

DTU Ph.D. Spring 2011

Rounding up 42705 Knowledge based entrepreneurship

1 DTU Management Engineering,
Technical University of Denmark

Objectives

- **Develop your sense of business opportunity**
- **Entrepreneurial career as a qualified choice**
- **Encouraging enterprising behavior**
- **A portable toolbox**

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2 DTU Management Engineering,
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Central Slides and Statements

Succes factors

- **QUALIFIED TEAM** including all experiences and competences needed to complete the task
- **COMPREHENSIVE UNDERSTANDING** of the **CUSTOMER** – reflected in products and services
- **Start in markets in rapid change and transition**
 - Market pull versus technology push
 - Methodical preparations before launch
 - A readily understood and logic business rationale
 - Enough CASH to produce commercial results
 - Product development plans on strategic level
- **GOOD MANAGEMENT** in all aspects



From the Bankruptcy Statistics

• Sales failed		39%
• Beaten by competitors		21%
• Operating costs too high		11%
• Overhead costs too high		4%
• Bad depts: customer bankrupt		9%
• Production or technology fails to comply		4%
• Any other reason:		12%
• Mess and disorder		
• Inappropriate localization		
• Fraud		
• Health problems, natural disasters etc.		

The entrepreneur's most important Capital Sources

- **Your own bloody money**
 - **FFF** Family, Friends & Fools
 - **In Kind** Other people's resources
 - **Your first customer:** The more pain, the better
 - **Investors' money** If your business potential
and -opportunities depend on speed and volume.
- Exit is an inherent part of venture capital investments
Venture capital requires hands-on participation in management
Venture capital dilutes founders but increases value of company



Massachusetts Institute of Technology *The MIT Crucial Issues*



- **Where is the Pain?** No Pain = No Gain = No Company
- **What is your value proposition?** VP
 Quantify your value proposition
- **Who is your customer?** Who is your jury?
- **Why would he or she buy?** The Painkiller
- **How much is he or she willing to pay?** VP
- **Practice your Elevator Pitch** before meeting your
 customer/investor/stakeholder

Management is ---
--- the Noble Art of ---
---- achieving Results
--- by means of other People



Who – first of all –
decides if Your venture
becomes a success or a failure?

