



# **The Institute of Chartered Accountants of Sri Lanka**

## **Postgraduate Diploma in Business Finance and Strategy (PGDBFS)**

**PGDBFS 202**

### **Financial Strategy for Growth (FSG)**

Thilanka Warnakulasooriya  
FCA- B.com (special)-MBA- Fin( Col)

1

## Introduction

### Entrepreneurship

- Entrepreneur is a someone who find a new business opportunity take the initiative to mobilize resources to make new goods and services.
- Entrepreneurship is the process of discovering new ways of combining resources.

2

## What are characteristics & attributes of entrepreneurship?

- High energy level
- High need for achievement
- Risk taking
- Innovative
- Tolerance for ambiguity
- Self-confidence
- Passion and action-orientation
- Self-reliance and desire for independence
- Flexibility

3

## Entrepreneurs V. Intrapreneurs

- Intrapreneurs also notice opportunities and take initiative to mobilize resources, however they work in large companies and contribute to the innovation of the firm.
- Intrapreneurs often become entrepreneurs

4

## Common myths about entrepreneurs:

- Entrepreneurs are born, not made.
- Entrepreneurs are gamblers.
- Money is the key to entrepreneurial success.
- You have to be young to be an entrepreneur.
- You must have a degree in business to be an entrepreneur.

5

## Entrepreneurship and Small Business

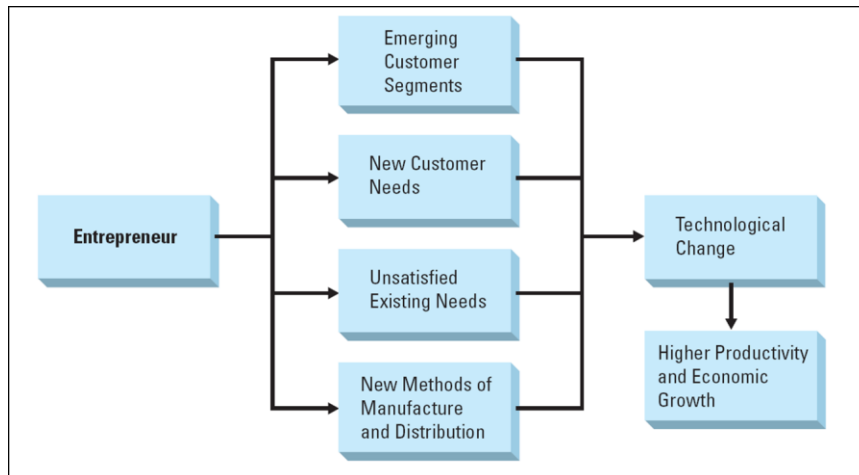
- What is Small Business?  
*Independently owned and managed business that does not dominate its market*
- Owned and financially controlled by family members.
- Largest percentage of businesses worldwide.
- Can provide an ideal business situation.

### Problems unique to family businesses:

- Family business feud
- Succession problem

6

# Entrepreneurship and Technological Change



Source: Kathleen R Allen, Launching New Ventures-  
7

## How about Sri Lanka???

- According to recent survey reports
  - 225 entrepreneurs in with 75% of them are just between the age of 25-35
  - Startups have influenced the economy pattern of the nation in a positive way.
  - Revenue of such entrepreneurs is above LKR150M

## What are new Startups?

**PickMe**™



**24/7 Techies**™

An Outstanding Experience

**LIVEROOM**



9

- BusSeat.lk
- Trackme
- Emojot
- OMAK Technologies
- LayUp
- Hype Hash
- Katha
- Quickee
- Trekurious
- PayHere

10

## Entrepreneurial Growth: An Entrepreneur's Choice

- Growth is a risky but necessary procedure for startups to survive
- Growth may be assessed in the context of employees, customers, revenue, liquidity, profit, geographic locations and a variety of other dimensions

11

What hurdles entrepreneurs would face when attempting to grow a company??

- Company Culture
- Networks
- Strategic Planning,
- Money
- Company Structure
- Skill Development.

12

## Trouble with growth?

- What are the options available for entrepreneur?
  - Selling the business??
    - Why I sold my business.' Four entrepreneurs, four stories
    - *Zack Feather: The Pathology Group-UK,*  
(The fast-growing specialist recruitment service for doctors)  
*" had taken the business to where I wanted it to be."*
    - *Dan McGuire: Broadbean Technology-UK*  
(Online job ad distribution)  
*"I'd heard horror stories about earn-outs"*
    - *Duane Jackson: Kashflow*  
(Online accounting SW)  
*"I felt I needed to bring home a big cheque."*
    - *Logan Naidu: Cornell Partnership*  
(Telephone enabled e-commerce)  
*'If anything, I wish I'd exited earlier!'*

13

## If not sell, what should do?

- Should invest more on products & services?
- What extent that growth should control?
- What are real cost of growth?
- What are barriers to future growth?
- Is growth necessary , desirable?

14

## What issues will growth gives to business?

- How to reconcile & the competing & contradictory plans of one division with another division?
- What option? Mergers, acquisition? JV?
- Organic growth or inorganic growth