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# Entrepreneurship management

## Lecture 7

# Overview

- What is an entrepreneur?
- Characteristics of an entrepreneur
- Planning to be an entrepreneur
- Growth pressures, managing a family business, and corporate intrapreneurship

# Entrepreneurs V. Intrapreneurs

- Entrepreneurs are people that notice opportunities and take the initiative to mobilize resources to make new goods and services.
- Intrapreneurs also notice opportunities and take initiative to mobilize resources, however they work in large companies and contribute to the innovation of the firm.
- Intrapreneurs often become entrepreneurs.

# Intrapreneurship

- Learning organizations encourage intrapreneurship.
- Organizations want to form:
  - Product Champions: people who take ownership of a product from concept to market.
  - Skunkworks: a group of intrapreneurs kept separate from the rest of the organization.
  - New Venture Division: allows a division to act as its own smaller company.
  - Rewards for Innovation: link innovation by workers to valued rewards.

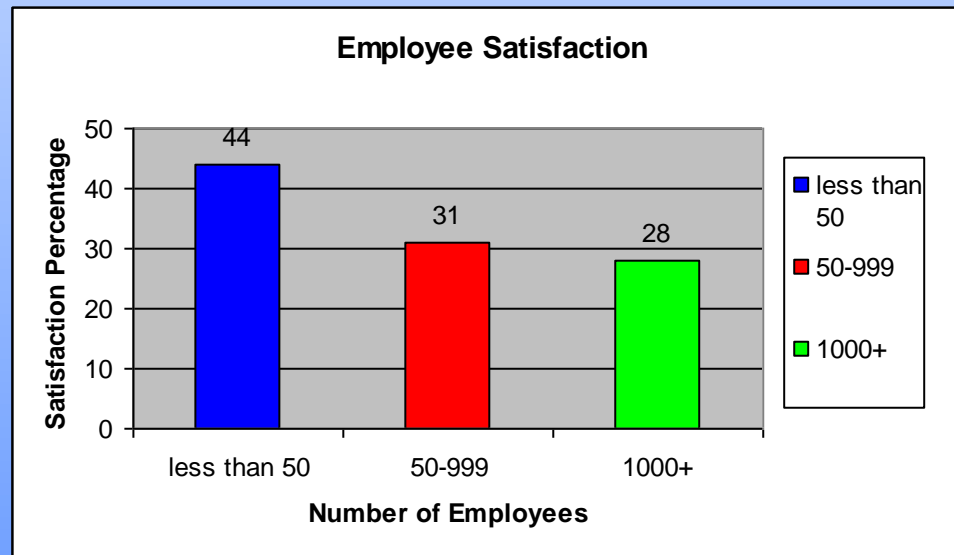
# Small Business Owners

- Small business owners are people who own a major equity stake in a company with fewer than 500 employees.
- In 1997 there were 22.56 million small business in the United States.
- 47% of people are employed by a small business.

# Employee Satisfaction

- In companies with less than 50 employees, 44% were satisfied.
- In companies with 50-999 employees, 31% are satisfied.
- Business with more than 1000, only 28% are satisfied.

# Employee Satisfaction



# Advantages of a Small Business

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- Greater Opportunity to get rich through stock options
- Feel more important
- Feel more secure
- Comfort Level



# Disadvantages of a Small Business

- Lower guaranteed pay
- Fewer benefits
- Expected to have many skills
- Too much cohesion
- Hard to move to a big company
- Large fluctuations in income possible

# One More Time

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