

The background features abstract, overlapping geometric shapes in various shades of purple, ranging from light lavender to dark, almost black tones. These shapes are primarily located on the left and right sides of the frame, framing a central white area where the text is placed.

Innovative Entrepreneurship Theory and Practice

Lesson 17: Construct a Business

Innovative Entrepreneurship theory and practice (888111)

today

- business type - legal structure
 - teams (inc. video)
 - roles in teams
 - business network
- intellectual property

Business legal structures

The background features abstract, overlapping geometric shapes in various shades of purple, ranging from light lavender to dark indigo. These shapes are primarily located on the right side of the frame, creating a modern, layered effect.

Business legal structure

Three basics legal structures:

1. Sole proprietorship
2. Partnership
3. Corporation

Sole proprietorship

Business legal structure – Sole proprietorship

- ▶ A business owned by **one individual**, often with no other employees.
- ▶ This owner **earns all the profits** from the business and is also **responsible for all losses**.
 - ▶ He/she is personally liable for any lawsuits that arise from accidents, faulty, merchandise, unpaid bills or other business setbacks.
 - ▶ This means the owner **could lose not only business assets in a lawsuit but also could be forced to sell private possessions**.

Business legal structure – Sole proprietorship

Advantages:

- ▶ Ease of start
 - ▶ No registration required.
- ▶ Rapid decision making.

Disadvantages:

- ▶ Difficult fund raising
 - ▶ Difficult to raise money by oneself and investors is not permitted
- ▶ Unlimited personal liability

Partnership

The background features abstract, overlapping geometric shapes in various shades of purple, ranging from light lavender to dark, almost black, tones. The shapes are primarily triangles and polygons, creating a dynamic, layered effect. The overall composition is clean and modern, with the word 'Partnership' centered in a simple, sans-serif font.

Business legal structure – Partnership

- ▶ Consists of **two or more owners** who make decisions for the business together and **share profits, losses, assets and liabilities**
- ▶ As in a sole proprietorship, partners **face unlimited liabilities** in any lawsuits.
- ▶ Each partners can be held responsible for **paying debt even those incurred by other partners** without their knowledge or agreement

Business legal structure – Limited partnership

- ▶ **The limited partners** have **no official say in daily operation** of business and thus have **a liability limited to the amount of their respective investments**.
 - ▶ **One or more ordinary partners** manage the business and assume legal liability.
 - ▶ There **must be at least one ordinary partner who will be liable for all partnership debts**.
- ▶ **A partnership agreement** should be drawn up to outline roles and responsibilities of each partner.
 - ▶ The agreement is critical, and a lawyer should be consulted.

Corporation

Business legal structure – Corporation

- ▶ There are many types of corporations.
- ▶ Each is considered a “legal person” or entity.
 - ▶ A corporation has rights and responsibilities under the law.
 - ▶ It can buy and sell property, enter into lease agreement and contracts and be prosecuted.
- ▶ Corporations issue stock that is divided among its founders and sold to investors.
- ▶ These shareholders then elect a **board of directors (BOD)** that is responsible for representing their interest in management of the company.

Business legal structure – Corporation

Advantage

- ▶ Ability to sell ownership to raise money
- ▶ Ease of transfer – either privately or on public stock exchanges
- ▶ Limitation of personal liability
 - ▶ Only assets of the corporations can be used to pay corporate debts.
 - ▶ However, it is possible to **"pierce the corporate veil"** if the business affairs of the corporation and its shareholders are tightly linked.
 - ▶ As such, shareholder may be held personally liable in a lawsuit.
- ▶ Continued existence
 - ▶ Corporation do not cease when owner dies or leaves the business.

Business legal structure – Corporation

Disadvantages

- ▶ Potential loss of founder control
- ▶ Higher start-up costs
- ▶ Greater government regulations

Business legal structure – Non-profit corporation

- ▶ Not set up for the purpose of shareholder financial gain but rather with **a mission to improve society.**
 - ▶ E.g., churches, temples, museums, charitable foundations.
- ▶ **Tax-exempt**
- ▶ There are **no individual shareholders (but members)** and any net profits must go toward advancement of the mission.
 - ▶ Therefore, they do **not sell stocks or pay dividends.**
- ▶ Such organizations must be careful to **follow applicable law to maintain their tax-exempt status.**

teamwork

The background features abstract, overlapping geometric shapes in various shades of purple, ranging from light lavender to dark, almost black, tones. The shapes are primarily triangles and polygons, creating a dynamic, layered effect. The overall composition is clean and modern, with the word 'teamwork' centered in a simple, sans-serif font.

What is a team?

- A group of people with complementary skills who work together to achieve a specific goal

Skills

- Knowledge, expertise, technical skills
- Decision-making and problem-solving skills
- Interpersonal skills (and 'emotional intelligence')

Key characteristics of teams

1. Share accountability for achieving specific common goals
2. Function interdependently (together)
3. Require stability
4. Hold authority and decision-making power
5. Operate in a social context

Types of teams

- Manager-led teams
- Self-managing teams
- Cross-functional teams
- Virtual teams

Effective teamwork

- Communicate effectively
- Rely on each other
- Trust one another
- Work better together
- Become 'boosters'
- Enjoy being on the team
- 'Leadership' rotates

..in order to achieve tasks and improve cohesiveness

how do you make the best teams?

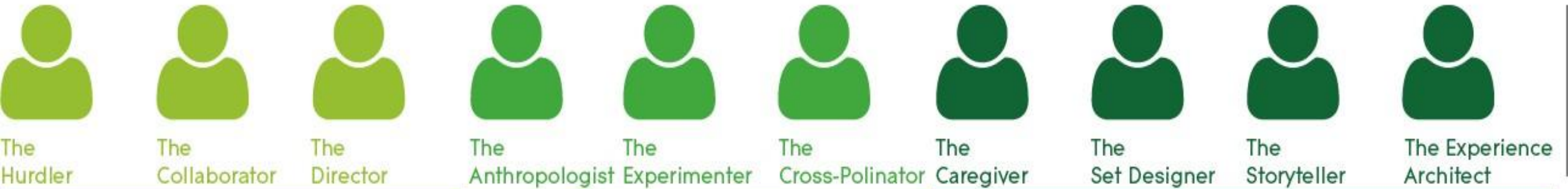
https://www.youtube.com/watch?v=Vyn_xLrtZaY&t

roles

Ten Faces of Innovation

Kelley & Littman (2016)

An Infographic by Jan Spruijt - janspruijt.nl



The Hurdler The Collaborator The Director The Anthropologist The Experimenter The Cross-Pollinator The Caregiver The Set Designer The Storyteller The Experience Architect

ORGANIZING ROLES

THE NEXT THREE PERSONAS ARE 'ORGANIZING ROLES', PLAYED BY INDIVIDUALS WHO ARE SAVVY ABOUT THE OFTEN COUNTERINTUITIVE PROCESS OF HOW ORGANIZATIONS MOVE IDEAS FORWARD.

They overcome difficulties. They work well with others and they generate connections They plan and organize

Tireless Problem Solver
Optimist
Quiet Determination
Perseverance
Don't "just do the job"
Look beyond failures

Create Shared Journeys
Work Multidisciplinary
More coach than boss

Big Picture Thinking
Accelerate team members
Shoot for the moon
Wield a large toolbox

LEARNING ROLES

INDIVIDUALS AND ORGANIZATIONS NEED TO CONSTANTLY GATHER NEW SOURCES OF INFORMATION IN ORDER TO EXPAND THEIR KNOWLEDGE AND GROW, SO THE FIRST THREE PERSONAS ARE 'LEARNING ROLES'.

They observe what people do without judging them. They are obstinate about solving problems. They bring together unrelated things.

Observe
Interact
Look Around
Bucket List & Idea Wallet
Spirit of Curiosity

Hard Work, Curious Mind
Fail Often; Succeed Sooner
Prototype Everything

Draw Associations
Make Connections
Wide sets of interests
Avid Curiosity

BUILDING ROLES

THE REMAINING PERSONAS ARE 'BUILDING ROLES' THAT APPLY INSIGHTS FROM THE LEARNING ROLES AND CHANNEL THE EMPOWERMENT FROM THE ORGANIZATION ROLES TO MAKE INNOVATION HAPPEN.

They put people at ease and provide service. They focus on making workspace practical and inspiring They forge emotional connections between story and audience They appeal to the senses

Human-powered Innovation
Empathy for Individuals
Create relationships

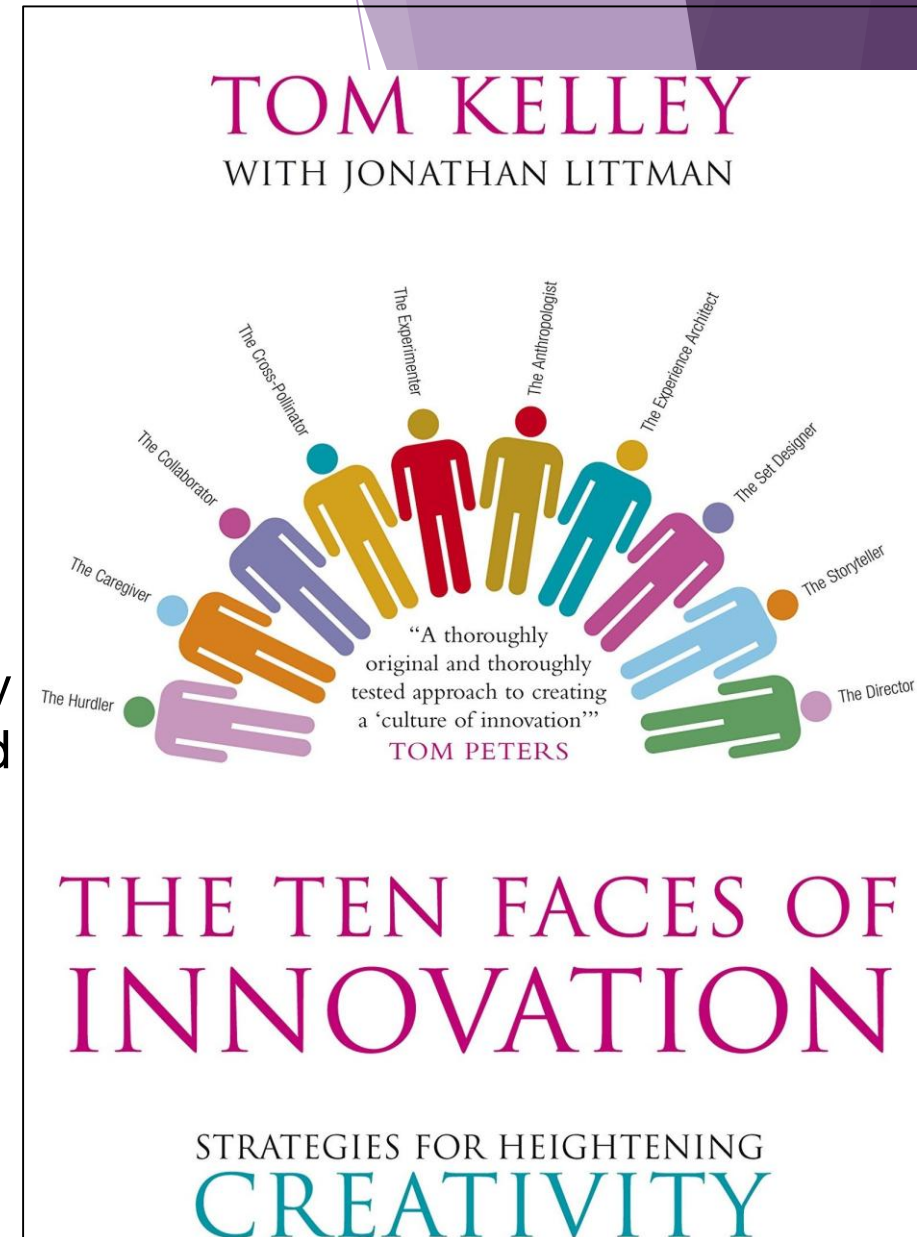
Liven up the workspace
Promote energetic culture

Capture Imagination
Spark Emotion and Action
Video, Narrative, Animation

Fend off the ordinary
Facilitate positive encounters

People's different roles in innovation

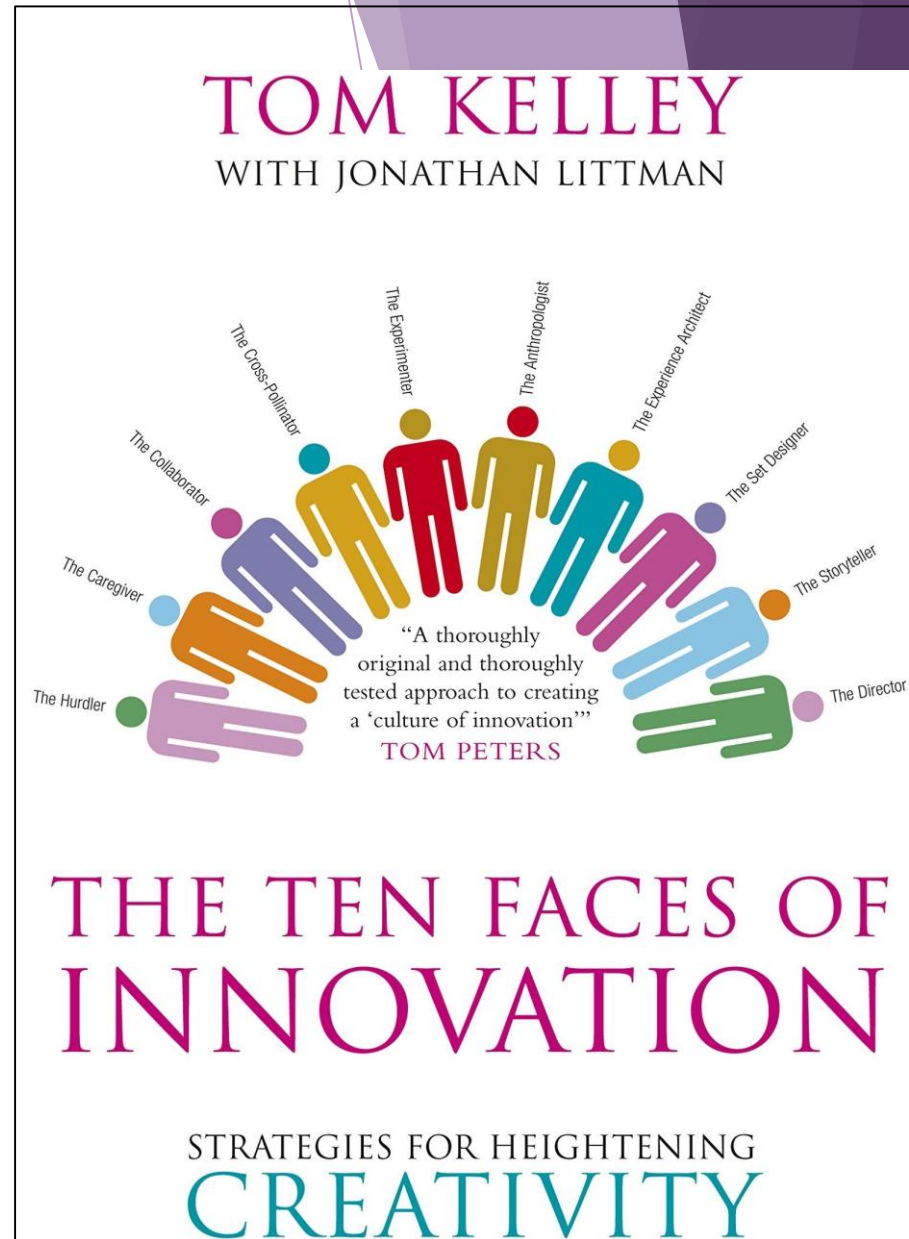
- **The Director** is talented at setting the stage, targeting opportunities, bringing out the best in their players, and getting things done
- **The Experience Architect** focuses on creating remarkable individual through products, services, digital interactions, spaces, or events
- **The Set Designer** promotes energetic, inspired cultures by creating work environments that celebrate the individual and stimulate creativity
- **The Storyteller** captures the imagination with compelling narratives of initiative, hard work, and innovation
- **The Caregiver** works to understand each individual customer and create a relationship



People's different roles in innovation

- **The Anthropologist** ventures into the field to observe how people interact with products, services, and experiences in order to come up with new innovations
- **The Experimenter** tests and retests potential scenarios to make ideas tangible
- **The Cross-Pollinator** draws associations and connections between seemingly unrelated ideas or concepts to break new ground
- **The Hurdler** is a tireless problem-solver who gets a charge out of tackling something that's never been done before

The Collaborator truly values the team over the individual and coaxes people out of their work silos to form multidisciplinary teams



'Group dynamics'

- Kurt Lewin, a social psychologist and change management expert, is credited with coining the term 'group dynamics' in the early 1940s
- 'Group dynamics' describes the effects of these roles and behaviors on other group members, and on the group as a whole
- He noted that people often take on distinct roles and behaviors when they work in a group
- More recent researchers have built on Lewin's ideas, and this work has become central to good leadership and management practice

'Group dynamics'

positive dynamic

- Team members trust one another, work towards a collective decision, and they hold one another accountable for making things happen
- its members are **nearly twice as creative as an average group**

poor group dynamics

- **people's behavior disrupts work**
- As a result, the group may not come to any decision, or it may make the wrong choice, because group members could not explore options effectively

Roles

Information Seeking

"Does anyone know if this is the latest data we have?"

Elaborating

"I think a good example of what you're talking about is..."

Urging

"Let's try to finish this proposal before we adjourn."

Monitoring

"If you'll take care of the first section, I'll make sure that we have the second by next week."

Reality testing

"Can we make this work and stay within budget?"

Direction giving

"Jot down a few ideas and we'll see what everyone has come up with."

Information giving

"Here are latest numbers from..."



Task Facilitating Roles

Process analyzing

"What happened to the energy level in this room?"

Enforcing

"We're getting off track. Let's try to stay on topic."

Supporting

"Now, that's what I mean by a practical application."

Tension relieving

"Before we go on, would anyone like a drink?"



Relationship Building Roles

Consensus building

"Do we agree on the first four points even if number five needs a little more work?"

Summarizing

"Before we jump ahead, here's what we've decided so far."

Harmonizing

"Actually, I think you're both saying pretty much the same thing."

Confronting

"How does that suggestion relate to the topic that we're discussing?"

Energizing

"It's been a long time since I've had this many laughs at a meeting in this department."

Developing

"If you need some help pulling the data together, let me know."

Empathizing

"It's not you. The numbers are confusing."

Factors that erode performance

- Unwillingness to cooperate
- Lack of managerial support
- Failure of managers to delegate authority

‘Blocking behaviors’ in teams

People can adopt blocking roles such as:

- **The aggressor**: this person often disagrees with others, or is inappropriately outspoken
- **The negator**: this group member is often critical of others' ideas
- **The withdrawer**: this person doesn't participate in the discussion
- **The recognition seeker**: this group member is boastful, or dominates the session
- **The joker**: this person introduces humor at inappropriate times

disrupts the flow of information in the group

Blocking Behavior	Tactics
Dominate	Talk as much as possible; interrupt and interject
Overanalyze	Split hairs and belabor every detail
Stall	Frustrate efforts to come to conclusions: decline to agree, sidetrack the discussion, rehash old ideas
Remain passive	Stay on the fringe; keep interaction to a minimum; wait for others to take on work
Overgeneralize	Blow things out of proportion; float unfounded conclusions
Find fault	Criticize and withhold credit whenever possible
Make premature decisions	Rush to conclusions before goals are set, information is shared, or problems are clarified
Present opinions as facts	Refuse to seek factual support for ideas that you personally favor
Reject	Object to ideas offered by people who tend to disagree with you
Pull rank	Use status or title to push through ideas, rather than seek consensus on their value
Resist	Throw up roadblocks to progress; look on the negative side
Deflect	Refuse to stay on topic; focus on minor points rather than main points

Strategies for improving team dynamics

As a leader, you will need to:

- Know your team
- Tackle problems quickly
- Define roles and responsibilities
- Break down barriers
- Focus on communication
- Pay attention to the warning signs of poor group dynamics

Responsibilities of a leader

- Initiating action
- Motivation
- Providing guidance
- Creating confidence
- Building morale
- Building the work environment
- Co-ordination
- Hold people accountable

Remember the video?

The teams with the best performance was not the teams with the high flying team members,

but were

the teams with the members that were better at helping the others

Leadership quiz

What type of leader are you?

see <https://www.alps.academy/leadership-styles-activity/>

networks

Networks

More recent perspectives on innovation emphasize the **interactive character of the innovation process**, the significance of communication, and the advantages of networks and clusters

Business networks

- ‘Networking’: interacting and engaging people (or organizations) for mutual benefit
- A tool for finding:
 - investors
 - customers
 - staff
 - suppliers
 - business partners

...with minimal cost to your business

(You might even get ‘inside information’ which could benefit your business)

Networks

- Entrepreneurs make excellent use of the networks
- Specifically, relationships with buyers, suppliers
- used to identify relevant information to their success and must be regularly collected and understood
- Indeed, can be a key source of competitive advantage

How to build networks

Meet with people and let them know briefly about your business, including via:

- Conferences and events
- Business contacts
- Industry associations
- Networking groups
- Online networks
- Personal contacts and social events

Who will be in your network(s)?

- Who can help me?
- Who knows what is going on?
- Who already has strong networks of their own?
- Who are the critical links in the supply and information chain?
- Who are the high-profile people in your field?

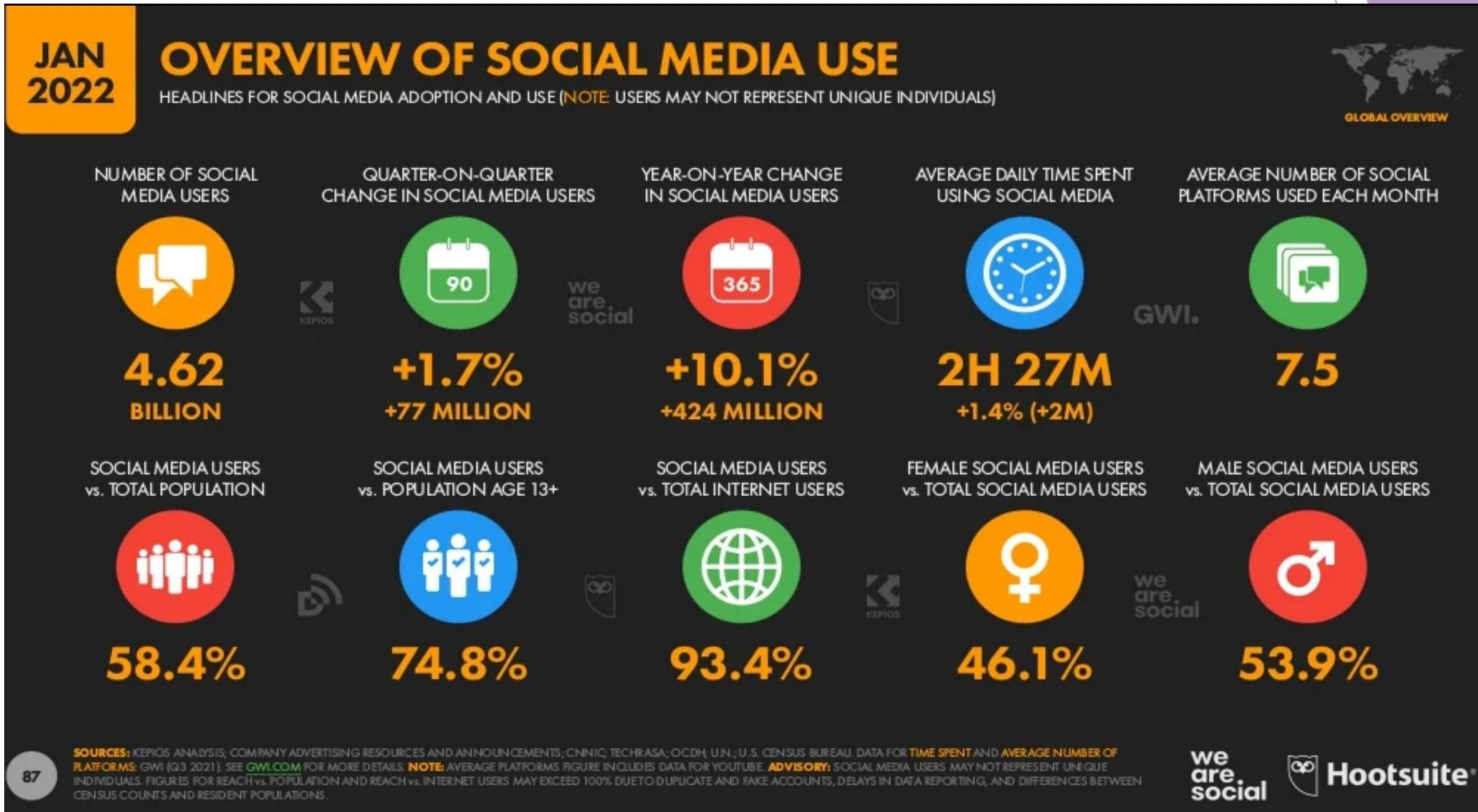
Using your network(s)

- Staff
- Suppliers
- Customers
- Business partners and investors
- New locations to operate in
- A business mentor or mentee
- Leads and referrals
- New opportunities
- Information on current business trends and developments in your industry
- Information to help you benchmark your business

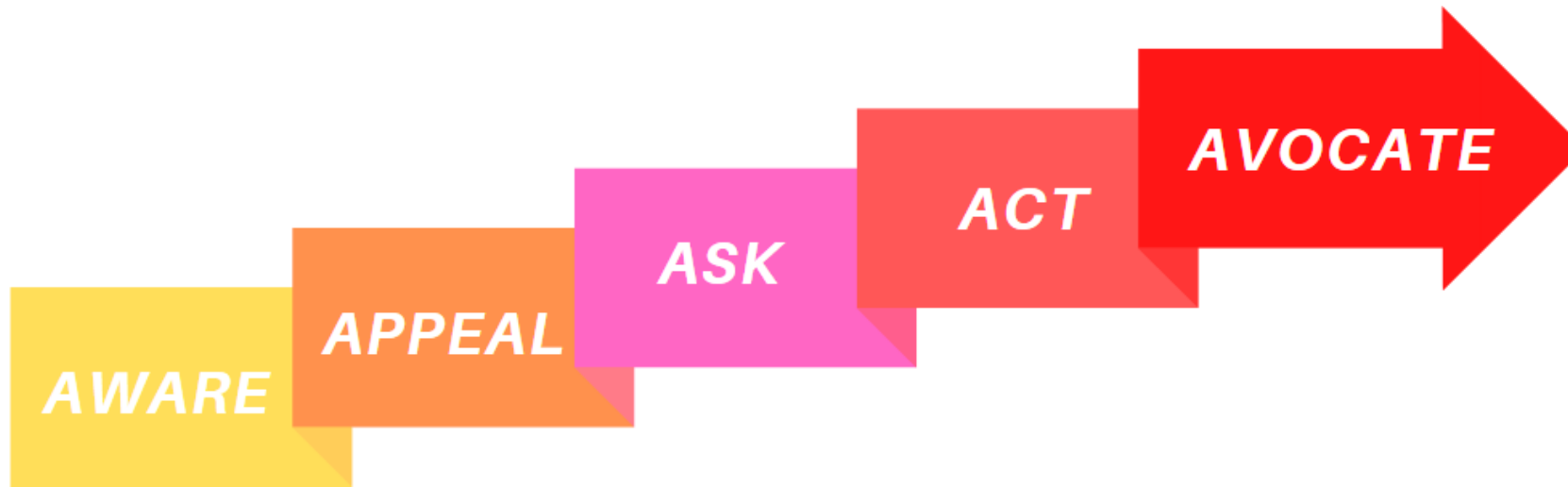
Tips

- Work out who are the key people and decision-makers are
- Connect most frequently with the people most important to your business
- Focus on constructive matters, **potential mutual benefits**, rather than negative ones
- Consider your areas of expertise (and lack of ~)
- Think **long-term relationships**, not immediate pay-offs
- **Be aware of confidentiality** when sharing information

Online social networks

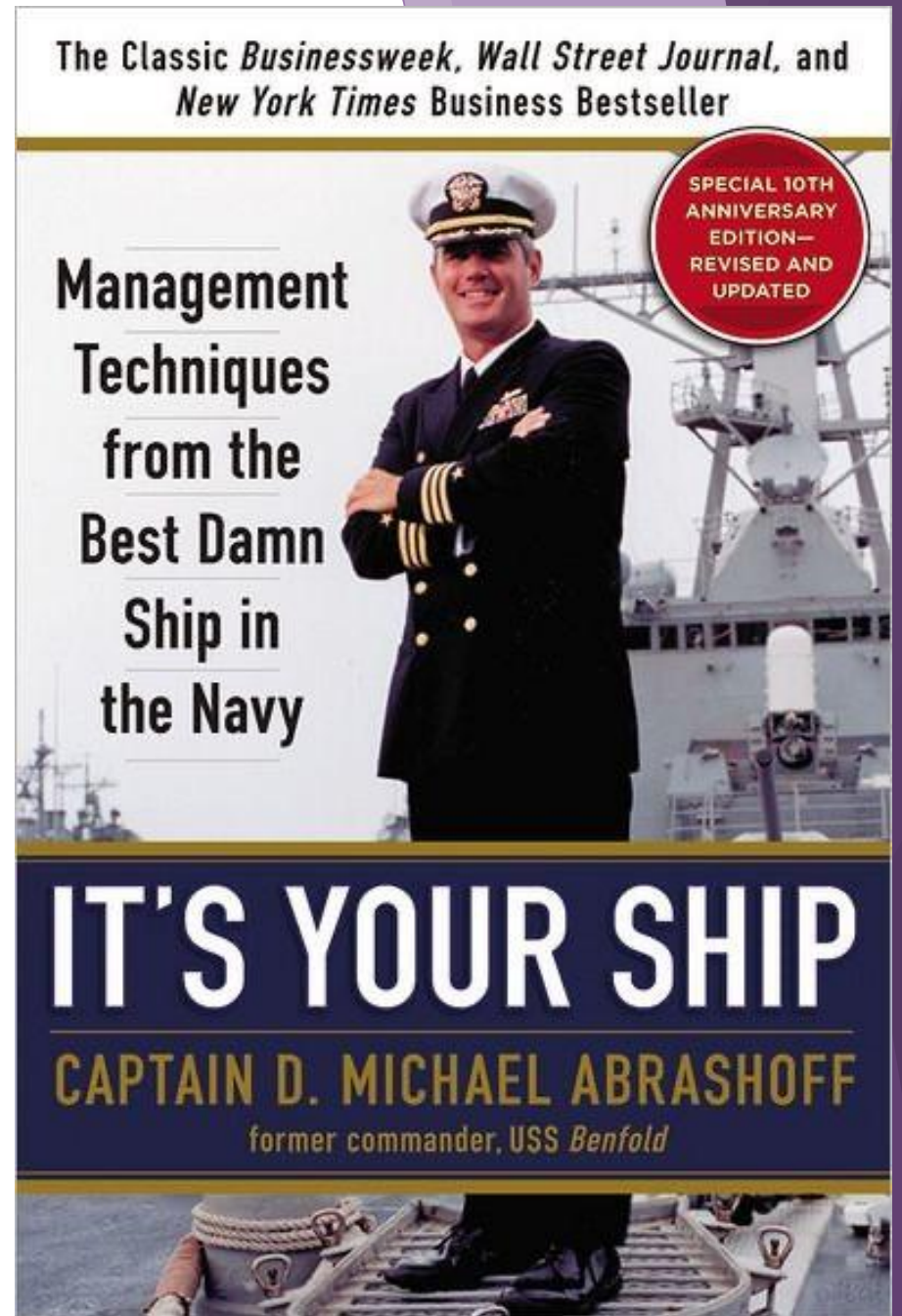


Making your customers 'part of' your team

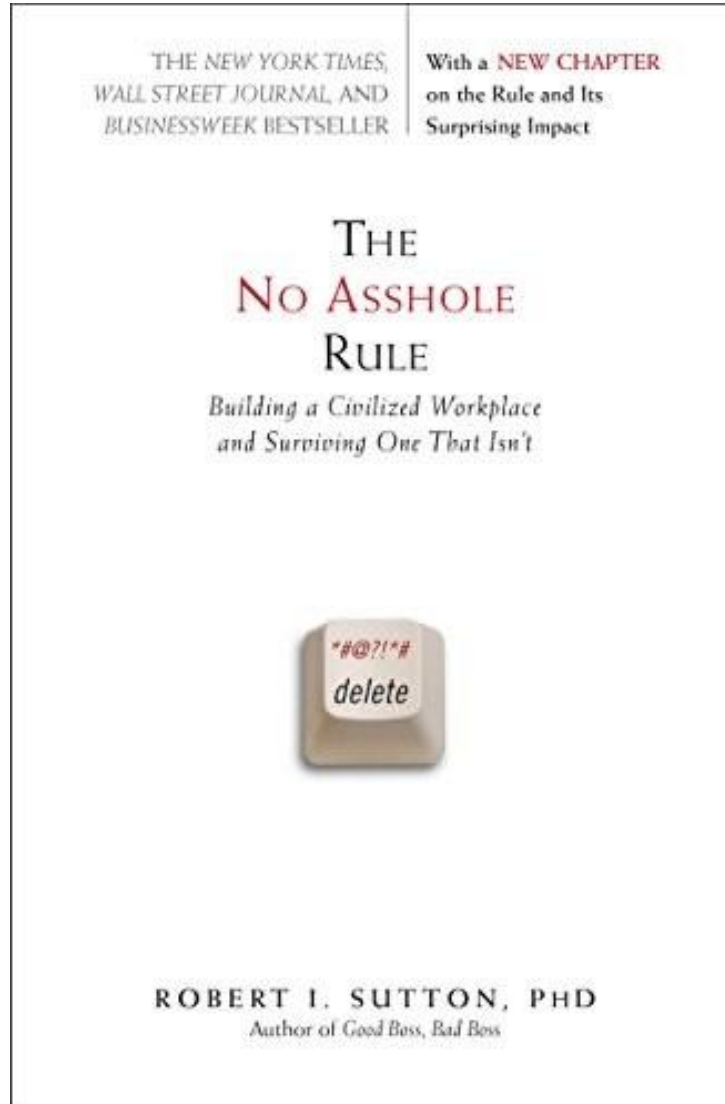


- 1.0: Product marketing
- 2.0: Customer marketing
- 3.0: Human-centric marketing (connecting with values)
- 4.0: Marketing for a highly (digitally) connected world

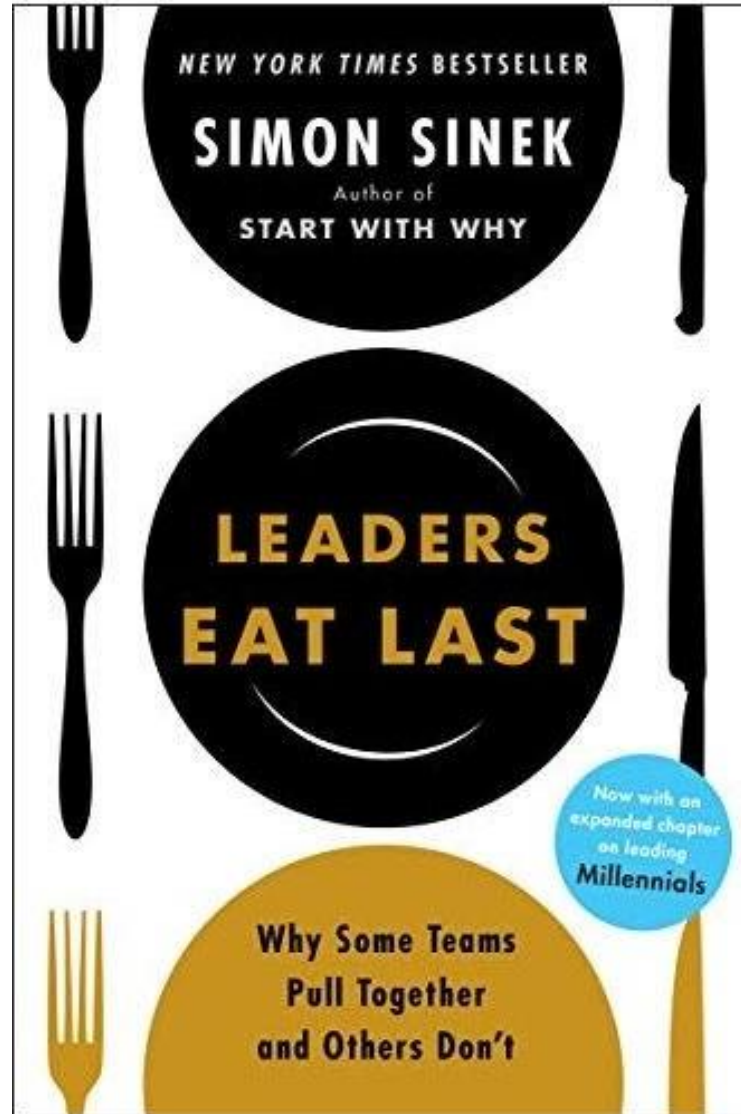
‘It’s Your Ship’



'bad people poison workplaces'



‘The best teams foster trust’



Intellectual Property

Intellectual property

- Intellectual property (IP) is a category of property that includes intangible (non-physical) creations of the human intellect
- There are many types of intellectual property, and some countries recognize more than others
- The most well-known types are copyrights, patents, trademarks, and trade secrets

Trademarks

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Trademark

YAHOO!



BBC



Walmart



CNN



Coca-Cola

FedEx Corporation

Google



NOKIA
Connecting People

HONDA
The Power of Dreams



IBM



TOYOTA



Mercedes-Benz

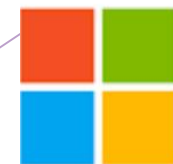
Mobil



Protecting intangible assets: Intellectual property

Trademarks or Service marks

- ▶ Any word, phrase, symbols, or designs **that identifies and distinguishes** the source of goods of one party from those of others.
- ▶ **A service mark** - the equivalent of a trademark but for a service rather than a product.
- ▶ A company use trademark so that people will recognize its products instantly.
- ▶ Right to a trademark are reserved exclusively for its owners, to infringe on a trademark is illegal.



Microsoft

Trademark

- Trademark protects words, phrases, symbols, sounds, smells, and color schemes
- Any word, phrase, symbols, or design that identifies and distinguishes the source of goods of one party from those of others
- A service mark is the equivalent of a trademark but for a service rather than a product



Protecting intangible assets: Intellectual property

Trademarks or Service marks

- ▶ To obtain application information for the registration in Thailand, visit Department of Intellectual Property website:
 - ▶ <http://www.ipthailand.go.th/en/home-eng.html>
- ▶ If you plan to do business internationally, **the International Trademark Association** (www.inta.org) is a great resource.

Copyright

The background features abstract, overlapping geometric shapes in various shades of purple, ranging from light lavender to dark, almost black tones. The shapes are primarily triangles and quadrilaterals, creating a dynamic, layered effect. The overall composition is clean and modern, with the word 'Copyright' centered in a simple, sans-serif font.

Protecting intangible assets: Copyright

- ▶ A form of legal protection to authors of “**original works of authorship**” including literary, dramatic, musical and artistic works.
- ▶ It is offered for both published and unpublished works.
- ▶ The owner of a copyright has the sole right to print, reprint, sell and distribute, revise, record and perform the work.
- ▶ The copyright protects a work **for the life of author/artist + 50 years** in Thailand (+70 years in U.S.)
- ▶ Only authors and someone assigned rights by authors can claim a copyright.
- ▶ In Thailand you can file the request with **DIP - Department of Intellectual Property**.

Protecting intangible assets: Electronic rights

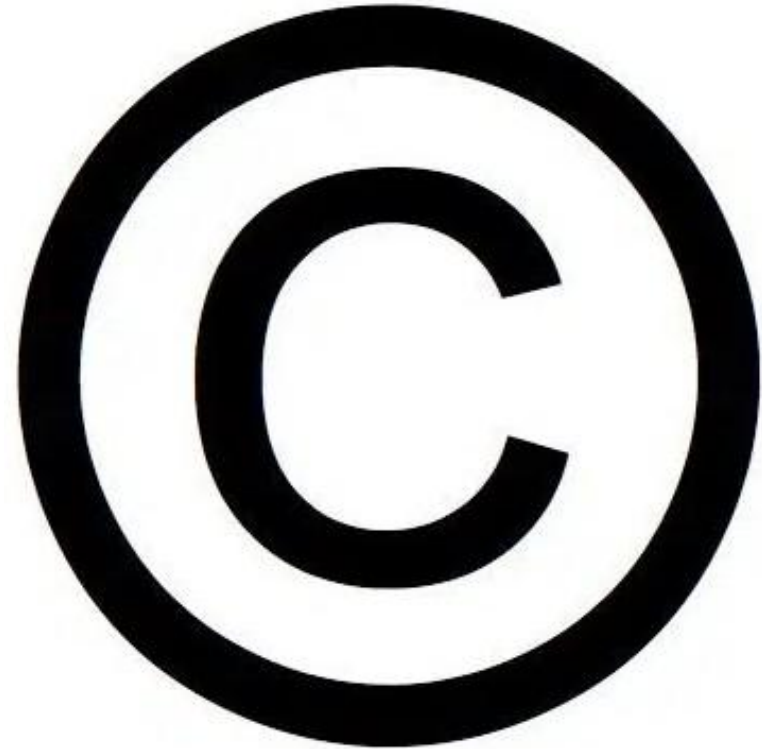
- ▶ The right to reproduce someone's work online.
- ▶ **Internet piracy** - using and posting online of artwork, song, photo or poem.
- ▶ To protect your electronic rights, beware of contracts including the followings:
 - ▶ **“Work made for hire”**
 - ▶ This mean you are giving up the rights to your work.
 - ▶ The buyer can use it anywhere without paying anything beyond the original negotiated fee.
 - ▶ **“All rights”**
 - ▶ This mean you are handing over all rights of your work to the buyer.

Protecting intangible assets: Electronic rights

- ▶ Strategies for protecting electronic rights:
 - ▶ Get buyer to **define exactly what is included in electronic rights** e.g., online publication etc.
 - ▶ Put **a limit on how long** the buyers can have the rights e.g., 1 year.
 - ▶ Ask for **additional fee for each additional set of rights** e.g., 15% of the original fee every time the work is used electronically.

Copyright

- Copyrights do not protect ideas, but rather the manner in which ideas are expressed (“original works of authorship”)
- This includes written works, art, music, architectural drawings, or even programming code for software



Copyright



VULTURE

ED SHEER-WIN | UPDATED JUNE 23, 2022

Ed Sheeran Is \$1 Million Richer After Winning Plagiarism Lawsuit

By Ashley Shannon Wu [@ash_wuu](#)



Ed Sheeran. Photo: Aaron Chown - PA Images/PA Images via Getty Images

Update, Wednesday, June 22: A judge awarded Ed Sheeran and his fellow songwriters more than £900,000 (\$1.1 million) in legal fees following their victory in April's plagiarism suit over "Shape of You." The British High Court ruled against Sami Chokri and his producer Ross O'Donoghue, who accused Sheeran and "Shape of You" co-writers Steven McCutcheon and Johnny McDaid of infringing upon Chokri's song "Oh Why." The total cost will be assessed by another senior judge, who could choose to disallow some legal fees and reduce the total amount due. The ruling came four

years after Chokri and O'Donoghue sued the trio in May 2018.

IP, trademarks or service marks

- To obtain application information for the registration in Thailand, visit the Department of Intellectual Property website:
<http://www.ipthailand.go.th/en/home-eng.html>
- If you plan to do business internationally, the International Trademark Association (www.inta.org) is a great resource

Patent

Protecting intangible assets: Patents

- ▶ An exclusive right granted by the government to produce, use, and sell an invention or process.
- ▶ The protection is **20 years from its date of filling** in Thailand (the same as U.S's).
- ▶ A patent cannot be obtained for a mere idea or suggestion.
 - ▶ It should be **fully developed and viable** before seeking the protection.
- ▶ If the invention is put into **use by the inventor or discussed publicly > 1 yr** without obtaining a patent the invention is considered to be in “**the public domain**” - a patent will no longer be granted, and anyone may use it without payment.
- ▶ **A patent search** has to be undertaken to ensure that the idea is new and getting a patent is a complex legal process.

License, Permits and Certificates

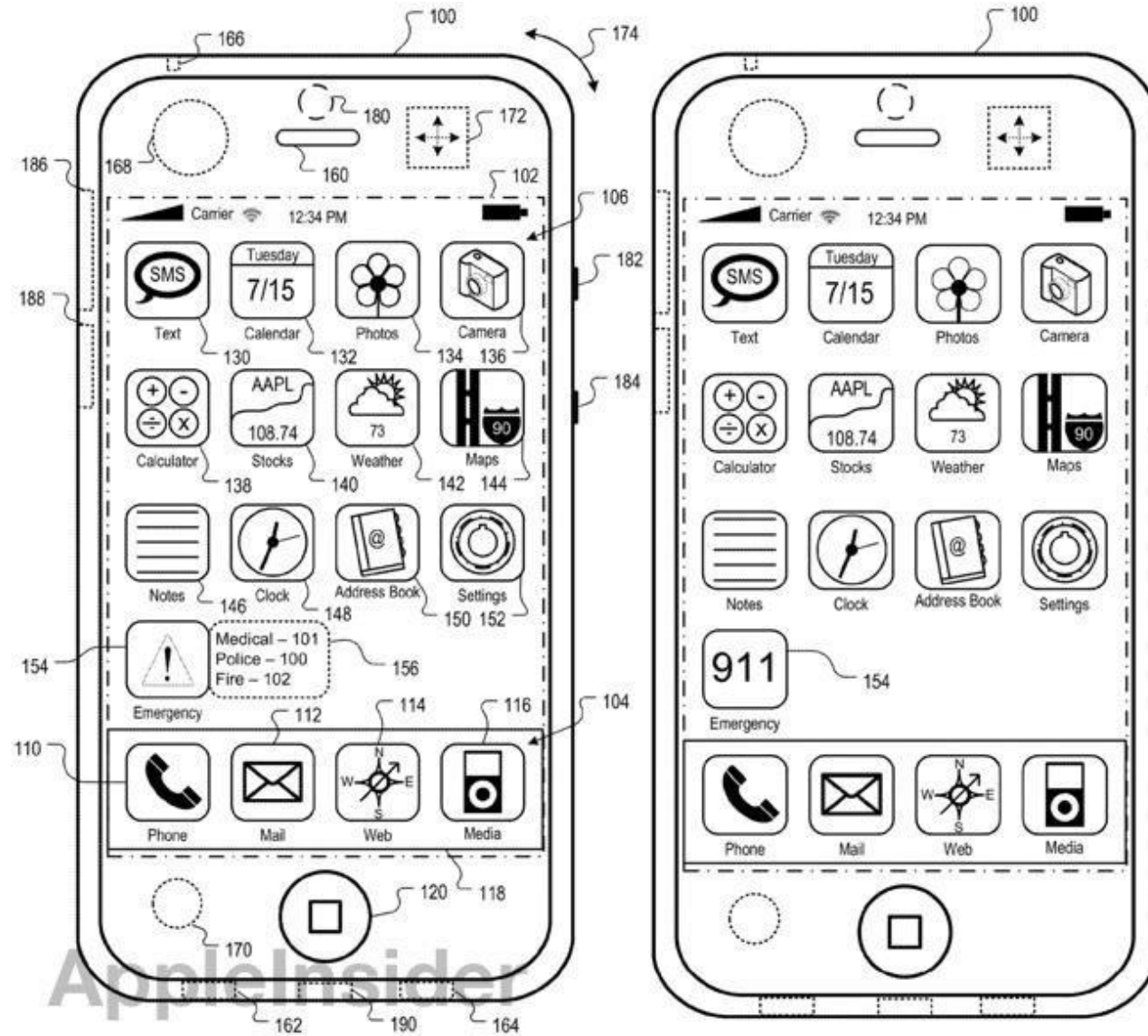
- ▶ Some business or activities are required to apply for license and/or permissions and/or certificate before operating e.g., **a liquor license for a bar or a restaurant.**
- ▶ It is suggested that you contact local government offices to find out which license and permits will be necessary.
 - ▶ **Permits** - document giving you a right to engage in a specific activity e.g., holding an outdoor concert.
 - ▶ **License** - giving you the right to engage in an activity for as long as the license is valid e.g., child-care facility.
 - ▶ **Certificate** - official document that verifies something.
 - ▶ E.g., A certificate of occupancy conveys that a building is safe and ready for use.

Patent

- A patent protects inventive ideas or processes
- It is an intellectual property right granted by the government of a country to an inventor to exclude others from making, using, offering for sale, or selling the invention for a limited time in exchange for public disclosure of the invention
- Typical requirements: Novelty, Usefulness, and Non-obviousness



Patent



‘Patent wars’ and ‘Patent trolls’

- A ‘patent war’ is a battle between corporations or individuals to secure patents for litigation, whether offensively or defensively
- Patent wars have occurred in a wide range of technologies and markets
- There are ongoing patent wars between the world's largest technology and software corporations. Contemporary patent wars are a global phenomenon, fought by multinational corporations based in the United States, China, Europe, Japan, Korea, and others
- E.g. the ‘smartphone wars’ between Sony, Google, Apple, Samsung, Microsoft, Nokia, Motorola, Huawei, LG, ZTE, and HTC
- ‘Patent trolls’ are companies that buy up patents and use them to sue other companies in order to make money – they don’t make anything themselves

Protecting patents

- An exclusive right granted by the government to produce, use, and sell an invention or process
- The protection is 20 years from its date of filing in Thailand and China (the same as the US and most countries)
- A patent cannot be obtained for a mere idea or suggestion – it should be fully developed and viable before seeking the protection
- A patent search has to be undertaken to ensure that the idea is new, and getting a patent is a complex legal process
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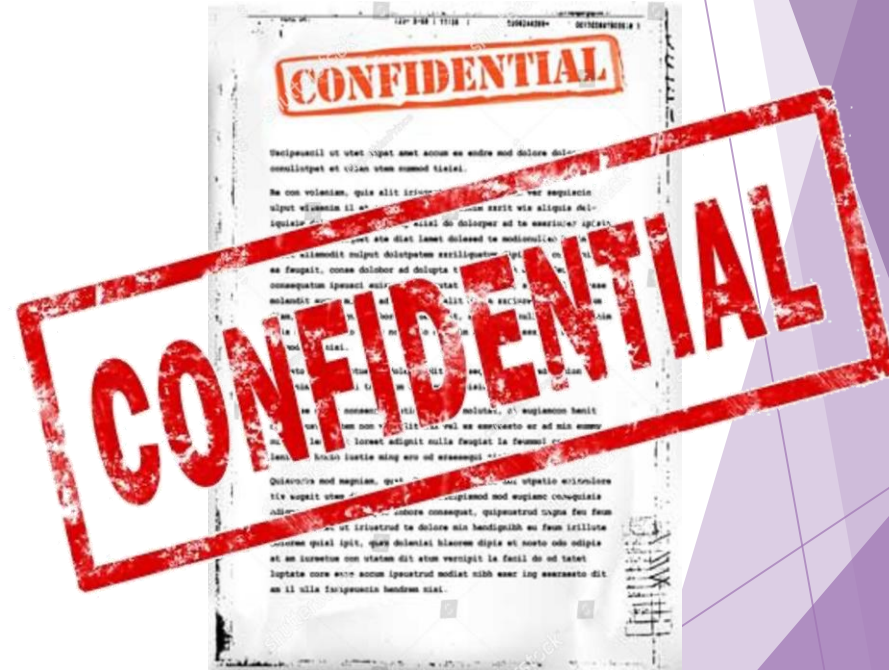
Protecting patents

- US Patent Office
- Thailand Department of Intellectual Property (DIP)
- China National Intellectual Property Administration (CNIPA)

Trade secrets

Trade secret

- Trade secrets are any practice or process of a company that is generally not known outside of the company
- Information considered a trade secret gives the company a competitive advantage over its competitors and is often a product of internal research and development



Trade secret



Infringement

Infringement



- Violation of intellectual property rights, called 'infringement' with respect to patents, copyright, and trademarks, and 'misappropriation' with respect to trade secrets, may be a breach of civil law or criminal law, depending on the type of intellectual property involved, jurisdiction, and the nature of the action







News > UK > Home News

Cafe Olympic? Not if the lawyers have their way

Kevin Rawlinson • Tuesday 08 February 2011 01:00 • [Comments](#)



(Susannah Ireland)

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The 2010 Olympics Games were billed as the catalyst for East London's regeneration, and the opportunity to make money from the arrival of the five rings has been duly seized upon by the entrepreneurially minded.

The briefest of walks near the Stratford Olympic stadium reveals businesses trying to cash in on a 2012 bonanza. There's the Olympic Café, the rival and not-to-be-confused Café Olympic, and Olympic Internet, all on the same road.

The lawyers are moving in for the kill though, in the first wave of what legal analysts warn will be the toughest enforcement of marketing rules yet at a major international tournament.

Most popular

- BBC suspends broadcast after guard collapses next to Queen's coffin
- Oscars activist: John Wayne was responsible for most violent moment
- 'Game-changing' new battery charges in 3 minutes and lasts 20 years

Popular videos





Thank you!
any questions?