

Entrepreneurship

* Concept / Meaning of Entrepreneurship:-

Entrepreneurship is the ability and willingness to develop, organize, manage and run a business enterprise, along with any of its risk in order to make a profit. The most prominent example of entrepreneurship is the starting of new business.

* Need of Entrepreneurship:-

Entrepreneurship is important as it has the ability to improve standard of living and create wealth, for both the entrepreneurs and the related business.

- Entrepreneurship helps to get good quality product with a reasonable price to the customer.
- It helps the standard of living of the peoples.
- An Entrepreneur also generates employment in the country, helps in reducing un-employment as well as improving the standard of living of the employees.
- Entrepreneurship helps to start and manage your own business and also helps the country economy in a lot of ways.

* Characteristics of Entrepreneurship:-

Success in entrepreneurship isn't just about your idea or your money. Plenty of people have many ideas or a lot of money to invest but they would never properly manage to find success in their business.

① Self-motivation

one of the most important behaviours of entrepreneurs is self-motivation. When you want to get success, you must have the ability to push yourself.

② Understand what you offer:-

As an entrepreneur you need to know what you are producing, and giving to the customer how it fits into the market's demand.

③ Take risks:-

Taking risk is most important part of entrepreneurship. A successful entrepreneur knows that sometimes it's important to take risk.

④ Know how to network:-

Making public relation is an important part of entrepreneurship. How much you can connect with the people and make your network stronger the success of your business depends on that. Being able to connect with people.

⑤ Flexibility:-

To a certain stage, you need to be flexible as an entrepreneur. Be ready to change as needed. As you are in the top position of your industry, you should be ready to adopt any changes in process in the market as per requirement.

* Quality of an Entrepreneur:-

Successful entrepreneurs have many qualities other than common people. They are self-confident and positive. They are disciplined self-starters.

The main quality of the entrepreneur are discussed below:-

1) Disciplined:- These person remain focused towards their work and making profit out of that. They always tries to eliminate all the interruptions or diversions that comes on the path of their work.

2) Confidence:-

There is no place for any kind of confusion in the mind of an entrepreneur. He should never questions about their success or failure. They should set their mind as such a way that he could always keep himself on the top position and not even thoughts of failure should come to his mind.

3) Open minded:-

Entrepreneurs can see possibilities of business opportunity in every event and condition and tries to grab that opportunity. New and creative ideas are always being generated with work flow and productivity.

4) Competitive:- Many companies are formed because of the market demand and in the hope to make profit.

5) Creativity:-

Creativity is having to create connections between apparently separate events or situations.

Entrepreneurs often come up with solutions which are the mixture of other items.

* Type of Entrepreneurship:-

Entrepreneurship are those who have a passion for bringing changes to the globe. They have a particular set of skills to be effective leaders and innovators. There are many kinds of Entrepreneurship.

1) Small business Entrepreneurship:-

A majority of business are small business. People interested in small business. Entrepreneurship are most likely to make a profit that supports their family and it helps to acquire a different lifestyle.

2) Large company Entrepreneurship:-

Large company Entrepreneurship is when a company has a fixed amount of life cycles. This type of Entrepreneurship is for Advanced Professional who knows how to withstand innovation.

3) Social Entrepreneurship:-

An entrepreneur who wants to solve social problems with their products and services is in this category of Entrepreneurship. Their main goal is to make the world a better place.

4) Researcher Entrepreneurship:-

Researchers take their time when starting their own business ideas as inspiration but work to improve them. They look to make certain products and services better and more profitable.

5) Buyer Entrepreneurship:-

An Entrepreneur is a type of entrepreneur who uses their wealth to fuel their fortune to buy business that they think will be successful.

6) Innovative Entrepreneurship:-

Innovative Entrepreneurship are people who are constantly coming up with new ideas and innovations. They take those ideas and turn them into business organizations.

* Functions of an Entrepreneurs:-

Entrepreneur may be a person who is responsible for setting up a business or an enterprise.

Entrepreneur is one who has the creativity skills for innovation and who looks for prime achievements.

Risk bearing functions:-

It is the most important and precise function of an entrepreneur. Every business involves some amount of risk. The production of goods and services are always related to future demands.

The future demand is inexact and irregular, because it got impacted by the changes in fashion or taste and liking of the customers.

Administration and decision making function.

i) Conceiving the idea of business.

The entrepreneur conceives the thought of a particular business which suits his nature, skills, and resources. He makes an in depth study of the condition of market and business forecasts.

ii) Estimation of details of business and implementation of the same.

After arriving at a conclusion about the character of business, the entrepreneur works out the details of business i.e. what, how and when to produce and from where the resources are to be arranged.

iii) Supervision and control of business activities.

The entrepreneur has got to supervise and control the day-to-day business actions to undertake the business objectives. For this he properly coordinates between various factors of production.

iv) Distribution functions.

The entrepreneur organizes various factors of production and sets them to figure. It, therefore, becomes his responsibility to make proper distribution of funds among all the factors of production.

* Barriers in Entrepreneur:-

In to-day's world each people of us dreams of being an entrepreneurs and starting up something that we are addicted to. It's all about making a difference within the world of business and solving the discomfort areas of the target audience through

our offering of product and services.

① Finance:-

We all have ideas that are unique and can make an amazing business start up. But no matter how good your idea is. You will always need constant finances and funding from the stakeholders to begin the process.

② Fear of not to be success:-

We all go through the fear of failure. And when the fear is related with the risks and risks taken in the path of business and entrepreneurship, the level of fear increases to many extends.

③ No strategic plan in place:-

Lack of proper planning and strategy in proper place of need is one of the most common boundary for entrepreneurship. Many of us think to start a business out of an interest without having any kinds of long term vision and plan in mind.

④ Human resources issues:-

Employees with the required knowledge, skill, and experience are needed for the competence of the business processes and high levels of productivity.

⑤ Less market experiences:-

The experts always mention that one should never hurry in setting of a business. It is quite necessary to gain a relative amount of work experience by working in the industry field or sector.

Entrepreneur Vs Manager.

The main difference between entrepreneur and manager is their role in the organization.

An entrepreneur is the owner of the company. Entrepreneur is a risk taker. They take financial risk for their organization.

Who is an Entrepreneur?

Basically speaking, an Entrepreneur is a one-man who runs an organization. However, such a person usually has some unique ideas that allow him to be successful in his business. He is essentially a motivator and a leader.

A successful entrepreneur is usually a responsible person. He is answerable for the success or the failure of his firm and he takes this responsibility very seriously.

Who is a manager?

A manager on the other hand is not an owner of an organization. Instead he is the one who is responsible for the management and administration of a group of people or a department of the organization. His day to day job is to manage his employees and confirm the organization runs smoothly.

Entrepreneur Vs Manager

- | | |
|---|--|
| 1. Entrepreneur is a visionary and bears the financial risk. | 1. Manager works for salary and does not have to bear any administration risk. |
| 2. Focuses on starting and expanding the business ideas. | 2. Focus on daily smooth function in plant or industry. |
| 3. Key motivation for entrepreneur is achievements | 3. Manager's motivation comes from the power that comes with their position. |
| 4. Reward for all the efforts is profit he earns from the enterprise. | 4. Remuneration is the salary he draws from the company. |

Forms of business ownership:-

The different forms of business ownership are discussed below:-

1. Sole proprietorship:-

A business owned and operated by a single individual is the most common form of business structure in India.

The advantages with a sole proprietorship include comfort and cost of creation. Simply declaring you are in business and ask for any licenses & permits, you may need, use of profits.

2. Partnership:-

A business that is owned and operates by two or more people and therefore the least used kind of enterprise within the India. There are two basic varieties of partnerships, general and limited.

In an exceedingly general partnership, all partners have unlimited responsibility, while during a limited partnership a minimum of one partner has responsibility is limited only to his or her investment.

The benefits of a partnership include ease of organization simply creating the articles of partnership.

The disadvantages of partnership business are, including unlimited liability all business loans are personal loans.

③ Private Corporation:-

A business's legal body is formed by the state whose assets and responsibilities are cut loose from its owners. While there are also public establishments whose stocks are traded on a public stock exchange most small business are private corporations.

Types of Industries:-

The industries are classified in three categories like stuff, size, and ownership which are discussed below:-

① Raw Materials:-

Agro based industries

These industries use plants and animal based products as their raw materials.

Examples:- food processing, oil, cotton Textile, Dairy products and Leather industries.

• Mineral Based industries:-

Mineral based industries are supported on mining and use 'mineral ore' as raw materials.

• Marine based industries:-

Marine based industries use raw materials from sea or ocean

Ex:- Fish, oil.

② Size:-

Size of industries are measured by what proportion money is invested, number of employees and goods produced.

- Small-scale industries.

ex:- Basket weaving, pottery and handicrafts.

- Large scale industries

ex:- Automobile, steel manufacturing, Thermal power plants etc.

③ Ownership:-

- Private Sector

Private industries are businesses that owned and operated by a personal or group of people.

- Public Sector:-

Public industries are owned and managed by the govt
Ex:- Hindustan Aeronautics Limited (HAL), BHEL, SAIL etc

Concept of startup:-

A startup may be a new company founded by one or more entrepreneurs to develop a novel product or service and convey it to the market.

By its nature, the standard startup tends to be a shoestring operation, with initial funding from the founders or their friends and families.

- * Entrepreneurial Support agency:-

District Industry Centre:-

The industrial rule 1977 contained the concept of District Industries Centre (DIC). DIC program was initiated on 1st May 1978 as a Centrally Supported Scheme.

*① National Scale Industries Corporation: (NSIC)

It is a mini Ratna PSU established by the Government of India in 1955. It comes under Ministry of Micro, Small and Medium Enterprises of India.

Government of India to promote small and potential entrepreneurs of independent India decided to establish a Government agency which can mediate and provide help to small scale industries (SSI).

*② National Bank for Agriculture and Rural Development (NABARD)

It is an Apex development Finance institution fully owned by Government of India. The Bank has been assigned with "matters concerning policy planning and operations within the field of credit for agriculture and other economic activities in rural areas in India."

*③ Khadi and Village Industries Commission (KVIC)

The Khadi and Village Industries Commission (KVIC) may be a legal body formed in April 1957 by the Govt. of India under the Act of Parliament, "Khadi and Village Industries Commission Act of 1956".

*④ Science and Technology Entrepreneur park:-

At Birla Institute of Technology, ~~near~~ Messra, Ranchi is that the first Science Technology Entrepreneurs park approved and established

by National Science and Technology Entrepreneurship Development Board (NSTEDB), Department of Science and Technology, Government of India.

CHAPTER-2

Market Survey and opportunity Identification

Business Planning:-

A business planning may be a formal papers containing business goals, the methods on how these is achieved and therefore timeframe within which these goals have to be achieved. It also describe the character of the business, background, information on the organization.

Small Scale Industries (SSI):-

Small Scale Industries (SSI) are those industries during which manufacturing, providing services, productions are done on a tiny. low Small Scale or micro scale. For examples, these are the ideas of - Small Scale industries: Napkins, tissues, chocolate, tooth pick, water bottles, small toys, papers, pens etc.

Basically, the enterprises must constitute the rules and guidelines set by the Government of India at the time being such limits are as follows:-

- For manufacturing units for goods, investment in plant and machinery must be in between 25 lakhs to 5 crore.

- For Service providers:- investment in machinery must be between 10 lakhs to 2 crores.

In developing countries like India, these Small Scale industries are the lifeline of the economy. These are generally labour-intensive industries.

Tiny Units:-

A small unit is defined as an industrial or business enterprises whose investment in plants and machinery isn't quite 25 lakhs.

Ancillary Unit:-

An industrial unit which is engaged or is proposed to be engaged with in the manufacture or production of parts, components, intermediaries or the execution of services and also the undertaking supplies or proposes to provide not but 50% of its production or services because the case could also be more other industries. takings and whose investment in fixed assets in plant and machineries - doesn't exceeds ₹5 lakhs rupees.

Development of Ancillary Industries in India:-

The programme of ancillarisation includes motivation of public and private sector units to offload production of components, parts, tools, intermediates, etc.

Service Sector Units:-

The Service Sector, also called tertiary sector, is that the third of the three traditional economic sectors. The opposite two are primary sector, which covers areas like farming, mining and fishing and therefore the secondary sector which covers manufacturing and making things.

Time Schedule Plan:-

Depending upon the issue and length of your project, your project management schedule can range from one sequential task list to complex web of consistent tasks and desires still, there are solid steps you may desire develop a solid project schedule and ensure all aspects of your project.

Step 1:- Write Down your tasks.

Step 2:- Establish the order of tasks.

Step 3:- Create some Milestone.

Step 4:- Calculate the Time Scale.

Step 5:- Allocate people to tasks.

Step 6:- Review Regularly :

Agencies to be contacted for project implementation

There are two basic types of organizational units engaged in and supporting public projects delivery. public projects management office (PPMO) and advisory bodies.

PPMOs have been established in many countries. Their objective is always to improve public project delivery. This organization gives all types of help to implementation of a new project.

Supply and Demand:-

Supply and demand, in economics, relationship, between the quantities of a commodity that producers wish to sell at various prices and the quantity that consumers wish to buy. It is the main model of price determination used in economic theory.

The price of a commodity is determined by the collaboration of supply and demand in the market.

Potential areas of Growth:-

Every business owner wants his/her business to grow and expand at a fast rate. There are many ways by which a small business can grow and expand rapidly.

Develop a Solid Marketing Plan:-

A well-developed solid marketing plan helps to ensure that one person not only got stuck to his expansion program but also helps to apply his marketing resources wisely and suitably. This is because growing a small business usually requires a large investment of time and money.

Segment your market for Growth:-

The business can also be expanded by figuring out the new corners of the markets. The research must be done in such a way that it is easy to identify a feasible segment of the consumers one can target by either searching the internet or checking with the local chamber of commerce.

Diversifying your product and service offerings:-

Adding a new product or a service will help the business owner to open up new region and expand the business in a new direction. Diversifying helps to protect the customer base and also helps to create multiple income streams.

Use New Technology to stay Competitive:-

Technological changes frequently help the business to grow or hurt the expansion goals. For ex:- expansion of business facility along with advanced technologies helps to increase the efficiency and also helps to expand the operations.

Identifying Business opportunities:-

To be a successful entrepreneurs, we need to be frequently innovating and looking for chances to grow our start ups.

* Final Product Selection.

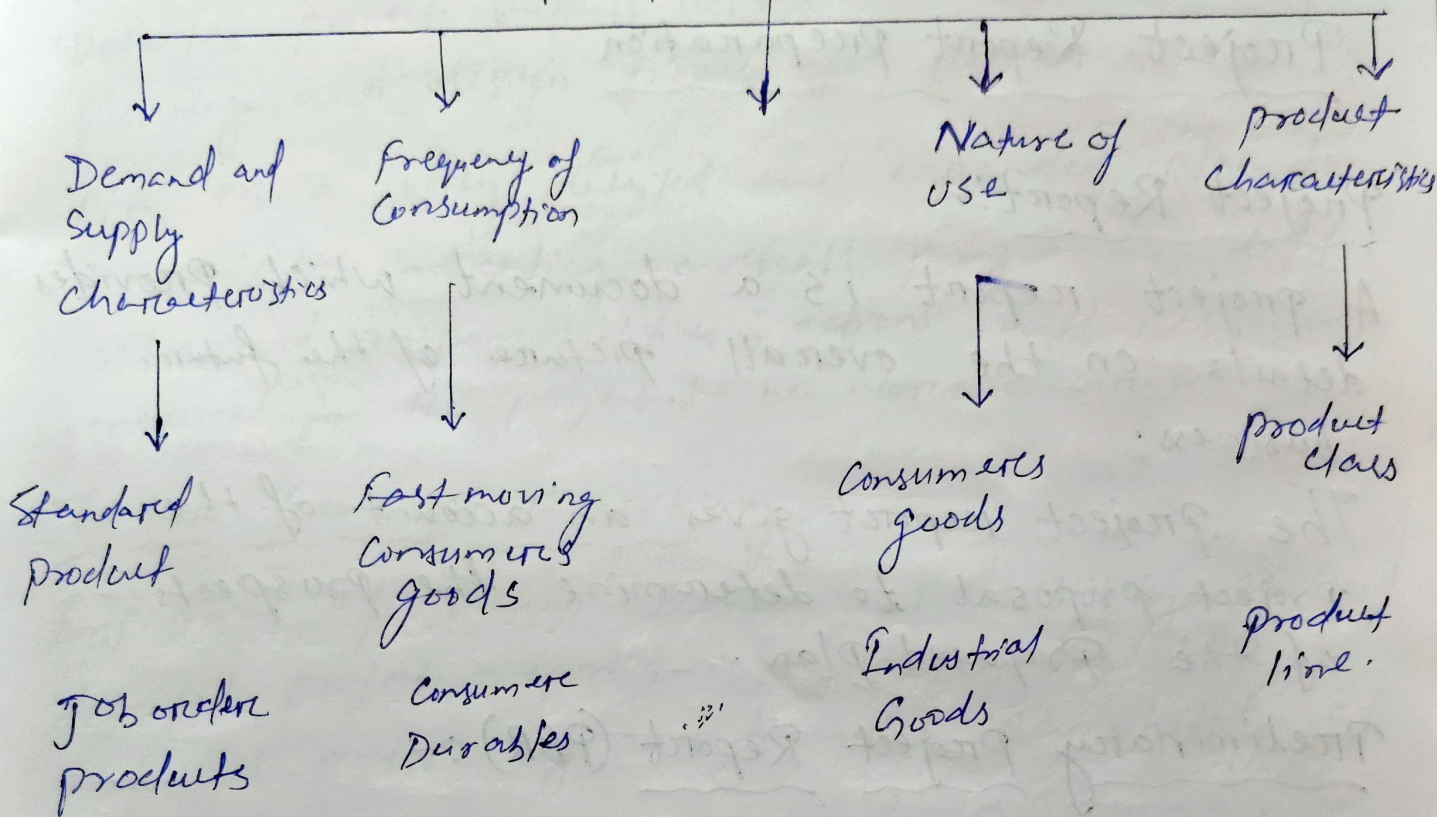
Product Selection

Product selection is the process in which retailers choose the shape or material of the product as per market demand.

Term included in product selections.

- ① Material
- ② Shape
- ③ Color
- ④ Price

PRODUCT SELECTION



Concept of Product selection:-

- ① Product selection is a decision process, in which few product concept for further development.
- ② As entrepreneur establishes a business unit with a modest investment in a small scale level.
- ③ As he senses business occasions from the changing environment, keeps on adding improving and dropping different types of product.

Chapter - 3

Project Report Preparation

Project Report:-

A project report is a document which provides details on the overall picture of the future business.

The project report gives an account of the project proposal to determine the prospects of the proposed plan.

Preliminary Project Report (PPR):-

Preliminary project report is a formal document that describes specific activities, actions, incidence of the project to explain progress of the project up to a certain point in time; but not later than completion time.

The document serves as the basis for developing the final project report.

A typical preliminary project report for projects highlights the following data.

- problem need:- A clear explanation of the problem or need the project aims to handle.
- proposed solution:- A brief description of how to address the problems/need.
- work effort:- An analysis summary of work relevant to the project.
- Evaluation:- Analysis and calculation of project work by specific criteria
- Schedule:- A time line with specific milestones and events related to project work.

Detailed project Report (DPR)

Detailed project Reports (DPR) are the outputs of planning and design phase of a project.

DPR is a very detailed and expanded plan for a project indicating overall programme, diff. roles and responsibilities; actions and resources, required for the project to be more accurate.

Techno Economic Feasibility:-

Impartial of Techno - Economic possibility studies / detailed project reports is to determine the technical possibility and financial capability of the project.

Coverage:-

Techno - Economic Feasibility studies / detailed project reports cover the following based on the clients requirements.

- Market
- Raw materials & fuel
- plant sitting, location & infrastructure.
- project Technical Concept.
- Logistic
- Environment.
- Implementation planning.

Project viability:-

Project capability depends on a number of factors in addition to economic ones and the decisions go ahead with a project or not will depend on multiple criteria.

In designing a project, planners must have established the social financial and economic capability.

Chapter-4

Management principles

Definition of Management:-

Management is the administration of an organization whether it is a business, a not-for profit organization, or Government body.

The term "management" may also refer to those people who manage an organization - Managers.

Principle of Management:-

Management is essential to any organization that wishes to be efficient and achieve its aims without someone in a position of authority there would be organization revolution with no structure and very little, if any focus.

It has four basic functions:-

- ① Planning
- ② organizing
- ③ Leading and controlling

(1) Division of work:-

This principle of management is based on the theory that if workers are given a particular task to do, they will become skilled and more efficient in it than if they had a wider range of tasks.

(2) Authority:-

This principle looks at the concept of managerial authority. It looks at how authority is compulsory in order to ensure that managerial commands are carried out.

(3) Discipline:-

This principle ~~refer~~ relates to the fact that discipline is necessary within an organization for it to run successfully.

(4) Unity of Command:-

There should be a clear chain of command in place within an organization. An employee should know exactly whose instructions to follow.

(5) Unity of Direction:-

work should be organized in a way that means employees are working in coordination towards a shared objective or goal.

(C) ~~Set~~ Remuneration:-

In order to motivate and be reasonable to employees they should be paid

Functions of management:-

Functions of management are planning, organizing, staffing, directing, motivation, Leadership, communication, coordinating and controlling.

① Planning:-

- It is the basic function of management.
- It deals with checking out a future course of action and decision in advance.
- Planning decides in advance what to do, when to do and how to do.
- A plan is a future course of action.
- It is an exercise in problem solving and decision making.

② Organizing:-

- It is the process of bringing together, financial and human resources and developing productive relationship between them.
- Organizing as a process involves.
 - Identification of activities.
 - Assignment of duties

③ Staffing:-

It is the function of managing the organization structure and keeping it worked.

→ The main purpose of staffing is to put right man to right job.

④ Staffing involves:-

- Man power planning.
- Recruitment selection and placement.
- Training and Development.
- Promotions and transfer.

④ Directing:-

→ It is that part of managerial function which motivates the organizational methods to work efficiently for achievement of organizational purposes.

→ A direction has the following elements:-

- i> Supervision.
- ii> Motivation.
- iii> Leadership.
- iv> Communication.

⑤ Supervision:- Implies managing the work of subordinates by their superiors.

It is the act of watching and directing work of workers.

⑥ Motivation: Means inspiring, motivating or encouraging the subordinates with Zeals to work. positive, negative, monetary, non-monetary incentives may be used for this purposes.

⑦ Leadership: may be defined as a process by which managers guides and influences the work of subordinates in desired direction.

⑧ Communication: Is the process of passing ^{the} information, experience, opinion etc. from one person to another. It is a bridge of understanding.

⑨ Controlling: -

It implies measurement of success against the standards and correction of deviation, if any to ensure achievement of organizational goal.

* Level of management of an organization: -

There are basically three types of management that are Top level Management, middle level management and lower ~~to~~ level management.

Top level management: -

→ This level of management consists of the senior most executive level of an organization.

⇒ Managing Director, Board of Director, Chairperson, Chief Executive Officer, Chief Technology Officer.

are in top level of management.

→ Taking financial decisions.

→ They are policy makers.

Middle Level management:-

→ This level of management consists of managerial working between top level and lower level.

⇒ They understand and implement the policies, manage all activities, ensure availability of resources.

→ They consist of Divisional Heads and sub-Divisional Heads.

→ Departmental heads like purchase manager, sales manager, and finance manager etc.

Lower level management:-

→ This level of management operates between middle level management and operative work force.

→ This level consist of -

Supervisors.

Foremen

Inspectors.

→ Their function is to provide their job training to the workers.

→ Giving feed back to the workers.

→ Ensure the performance of the workers.

→ Act as a link between the management and the workers.

Chapter-5

Functions Areas of Management

a) Production Management:-

Function of Production Management:-

The components of functions of production management are as follows:-

- 1) Selection of product and design.
- 2) Selection of Production process.
- 3) Selecting right production Capacity.
- 4) Production Planning.
- 5) Production Planning Control.
- 6) Quality and cost control
- 7) Inventory Control,
- 8) Maintenance and replacement of machines.

The above functions of production management are briefly discussed below.

① Selection of products and design:-

Production management first selects the right products for production. Then it selects the right design for the product. Care must be taken while selecting the product and design because the survival and success of the company depend on it.

So, production management must use techniques such as value engineering and value analysis.

② Selecting of production process:-

Production management must select the right production process. They must decide the type of technology, machines, materials handling system etc.

③ Selecting right production capacity:-

Production management must select the proper production capacity to match the demand for the merchandise. This is often because more or less capacity will create problems. The production manager must plan the capacity for both short and long term production.

④ Production Planning:-

Production management includes production planning. Here the production manager decides about the routing and scheduling.

"Routing" means deciding the trail of labor and also the sequence of operations. The most objective of routing is to search out the most effective and most economical sequence of operations to be followed within the manufacturing process.

"Scheduling" means to come to a decision when to ^{start} and when to complete the particular production activity.

⑤ Production Control:-

Production management also includes production control. The manager has to monitor and control the production.

He needs to learn whether the particular production is completed as per plan or not.

⑥ Quality and cost Control:-

Production management also includes quality and cost control. Quality and value controls are given plenty of importance in to-day's competitive world. Customers everywhere the world want good-quantity products at cheapest prices. To satisfy this demand of consumers the production manager must continuously improve the standard of his products.

⑦ Inventory Control:-

Production management also includes inventory control. The production manager must monitor the amount of inventories. There must be neither over stocking nor under stocking of inventories. If there's an overstocking then the capital are going to be blocked and therefore the materials is also damaged, massed or misused.

⑧ Maintenance and replacement of machine:-

Production management ensures proper maintenance and displacement of machines and equipments.

The production manager must have an efficient system for continuous inspection (routine checks),

Cleaning, oiling, maintenance and replacement of machines, equipments, spare parts etc.

Activity of Production Management

The production management activities are as follows:-

① Planning:-

The first activity which a manager should do is to plan. if you've got many things to manage, then it's better that first you sit down and draw an ideas. So. if things go confused, you're ready.

② Delegating:-

once a thought is prepared, then it's not the manager must implement the plans, but his subordinates are those responsible to implement the plan. However if the task has not been delegated then the work will fail.

③ Training:-

One among the foremost common management activities in any organization is to coach employees. New employees are always made to travel through difficult learning exercises. These training exercises are done not only to boost employee capabilities but also to bring the workers vision and mission and work culture.

④ Motivating:-

Business is extremely dynamic in nature and becomes confusing and stressful. At such times, employees might lose their motivation. It's the task of the manager to evaluate this and thereby spend time in motivating the workers.

⑤ Organizing:-

organizing could be a very qualitative process quite quantitative. The best organizer is one who

is in a position to perform multiple tasks, taken on as a ~~as~~ ^{as} a planner or an orchestra manager as an ~~exple~~ ^{ex} example.

⑥ Managing operations:-

Within the durables and FMCG (Fast moving Consumable Goods) market, operations can run at a large scale. At one end production is going on at another end sale, and therefore the third end is taken by finance and collections. Running such huge operations requires a manager who is sound in operational activities.

⑦ Managing change:-

In all toughest things to handle is to alter. one and all employees gets comfortable in his/her own comfort zone. Which is dangerous for a company. Any growth that comes within a corporation comes through change.

⑧ Taking Responsibilities:-

You'll can take tough decisions and ensure proper implementation providing you assume responsibility for your actions.

⑨ Evaluating:-

Employee appraisals growth holding is fixed in the hands of the manager. Through proper appraisals, managers can keep their staff motivated.

Productivity:-

The classic productivity definition is "a way to measure efficiency". In an economic context, productivity is how to measure the output that comes from units of input. Example:-

one acre of land that produces 50kg of wheat that is not very productive. But one acre of land that produces 1000kg of wheat is better return of your planting.

Productivity is to getting the results you want with less time and effort when you're trying to understand how to be productive, what you're really seeking is a way to achieve your goals while having time to spend on what matters.

Quality control:-

Quality control (QC) is a process through which a business seeks to ensure that product quality is maintained or improved. Quality control requires the business to create an environment in which both management and employees struggle for perfection.

This is done by training personnel, creating benchmarks for product quality and testing products to check for statistically significant variations.

Production planning and control:-

Production planning and control is a programmed process that plans, manages, and controls the allocation of human resources, raw material and machinery.

to achieve maximum efficiency.

Production planning is a sequence of steps that empower manufacturers to work smarter and improve their production process in the best possible manner. This helps manufacturer's work smarter by efficiently managing internal resources to meet customer demand.

Objective of production Planning and control:-

- Having reliable production Planning and control Software in your company makes it easy to:-
- i) Ensure cost efficient production process.
 - ii) Promote timely delivery of goods.
 - iii) Minimize production time
 - iv) Improve customer satisfaction.
 - v) Coordinate with departments about production to ensure things are on the same page.
 - vi) Ensure the right man is assigned with right work.
- b) Inventory Management:-

What is inventory management?

In simple term, inventory management is a set of all those processes which you utilize to supervise and organize your goods or materials in your facility.

A component of supply chain management, inventory management, supervises the flow of goods from

manufactures to ware houses and from these facilities to point of sale.

It involves a retailer seeking to acquire and maintain a proper product range while managing orders, logistics, returns and related costs are kept in check.

Need of Inventory Management:-

It is critical for an organization today to understand its inventory to achieve both efficient and fast operations, that too, at an affordable cost. An effective management of inventory helps in reducing costs which further keeps accounts and finances in check.

From customer's point of view it helps you to provide better customer services through fast delivery and low shipping charges, hence meeting customer expectations.

① Tracking inventory:-

A good system will help you keep track of your inventory and offer centralized view of stock across sales channels - how much is in stock and where it will also allow allocating inventory to specific sales channels, which is important if you have warehouses and distribution centres at multiple locations, thus, enabling warehouse management.

② Control your cost:-

Keeping reports about your inventory helps you understand which stocks are doing well, versus which are just taking up self-space. Lack of the right inventory at the right time can mean back orders, excess inventory etc.

③ Improve your delivery:-

Last delivery due to stock-outs is bound to give you a bad reputation. For backing it is important for you to know when the vendor is shipping inventory and when it will arrive. This helps you to manage customer expectations by delivery as, when and where they want.

④ Manage planning and forecasting:-

The software can help you improve demand forecasting by analyzing data trends from well performing stocks. This minimizes your holding and handling costs improves revenues and frees up cash flows. Also by planning and forecasting your delivery on customer expectations better.

⑤ Reduce the time for managing inventory. With good inventory management solutions,

You can reduce the time taken to keep track of all the products you have on hand and on order. Additionally you save the time taken up in inventory records if your records are in place.

Model/techniques of inventory management

There are varieties of inventory management techniques which may help in efficient inventory management. They are as follows:-

ABC Analysis:-

ABC analysis stands for Always Better Control Analysis. It's an inventory management technique where inventory items are classified into three categories namely A, B and C. The items in 'A' category of inventory are closely controlled because it consists of high-priced inventory which may be less in number but are very expensive inventory as compared to "A" category and the number of items in 'B' category consists of a high number of inventory items which requires lesser investment so the control level is minimum.

Just in time (JIT) Method:-

In just in time method of Inventory control, the corporate keeps only the maximum amount inventory because it needs during the assembly process with no excess inventory in hand the company saves the cost of storage and insurance.

Material Requirement Planning: (MRP) method

Material requirement planning is an inventory control method in which the manufacturer orders the inventory after considering the sales forecast. MRP system integrates data from various areas of the business where inventory exists. Based on the data and demand in the market, the manager would carefully place the orders for new inventory with the material suppliers.

Economic order Quantity (EOQ) Model:-

Economic order quantity technique focuses on taking decision regarding how much quantity of inventory should the company order at any point of time and when should they place the order. In this model, the store manager will record the inventory when it reaches the minimum level. EOQ model help to save the ordering cost and carrying costs including while placing the order.

Minimum Safety Stocks:

The minimum safety stock is the level of inventory which organization maintains to avoid the stock out situation. It is the level when we place the new order before the existing inventory is 0. Like for examples, if the total inventory in an organization is 18000 units, they place a new order when the inventory reaches 15000 units. Therefore, the 3000 units of inventory shall form part of the minimum

Safety stock level.

VED analysis:-

VED stands for vital Essential and Desirable. Organization mainly use this technique for controlling spare parts of inventory. Like a higher level of inventory is required, for vital parts they are very costly and essential for production. Others are essential. ~~for~~ spare parts, which absence may slow down the production process.

Fast, Slow and Non-moving (FSN) methods:-

This method of inventory is very useful for controlling obsolescence. All the items of inventory are not used in the same at all. So this method classifies inventory into three categories; Fast moving inventory, slow-moving inventory and non-moving inventory.

c) Financial Management:-

Financial management means planning, organizing, directing and controlling the financial activities like procurement and utilization of funds of the enterprise.

Objectives of Financial Management:-

The financial management is usually concerned with procurement, allocation, and control of economic resources of a priority. The objectives may be -

1) To confirm regular and adequate supply of funds to the priority.

2> To make ensure adequate return to the Shareholders, which will depend upon the earning Capacity, market price of the shares, expectations of the Shareholders.

3> To make ensure optimum funds utilization. Once the funds are procured, they ought to be utilized in maximum possible way at least cost.

Functions of Financial Management:-

1. Estimation of Capital requirements

A Financial manager must make estimation with regards to capital requirements of the Corporate. This may rely on expectation costs and profits and future programmes and policies of a priority.

2> Determination of capital Composition:-

Once the estimation are made the Capital Structure should be decided. This involves short term and long run debt equity analysis.

This can depend upon the proportion of equity Capital a Company having and additional funds which have to be raised from outside parties.

3> Choice of Sources of funds:-

For added funds to be procured, a corporation has many choices like-

- a) Issue of share and debentures
- b) Loans to be taken from banks and financial institutions.
- c) public deposits to be drawn like in kind of bonds.

4) Investment of funds:-

The finance manager needs to arrange to allocate funds into profitable schemes so that safety on investment and regular return is feasible.

Working Capital:-

Working Capital or variable Capital is noted the one use produced goods like raw materials. They are used directly and just one in production. They get converted into finished goods.

Management of working Capital:-

A Company's Capital essential consists of current assets and current liabilities. Current assets refer to those assets which will be converted into cash within one year, like debtors, and stock and prepaid expenses that have already been purchased for current liabilities.

Working Capital Ratio:-

It's a ratio between this assets and current responsibilities. It signifies this liability of a

of a company to pay of its short-time financial obligations.

Collection Period Ratio:-

Also referred to as the debtors or accounts receivables turnover ratio, this ratio is indicative of a company's ability to convert its debts into cash.

Costing

Costing means that to evaluate and finalize the price of a product.

Break Even Analysis:-

Break Even Analysis in economics, business and cost accounting refers to the point in which total cost and total revenue are equal.

Formula for Break Even Analysis

Break even quantity = $\frac{\text{Fixed costs}}{\text{Sales price per unit} - \text{Variable cost per unit}}$

where:-

Fixed costs are costs that not change with varying output (e.g:- Salary, Rent, machineries)

Sales price per unit is the selling price (unit selling price) per unit.

Variable cost per unit is the variable costs incurred to create a unit.

Brief idea about Accounting Terminologies:-

Book Keeping:-

Book Keeping is the recording of financial transactions and is part of the process of accounting in business transactions includes purchase, sales, receipts and payment.

Journal Entry:-

Journal entry is the act of keeping or making records of any action either economic or non-economic.

Petty cash Book:-

The petty cash book is in which all petty or small payments made through petty cash fund are recorded systematically.

Profit and Loss (P & L) Account:-

The profit and loss (P & L) statement may be a plan that summarizes the revenues, costs and expenses incurred during a particular period.

Balance sheet:-

In financial accounting a record or statement of mandatory position or statement of economic condition may be a summary of financial balance of a private organization.

~~Ques.~~

Concept of marketing:-

In marketing business will design strategies that satisfy customer's needs increase sales, maximize profit and beat their competition.

The main 5 marketing concept are discussed below.

1. The production concept.
2. The product concept.
3. The selling concept.
4. The marketing concept.
5. The societal marketing concept.

1) The production concept:-

The production concept is the most operations-oriented than any of the other marketing concepts on this list. This concept was founded during the production era of early capitalism in the mid-1950s. During that era, business concerned themselves with production, manufacturing and efficiency issues.

2) The product Concept:-

The product concept is not so much about the production and business output but focuses more on the customer.

~~Pro~~ This marketing concept believed in potential customers and how their brand loyalty is closely tied to options of products.

3) The Selling Concept:-

The selling concept is the bread and butter of marketing efforts, as it believes that people will not buy enough of a business's product.

So, business need to encourage them to do so.

4) The marketing Concept:- The marketing concept is the concept of competition. It is a marketing concept that believes the success of business depends on the marketing efforts that deliver a better value proposition than its participants.

Marketing Management:-

Marketing management is the process of decision making, planning & controlling the marketing aspects of a company in terms of the marketing concept, somewhere within the marketing system.

Marketing Techniques:-

1) Keep Adding Something new

Every time you introduce something new to your business, you create an opportunity to get more sales. For example, something as simple as adding new information on your web site creates another selling opportunity when prospects & customers visit your site to see the new information.

2) Become a valuable Resource:-

Look for ways you can be a resource for your prospects and customers. Supply them with free information. Help them ~~do~~ to do things faster, easier and with low expenses.

3) Concepts of 4Ps:-

The 4Ps of marketing is a favour concept that summarizes the 4 basic pillars of any marketing strategy:- product, price, place and promotion.

Product:-

The product is everything that is made available to the customers.

In other words what makes your product so great or unique.

Price:-

Price is simple, it refers to how much you charge for your product (or service). It's really hard to come up with the "right price".

Place:-

"Place" is another word for location. As marketing is all about the location. Place takes a very vital role in marketing or doing business.

Promotion:-

In every business promotion is very much necessary, without the promotion of the product no customers know about your product.

*Human Resource Management

Function of Personnel Management:-

a) Managerial Function.

b) Personal Planning.

c) Organizing.

d) Directing.

* Operative Functions

The operative functions of the personnel department are also called Service functions.

- a) Procurement function.
- b) Development
- c) Promotion, transfer and termination function.
- d) Compensation function.
- e) Welfare function.
- f) Collective Function.
- g) Miscellaneous Function.

Ch-6

Leadership and Motivation

a) Leadership:-

Leadership is the ability of a person or a group of persons to influence the Subordinates of an organization.

Qualities of a Leader:-

- ① Confidence
- ② Inspire others.
- ③ Good listener.
- ④ Decision-making Capabilities.
- ⑤ Creativity and Innovation.

Functions of a Leader:-

The functions of a Leader are as follows.

- 1) Develops Team work.
- 2) Representative of subordinates.

Manager

- People work for a Manager
- Manager always thinks about the organization.
- Manager is stable.
- The employees are to obey the manager's order.

Leader

- People follow the Leader.
- Leader thinks about the employees as well as the organization.
- Leader is temporary.
- Employees follows the Leader.

Style of Leaderships

① Autocratic.

② Democratic.

Characteristics of motivation:-

- ① Motivation is a psychological concept.
- ② Goal oriented behaviour.
- ③ Positive motivation.
- ④ Motivation affects the whole Individuals.

Importance of motivation:-

- ① High Efficiency.
- ② Utilization of Resources.
- ③ Reduction in Labour Turnover.
- ④ Ready for change.

Factors affecting motivation:-

* Relationship between co-workers:-

work place is all about the people working together to achieve the organizational goal.

* Leadership role at workplace:-

Leader plays a very vital role in an organization. The Leader should know how to deal with diff. employees.

Managing dispute at workplace:-

When ever people from different background or group of people work together then there are chances that some dispute will arise.

Theories of motivation (Maslow):-

Maslow's hierarchy of needs is a theory is a Psychology proposed by Abraham Maslow in his 1941 Paper. "A Theory of human motivation".

Method of improving motivation :-

① Positive Attitude :- To improve motivation in the workplace a person always have positive attitude.

② Define purpose of work :-

No one likes to do work for no reason.
So work must be designed by the superiors.

③ Give Some target oriented Assignment

④ focus on the Big target.

⑤ Importance of communication in Business :-

1) Smooth Running of an organization :- It is depend on the Communication. It is the main part of the organization. It provide the basis of direction and Leadership.

2) Decision making :-

Communication always helps in decision making. It helps the management to take important decision and conduct different operations.

3) Planning and Coordination :- Communication is very helpful in planning and coordinating the activities of business. if the comm. is good, useful, suggestions will come from the subordinates to the superiors.

④ Higher productivity at Minimum Cost:-

Good communication between owners and employees plays a vital role in obtaining maximum production with the minimum of cost.

Chapter 8 Legislation

Intellectual Property Right:-

Intellectual property rights are the rights given to persons over the creation or idea of his mind. The authority gives the creator an exclusive right for use of this creation for certain period of time.

Patent:-

A patent is a form of intellectual property that gives the owner the legal right to eliminate others from making, using or selling the invention for a limited period of yrs.

Trademark:-

A trade mark is a type of intellectual prop^y consisting of a sign, logo, design or punch-lines which identifies products or services of a particular source from those of others. So trademark is usually known as service mark.

Copy right :-

Copy right is a type of intellectual property that gives the own the exclusive right to make copies

Features of payment of wages Act 1936:

- a) The act ensure fixing of wage period, time and mode of payment of wages.
- b) The act does not cover whose wage is Rs 24k or more per month.
- c) The Act provides a workers with its duty rights cover under the Act.

Ch-9 Smart Technology

Concept of IOT:-

IOT stands for Internet of things. The internet of things (IOT) describe the network of physical object - "thing" that are ^{embedded} ~~connected~~ with Sensors, Software and other technologies. for the purpose of connecting and exchanging data with other devices and system over the internet.

How IOT work

IOT devices share the sensor data they collect by connecting to an IOT gateway or other edge device where data is either sent to the cloud to be analyzed or analyzed locally.

Component of IOT

mainly 4 fundamental components are used in IOT system, like sensor, connectivity, Data processing, user interface. which are discussed below:-

Sensors:-

Sensors or devices help in collecting data from the surrounding. All of this collected data can have difficulty ranging from a simple temp. monitoring sensor.

A device can have multiple sensors that can bunch together to do more than just sense things.
Ex:- GPS, camera, etc.

Connectivity:-

Next, that collected data is sent to a storage system but it needs a medium for transport the files.
The sensors can be connected to the main server through various mediums of comm and transfer data through cellular networks.

Characteristics of IoT:-

- IoT is a very dynamic and self-adopting technique.
- It comes along with self-configuration.
- It has a unique identity.
- It has a unique identity integrated into information network.