



**Institute of Management
JK Lakshmipat University
Jaipur
END TERM EXAMINATION, 2017**

MBA–III Sem.
MM: 50 Marks

Course: Entrepreneurship Development
Time: 3 Hours
Subject code: GN04

Instructions: Attempt any three questions from Section A. Section B is compulsory.

Section A

Q1. “A business model is a link between social domain, where economic rents are generated and creative domain, where products and services are conceptualized”, in the light of the statement discuss various types of business model and their significance. Also design a business model on a Day Care business at JKL U.

(10 marks)

Q2. Discuss the differences:

- a) Business Plan and Business Model
- b) Effectual Reasoning and Casual Reasoning
- c) Copy Right and Trade Mark
- d) Industrial design and Geographical Indications
- e) Social Entrepreneur and Intrapreneur

(10 marks)

Q3 Discuss the key considerations in designing of marketing plan and an operational plan for a Utility Store in Mahindra SEZ.

(10 marks)

Q4 Discuss the following:

- a) Define start-up and key initiatives of Start-up Policy 2016 by GOI
- b) Key learnings and practical implications of the Entrepreneurship Development Course

(10 marks)

Q5 What are the options available for entrepreneurs to avail funding support at different stages of their ventures in the Indian business environment?

(10 marks)

Section B

Q6. Case - **Human Resource Consulting Firm**

Suresh after having graduated in engineering took up his postgraduate diploma in management from IIM, Ahmedabad, and subsequently after serving for three years in a multinational organization, wherein he was looking after human resource (HR) development matters, decided to pursue his Ph.D. from Harvard Business School. It took him three years to complete his Ph.D. in the area of Training Effectiveness. He was associated with William during his Ph.D., who inspired him to start a

consulting firm in the area of Human Resources after coming to India. He prepared a detailed business plan by collecting the HR needs of more than 50 medium and large-scale units including some multinational corporations and identified the need for extending HR consulting in the area of recruitment, training and developing performance appraisal systems. His assessment in the very first year was on the basis of the linkages that he had developed during the preparation of a business plan, he would be able to have a consulting assignment worth Rs. 92 lakhs, which would be undertaken by him and one of the employees who would be an MBA with specialization in the area of HR. As per his assessment, he would be able to get the right person within a month at a pay package of Rs. 5 Lakhs per annum along with the stock option as an added incentive.

He had estimated that his consulting business would grow from Rs.92 lakhs with one staff member to Rs.900 lakhs with a team of eight staff members (all management degree holders after having done their graduation from engineering from different reputed institutions in India) within a period of four years. He had planned to have his own rented office space of 4,000 sq. feet in Goregaon market in the third year of his operations at a lease rental of Rs. 50,000 per month with an advance payment of Rs 5 Lakhs. The office space would comprise chambers for employees with modern facilities on the desk, including hardware and software pertaining to HR consulting work, interview chambers, conference rooms, audio and video conference facilities, data storage, security and wide networking. The firm will create a niche in recruitment at the middle and upper-middle levels in terms of evaluating candidates through hierarchical interviews, and finally train them with new competencies required for making them effective on the job roles of their clients from day one.

He has also planned to extend his consulting services to cater to the individual needs of professionals, managers and executives affected by job elimination, dismissal, resignation and relocation after completing two years in the business.

The firm needs to clarify identity and source the following to achieve its goals during the first three years of its operations:

1. Starting from a home in the first year to securing office space in Goregaon in the third year of operation within the given budget.
2. Recruiting one professional MBA in the first month of operations, and the team is to be enlarged gradually to 10 by the third year of operations.
3. Sign three clients within the first three months of operations, which need to increase to 10 clients within the first year and 50 clients by the end of the third year.

Suresh has plans to specifically describe the tasks to be undertaken to meet the ultimate goal of setting up a successful HR firm. This part of his planning will focus on working out the details of what should be accomplished to achieve the end results. This would include defining roles of people in the organization clearly, so as to ensure accountability as the consulting business grows. He has described the tasks and roles plainly and generally without getting into a step-by-step micromanaged explanation of how the tasks will be carried out. The emphasis would be on describing the expected results associated with these tasks rather than enumerating all possible details of the job assignments, so that the team could creatively operate and deliver value proposition to its clients. During the first three to six months, Suresh himself will bring the consulting assignments and undertake them along with his single employee. However, subsequently, the task of mobilization of assignment would be delegated to employees, and emphasis would be placed on soliciting referrals from clients.

Suresh is clear in pairing each assignment with an appropriate time frame for completion, which should ensure delivering the end results to clients before the promised date. He proposes to inculcate a culture in the organization to focus on meeting time dead lines along with competent and quality delivery of work output. He would like to create Gantt charts for each assignment along with his team and clients' request to monitor the progress achieved at different stages of the completion of projects. He would like to focus his energies, after training his team members well over the years, on monitoring each project's progress and the completion percentage of each objective. For any delays in any of the projects, he proposes to go into the root cause of delay, so as to take timely corrective action.

Suresh is clear that the early days of a start-up would be most critical for the future growth of the business. Therefore, he would like to inculcate a culture with a clear emphasis on setting good management patterns and practices along with remaining as thin as possible, till such time that regular revenues flows start accruing. His greatest concern would be to induct the right people, provide them with an environment to excel by having team spirit and trust as paramount aspects of building a favorable culture. He is also clear about extending stock options to his team members, so that they own the venture and get rewards as the venture grows. Another key aspect he would like to inculcate in the venture is transparency in operations and effective communication across the organization on a continuous basis.

Questions

1. Identify the salient strong and weak points in the strategy for launching a consulting business by Suresh.
2. In case one were in the place of Suresh, what changes in the strategy for launching a business would one have operated?
3. What are the competencies required to run such business?
4. What would be the greatest challenge for Suresh to succeed in this business?

(20 Marks)