- The professional institutions work in these structures and help the student to realize their objectives
- The nature of help is technical ; legal and managerial (find a market)

The end of this reflexion about the Entrepreneurship and intrapreneurship

- ARE YOU INTERESED
 - It's possible for me
 - It's the way for me
- WHY NOTTTT
- THANKS