



ORIGINAL RESEARCH PAPER

Management

STARTUP BUSINESS: A KEY TO SUCCESS FROM IDEA GENERATION TO DEVELOPING BUSINESS PLAN

KEY WORDS: Stages of Startup Life, Idea generation, Developing Business Plan

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ABSTRACT

Startup Business creates a new foundation which could be difficult in survival for some companies. As starting a new business is not a simple process, it could undergo lot of process and strategies to run as a successful organization. Business are now facing increasing global regulatory pressure, demand for increased transparency, and growing public interest in the environment. This paper explains how the startup business moves from idea generation to developing a business plan.

INTRODUCTION

A startup business or a project commenced by an entrepreneur from generation of idea with the need to develop a business and converting it into a successful one. Creative and Innovative idea serves as a building block for Startup Business where the progress could be seen in each phase. They need to invest time and money in research and those helps to determine the demand for the product or service. As it requires a comprehensive business plan which outlines the mission as well as the vision statement with their goals and the marketing strategies.

LITERATURE REVIEW

Aidin Salamzadeh (2015) explained the Startup Companies : Life cycle and challenges. As these entities are mostly formed on the basis of brilliant ideas and grow to succeed. These phenomena are mentioned in the literature on theories of management, organization, and entrepreneurship. However, a clear picture of these entities is not available. This paper attempts to visualize this phenomenon, that is, "startup", and to identify the challenges it may face. After reviewing the life cycle and challenges, the paper concludes with some concluding observations.

Evers, Natasha (2003) explained the Process and Problems of Business Start-Ups. This paper sets out to examine the processes and problems encountered by startups. A didactic map, based on past and present data in the field, reviews the most theoretical concepts frequently transforming educational data and evaluating their contribution to explaining and understanding The Processes and New Issues Developed.

Creating a new organization is not easy and the process is huge. The nature of this process - which is characterized by spontaneity and uncertainty - makes it difficult to pin on a true theory. This paper does not explain in detail of each and every industry-specific problem that start-ups experience, but aims to identify and examine the most common difficulties encountered by Start-Ups in the early stages of establishment, irrespective of sector or industry.

Mudashir Gafar, Rozilah Kasim, and David Martin(2013) explained the Entrepreneurial Idea Development to Business Start-Up: Teaching Methodological Approach. The critical issue in entrepreneurship training in higher education institutions is how to develop an innovative business idea for the stage of starting a business. This article forms the basic principles for generating ideas in starting a business, Estimation and feasibility of generating entrepreneurial ideas for students of higher education institutions, and the Strategic approaches on how best to enable and facilitate the idea of working in graduation colleges. The research demonstrated a practical exploratory evaluation of the BT-PPP method in teaching entrepreneurship education, its suitability-fitness of

impacting business idea recognition, idea development to business venture creation among the students of real estate and facilities management in Universiti Tun Hussein Onn Malaysia.

Wurim, Ben Pam(2013) explained Opportunity Recognition and Business Idea Generation as a Foundation for Entrepreneurial Businesses in Central Nigeria" Most entrepreneurial discoveries are reached after learning about a business opportunity or creating an idea. Identifying and generating business opportunities and ideas creates favorable conditions for smooth takeoff and business apparel management. The main objectives of this paper are to conduct a critical investigation of the application or other identification of job opportunities and generate ideas in the formative days of entrepreneurial work and the ability of these processes to form strong business groups in central Nigeria. Two hypotheses were drawn in line with these objectives and tested on the basis of data created through a Likert scale questionnaire (5 points). The survey method was used to collect primary data for the study from a sample of 150 entrepreneurs in central Nigeria. The result showed that business opportunities and idea generation processes are significantly lacking in the formative days of central Nigeria .

START UP BUSINESS

A Startup is a newly created business with particular vision behind it as per the needs of its product or service. The goal of a startup is to grow quickly by providing something that emphasizes the unique nature of the business. They is no any parameter that start up business is only of this type of company. Their intension is to address the particular market gap.

Stages of Startup life:

According to a recent report by startup genome, an estimated 90% of startups failing to do so are primarily due to self-destruction. Their founders' choices were bad or unwilling rather than "bad luck" or market conditions that were beyond their control. Understanding the life cycle situation may help the entrepreneur to stay a little ahead and challenge the possibilities to produce the best outcome out of it.

Ideation Stage:

The stage where the emerging startup idea is created. The basic idea of starting a business is identified during this stage. The business team decide the principle of potential startup and answers the basic question "Why do we start this?". This stage develops into a visualization stage where the implementation of the idea is implemented. The concept defines how the idea will be moved forward, and it revolves around the question "By what way are you doing?"

Early Stage:

The business is born and now is legally present. The products or services are in production and will have the first customers.

As its focus is the need to establish a customer base and market presence along with tracking and maintaining cash flow. The Challenge that it face is if the business is in the startup life cycle stage, the entrepreneur will likely have more than estimated financial needs and time to market. The main challenge is not to burn the little money. First, need to know the profitable needs of the customers and do a realistic examination to see if the business is on the right track.

Growth Stage:

The growth lifecycle business focuses on managing the business in a more formal way to deal with increased sales and customers. Better accounting and management systems must be created. New staff will have to be recruited to handle the business flow. Revenue and customers are increasing with many new opportunities and issues. Profits are strong, but competition is emerging. The biggest challenge facing growth companies is dealing with the ongoing set of issues that bid for more time and money. Effective management and a possible new business plan is required. Learn how to train and delegate to conquer this stage of development.

Maturity Stage

Its stage is often the choice of a small business owner to gain a greater market share and find new channels of revenue and profits. The Focus is to add new products or services to existing markets or expand the existing business to new markets and customer types. The challenge is moving to new markets requires planning and looking for a basic business or start-up phase. The focus should be on companies that complements the current experience and capabilities. The transition to unrelated companies may be disastrous.

Decline Stage

The focus is on seeking new opportunities and business ventures. Reducing costs and finding ways to maintain cash flow is vital in the declining stage. Changes in the economy, society, or market conditions can reduce sales and profits. This may quickly end up with many small companies. In the downturns of life, companies will face the challenge of declining sales, profits, and negative cash flow. The biggest problem is how long a business can support a negative cash flow as a challenge.

Whether the business is successful or dismal failure depends on the ability to adapt to changing life cycles. What you focus on and overcome today will change in the future. Understanding where the business fits in the life cycle will help you anticipate upcoming challenges and make the best business decisions. Not all companies will encounter every stage of the business life cycle, and also may not necessarily in chronological order.

Business Plan

A business plan is a document prepared by the entrepreneur that describes all the relevant external and internal factors involved in starting a new project. It is the integration of marketing, finance, production and human resources. It should be followed step by step to make the business idea into a complete business.

Developing a business plan:

Business strategy for high potential business the following:

- Create or add value to the customer.
- Solve a serious problem, or fulfill the scope or need for someone to pay.
- Best suits the founder and the management team at the time, in the marketplace, and on the risk reward scale.

Who Develops the plan?

It is often considered the possibility of attracting a third-party specialist to prepare a business plan so that the management team can use its time to obtain financing and start a business. There are two reasons why you should not hire external

specialists. Firstly, writing a business plan allows the founders to understand and consider their company on a more intimate and concise level, providing the opportunity to accurately identify and consider what they are really trying and for whom.

Secondly, when planning and writing out a list of necessary resources, both financial, and involved parties, the founders can get a realistic sense of how the venture is proposed to work and can better anticipate where problems may occur.

Establishing Action Plan:

The following steps outline the process by which a business plan is written.

Segmenting the information-

The project needs to include an overall plan that accounts for each section as well as draft the deadlines.

Creating an overall schedule-

A more specific list of tasks to be created. Priorities should be identified and who is responsible for them. Determine when the project is to be started and terminated.

Creating an action calendar-

Tasks in the list then need to be placed on a calendar and reassessed to ensure that the overall schedule, and everyone understands their dates.

Reviewing The Plan-

The plan should be reviewed by an objective outsider, such as an entrepreneurial manager with significant responsibility for profits and losses, or a venture capital investor who is not a potential investor. No matter how good the entrepreneur and his team are in design, there are issues that are overlooked and certain aspects of the presentation that are inappropriate or less clear. A good reviewer can also act as a loudspeaker in devising alternative solutions to problems and in answering investors' questions.

CONCLUSION

The paper focuses on a conceptualized information about the startup their stages and from idea generation that moves through developing a business plan. A good Entrepreneur with a detailed and planned idea knows where the change comes from and notice opportunities and use before their competitors take over the growing needs. They miss the opportunities when they lack to understand about the market as well as the evolution in their business. There is no doubt that every opportunity involves certain risk that could be forecasted and solved in any circumstances. The idea not only should meet today's need but also tomorrow's wants which could result as a successful business.

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