

IMPORTANT REMINDERS

THESE MATERIALS WILL STRICTLY BE FOR REFERENCE/INSTRUCTION PURPOSES ONLY. THE CONTENTS OF THESE MATERIALS SHOULD NOT IN ANY MANNER BE SHARED OR DISTRIBUTED AS RIGHTS TO ITS ACCESS IS SOLELY GIVEN TO THE REQUESTING CLIENT. PLEASE USE PROPER CITATION/ATTRIBUTION WHEN USING THESE MATERIALS.



Authors

Ludwig Ritchel A. Kalambacal
Santiago F. Dumlaog, Jr.

Series Editor

Jaime D.L. Caro, PhD

TABLE OF CONTENTS

MODULE 1: Introduction to Entrepreneurship	1
LESSON 1: What is an Entrepreneur?	5
Overview and Objectives	5
Definition of Entrepreneur	6
Key Concepts of Entrepreneurship	6
Underlying Principles	7
Core Competencies	8
LESSON 2: How is the Entrepreneurial Mindset Developed?	13
Learning Styles and Skill Sets	13
Opportunity Seeking, Screening, and Seizing	14
Enterprise Life Cycle	21
Entrepreneurial Leadership	22
LESSON 3: How Relevant is Entrepreneurship to the Philippine Economy?	27
Building the Entrepreneurial Culture	28
Enterprise Development and Competitiveness	30
LESSON 4: What are Career Opportunities for Entrepreneurs?	35
Start-Ups and Entrepreneurial Ecosystems	36
Serial Entrepreneurship	37
Successful Filipino Entrepreneurs	37
MODULE 2: Business Plan Development	43
LESSON 5: What are the Components of a Business Plan?	47
Definition of a Business Plan	47
Company Description	49
Industry Analysis	49
Organizational Structure	50
Marketing Strategy	50
Financial Projection	51

LESSON 6: What Needs Will Your Start-Up Business Fill?	55
Identifying Market Needs	55
Proposed Solution in Terms of Product or Service	59
Techniques in Seeking, Screening, and Seizing Opportunities	60
LESSON 7: How Do You Organize and Manage Your Business?	69
Types of Business Organizations	69
Organizational Strategy	72
Business Goals	74
LESSON 8: What are the Elements of a Marketing Strategy?	81
Unique Selling Proposition	81
Value Proposition	82
Marketing Mix	83
Operational Domains	85
Brand Development	86
LESSON 9: Which Financial Tools are Useful in Capitalizing Your Business?	93
Accounting and Bookkeeping	93
Financial Planning	97
Fund Sourcing	98
Key Metrics and Financial Models	99
LESSON 10: Why is Strategic Planning Important for Micro, Small, and Medium Enterprises (MSMEs)?	107
Priority Setting	107
Allocation of Resources	110
Common Goals	110
Agreed Outcomes	111

MODULE 3: Research Validation of the Business Plan **117**

LESSON 11: What are Key Economic Concepts That Validate a Business Plan? **121**

Key Economic Concepts and its Application in Identifying Market Opportunities	122
Demand vs. Supply	123
Determinants of Demand	125
Scarcity of Resources	126
Gross Domestic Product	127
Inflation	127
Segmenting the Market to Identify the Target Market	128
The Customer's Profile	129
The Competition Factor	130

LESSON 12: How Do You Assess Your Local Market Environment? **135**

Evaluating Demographics	136
Identifying the Business Ecosystem and Business Linkages	137
Assessing Physical and Social Infrastructure	138
Special Factors in Your Local Environment	138
Pinpointing Existing Competition	139

LESSON 13: How are Risks Managed? **143**

The Concept of Risk Appetite	143
Developing a General Framework for Risk Management	144
Responding to Business Risks	146
External vs. Internal Risks	147

LESSON 14: What is the Supply Chain and Its Importance to Your Product-Market Strategy? **151**

Identifying the Chain From Your Suppliers to Your Business	152
Identifying the Chain From Your Business to Ultimate Consumers	153
Supply Chain and Logistics	154
Small Business Supply Chain	155

LESSON 15: What Product or Service Shall You Offer to Your Target Market?	159
Matching the Product or Service to the Chosen Target Market	160
Matching Your Product to Your Personal Resources	161
Product Testing	162
Developing the Product-Market Strategy	163

MODULE 4: Implementing the Business Plan **167**

LESSON 16: How Do You Proceed With the Business Start-Up? **171**

General Checklist for Business Start-Ups	172
Setting Up a Small Tailoring Shop: An Example	178

LESSON 17: What are the Government Regulatory Requirements That Business Start-Ups Must Comply With? **185**

Step-by-Step Compliance	187
-------------------------	-----

LESSON 18: How Do You Track and Record Your Financial Operations? **195**

Financial Statements	195
----------------------	-----

LESSON 19: How Do You Monitor Your Business Operations? **207**

Monitoring is Customized According to Need	208
Basic Monitoring and Control Reports: Cash Receipts and Disbursements	209
Sales Report	210
The Cash Budget as a Consolidating, Monitoring, and Controlling Tool	211

LESSON 20: How Do You Introduce Your Business to the Market? **215**

Reaffirming Your Value Proposition	216
Choices of Communication Channels	217

KEY TERMS **22**

REFERENCES **23**