

Entrepreneurship

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Learning Objectives

- Define entrepreneurship, entrepreneurs and entrepreneurial activities
- State the essential personality traits of an entrepreneur
- Describe the process by which entrepreneurial niches can be identified and explored
- Demonstrate the ability to gather appropriate materials to write a business plan

Learning Objectives

- Test your ability to be a successful entrepreneur
- Outline the steps necessary to start an independent pharmacy practice
- Recognize the innovative contributions of entrepreneurs to pharmacy practice
- Present a plan for survival and growth of the entrepreneurial venture of an independent pharmacy practice

Introduction

- What is an entrepreneur?
- Are entrepreneurial companies relevant today?

Facts of Small Business in the United States

- 87% of all U.S. businesses employ fewer than 20 employees
- > 30% of all workers are in businesses with < 20 employees; 56% of workers are in businesses with < 100 employees
- The size of the average business is decreasing

Facts of Small Business in the United States

- 60% of firms who successfully export abroad are small businesses employing fewer than 100 workers
- The number of small businesses has grown by > 40% since 1990s
- In the 1970s, approx. 1,000 students were enrolled in entrepreneurial classes, today there are thousands of students at hundreds of schools.

Survival of Small Business

- Difficulty accepting revival of entrepreneurship
- Change in drug distribution and third party control
- Pharmacy school educators discourage independent pharmacy ownership

Entrepreneurs and Entrepreneurship

- The dimensions of entrepreneurship
 - Who are the entrepreneurs?
 - Where do they come from?
 - Are they born or made?
 - When is the right time?
 - How is it done?
 - Step-by-step to successful pharmacy ownership

Entrepreneurship and You

- Assess your personal and environmental attributes
- Judge the suitability of owning and operating an independent practice
- Project the future of entrepreneurship in the pharmacy profession

Entrepreneurship: What Others Say

- Output should exceed input
- We have not fulfilled our obligations to the public if we fail
- Just go out and do it
- Doing things in a simple way ...regularly, never neglecting to do them
- Through the fear of failure, some men create their own Hell

Independent Pharmacy Practice: Developing a Perspective

- Entrepreneurs focus on building a service-oriented industry for clients
- Room for many more innovators in pharmacy industry

Independent Pharmacy Practice: Developing a Perspective

- Pharmacy entrepreneurs were the first to provide/use:
 - Total parenteral nutrition
 - Complete patient medication profiles
 - Counseling service to patients
 - Sports medical centers in pharmacies
 - Products/care to prisons, long-term care institutions and homeless

Independent Pharmacy Practice: Developing a Perspective

- Pharmacy entrepreneurs were the first to provide/use:
 - Leading efforts to meet needs of victims of natural disasters
 - Home parenteral infusions & pharmacy computer systems
 - Group practices meeting pharmaceutical need of medical specialties

Independent Pharmacy Practice: Developing a Perspective

- Pharmacy entrepreneurs were the first to provide/use:
 - Conceptual/clinical framework for specialty in pain management
 - Medication needs for AIDS patients, the elderly and very poor
 - Pharmacist care to hospices

Who Are Entrepreneurs?

- Ones who brings different means of production together in a unique way to generate profits
- Five traits of a successful entrepreneur:
 - Thinking ability
 - Communication ability
 - Technical ability
 - Human relations ability
 - Drive

Searching for a Niche

- Real opportunity lies within you
- Questions to ask yourself:
 - Are you a self-starter?
 - How do you feel about others?
 - Can you lead others?
 - Can you take responsibility?
 - Are you a good organizer?

Searching for a Niche

- Questions to ask yourself?
 - Are you a good worker?
 - Can you make decisions?
 - Can people trust what you say?
 - Can you stick with it?
 - Are you healthy?

Entrepreneurial Quotient

- Do you have entrepreneurial potential?
- Take the Entrepreneurial Quotient Test

Finders, Binders, Grinders and Minders

- Finders – associated with revolutionary discoveries
- Binders – innovate through adaptation
- Minders – have vision, hard selling ideas & recognition of strengths & weaknesses

Where Do Entrepreneurs Come From?

- Business owned by parents
- Parents born abroad
- Educational level
- Previous job experience
- Age

What Makes Entrepreneurs Successful?

- Recipe for success
 - Planning
 - Desire to achieve
 - Optimism
 - Nurturing and compassionate attitude
 - Hard work
 - Acceptance of responsibility
 - Profit orientation
 - Organized self-improvement

Are Entrepreneurs Born or Made?

- The innate drive to become successful
- Successful entrepreneurs in American history

Entrepreneurship in Large Corporations

- Corporate management vs. entrepreneurship
- Separate niches do exist for entrepreneurs in the corporate environment
- How doing, feeling and thinking enter into innovation in an organization

How to Prepare for an Entrepreneur Career

- Adding to your inborn traits
 - Academic learning
 - Employment with entrepreneurial company
 - Locate where independent pharmacies succeed
 - Read, read, read about entrepreneurial methods

How to Prepare for an Entrepreneur Career

- Adding to your inborn traits
 - Join organizations focused on entrepreneurialship
 - Consider being a junior partner
 - Teach yourself to think big

A Successful Independent Pharmacy Practice

- Three paths to ownership
 - Start a new practice
 - Buy existing pharmacy and upgrade it
 - Inherit one from your family

A Successful Independent Pharmacy Practice

- Ownership characteristics
 - Greater job security
 - Greater financial reward
 - Freedom to practice pharmacy your way
 - Become an important member of community
 - You can expand and grow when the opportunity arises
 - You see the results of your actions and decisions

A Successful Independent Pharmacy Practice

- Disadvantages
 - Intensity and effort are greater
 - Psychological stress for employees' welfare
 - Long hours, fewer holidays
 - Risk of financial failure
 - Difficult to plan for time off
 - Market value can fluctuate due to uncontrollable circumstances
 - Planning a succession can be difficult

Stepwise Procedure to Start a New Pharmacy Practice

1. Mission statement
2. Type of practice
3. Appropriate location
4. Select a team of experts to help you
5. Prepare business plan
6. Seek honest critique from those you trust
7. Present plan to possible financiers

Stepwise Procedure to Start a New Pharmacy Practice

9. Obtain financing
10. Negotiate lease
11. Make floor plan
12. Signage and lighting
13. Select reasonable fixtures
14. Acquire licenses
15. Select security system
16. Take time off
17. Get going

Summary

- The conceptual framework needed to assess the role of the entrepreneur
- The traits of successful entrepreneurs
- Self-assessment scales and suggestions to test a pharmacist's entrepreneurial quotients

Summary

- The work habits needed
- Entrepreneurs are born or made