

DYNAMICS FOR THE IDEA 'S GENERATION, EVALUATION, SELECTION AND CONCEPTUALIZATION

Business ideas are supported by professional and empirical knowledge, as well as physical, intellectual, innovative, creative and financial capacities, considering the environment and the needs of society, which is where both problems and opportunities arise.

There is a dynamic or a series of steps that must be followed for the generation of ideas, below we will see what they are:

1. PROCEDURE FOR THE GENERATION OF IDEAS.

- 1) Analyze the markets and detect both problems and needs that have not been met.
- 2) Select the most relevant needs that must be satisfied.
- 3) Prepare an analysis of these needs and choose 5 ideas that are considered most urgent.
- 4) Detail the analysis of the 5 ideas above and choose the one that you think should be covered most urgently, considering if you have the resources and capacity available to solve it.
- 5) Define solution options in case a problem occurs
- 6) Carry out a study of the product or service with people who have knowledge of the business to provide their perceptions.

To carry out these steps, you can make use of techniques or tools such as brainstorming, mind maps, cause-effect diagrams and the SCAMPER method.

Open this link to learn a technique to generate ideas named SCAMPER.

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<https://www.designorate.com/a-guide-to-the-scamper-technique-for-creative-thinking/>

Before starting a business, the entrepreneur must consider the type of market he wants to enter and take into account the following factors:

- Business opportunities with little supply, newly created or with potential for development.
- Technical knowledge of the market, sector and specific business.
- The economic needs to develop the project.

2. PROCEDURE FOR THE EVALUATION OF IDEAS

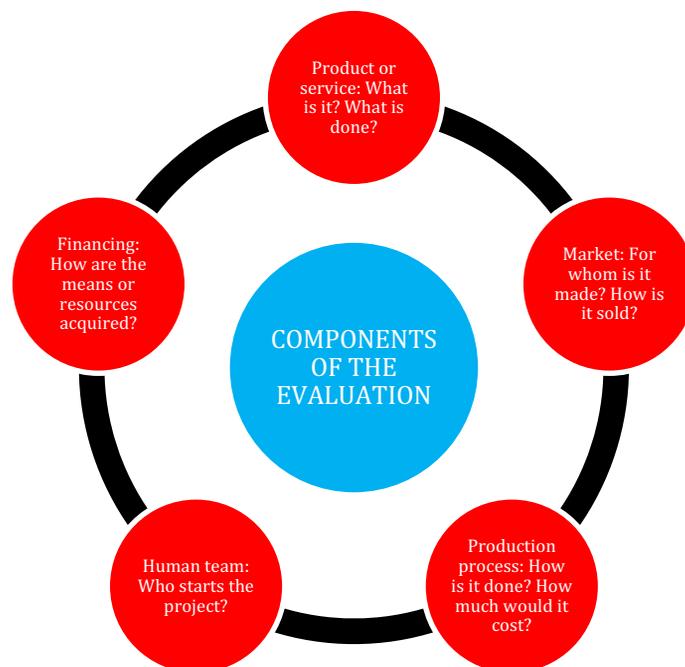
The evaluation of the idea consists of estimating or quantifying the results that can be obtained by executing it, making comparisons between the idea being evaluated and certain qualitative and quantitative standards. These are the steps for evaluate the ideas:

- ❖ Give an explanation of how the idea came about
- ❖ Request the opinion or advice of experts
- ❖ Know what is going to be offered to the market, whether a product or a service
- ❖ Explain how the idea is developed.
- ❖ Define customers

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- ❖ Make the knowledge of the usefulness of the product or service
- ❖ Know the reason for the customer to purchase the product or service
- ❖ Have knowledge about whether the idea is new or existing
- ❖ Securing the business idea by registering a patent
- ❖ Identify added value
- ❖ Carry out the business plan to create a mental form of the idea before giving it a real form.
- ❖ Develop alternative solutions in case the idea does not go as planned.

The following components or elements can be used to evaluate an idea:



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One of the techniques that can be used to evaluate ideas is analysis SWOT.

To learn how to make a SWOT analysis open this link:
https://www.mindtools.com/pages/article/newTMC_05.htm

3. PROCEDURE FOR THE SELECTION OF IDEAS

The decision making of an entrepreneurial project is essential to ensure that the right idea is chosen, traditionally the selection of the portfolio of ideas is done using common sense, or reasoned experience.

However, when intuitive methods or personal reasoning based on own experiences are used or any procedure that does not make an assessment of the causes of the idea selection can increase the uncertainty of these.

It is recommended to use multi-criteria evaluation methods for decision-making, since the selection of ideas implies the classification of the different proposals in order of categories, where the most attractive group of ideas is chosen according to the company's resources.

For the selection of ideas for new ventures, a tool can be used to analyze and evaluate criteria to determine the ideal selection, which is the Decision Matrix, which uses common sense, the result of experiences and tends to decrease factors of uncertainty.

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Decision matrix

It is a technique used for making rational decisions, among different possible options. Its characteristic is that it has objectivity in the selection process since it is structured, systematic, repeatable and with results that can be quantified. This consists of the weighting of the degree of compliance that each design idea achieves according to each criterion to be met, where the global ratings are compared by selecting the ideas with the highest scores.

Procedure for using the decision matrix.

1. A team of competent professionals must be chosen, who must have knowledge at all stages of the project, to enable them to identify the technical, economic, and social criteria of the selection.

2. The analysis criteria used for the selection of entrepreneurship ideas are:

- Accumulated experience in the activity
- Knowledge of the activity
- Physical resources for the idea
- Requirement of professional requirement
- Need for support staff
- It is made up of a logistics chain
- Capital requirement
- Degree of competition
- Demand level
- Degree in which the idea is easy to copy
- Difficulty in legal procedures

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- Level of affectation in the environment
- Correspondence with local development priorities.

3. The multiple voting method of the different ideas is used to avoid subjectivity, it consists in that each component of the group selects three or five ideas and then selects the idea that has the most votes, this technique shows that it increases reliability, and in its simplest form, it is used among the project's leading team and without prior discussion of criteria, and it works as a rapid evaluation method based on the experience of specialists.

4. The selection criteria are made up of the qualities and conditions that the company seeks to satisfy in order to be successful, it is important to choose them wisely. The determination of selection criteria is not a formal or exact process; specialists have to act objectively based on the available information. In this process, it is advisable to form an interdisciplinary team that recognizes, discusses, and evaluates the selection criteria.

5. In order to evaluate entrepreneurship ideas, the degree of compliance of each idea with each of the criteria is weighted. Using a 10-point linear scoring scale to define the highest evaluation of a criterion. The expressions listed below refer to the general principles of multicriteria analysis methods.

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a) To choose maximization criteria, the following formula is used:

$$P_{ij} = \left(\frac{V_{ij}}{V_{\max}} \right) * 10 \quad (1)$$

Where:

P_{ij} : score of criterion i in idea j

V_{ij} : value of criterion i for idea j

V_{\max} : Maximum value of the criterion

i : comparison criteria.

j : ideas to compare.

b) To choose minimization criteria, the following formula is used:

$$P_{ij} = \left(\frac{V_{\min}}{V_{ij}} \right) * 10 \quad (2)$$

Where:

V_{\min} : Minimum value of the criterion

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To determine the general evaluation of the idea, the assigned scores are added together and a ranking of possible ideas to be developed is established. By comparing the scores, we can decide if the idea can continue, if it should be discarded or combined with another.

Also, from the matrix analysis we can obtain complementary observations:

- The identification of the differentiating criteria of the ideas, allows to focus in a more predictable way the work in the matrix and in the following stages of the design.
- When you have low or insufficient global ratings, these are complementary and can be combined into a new idea of entrepreneurship.

To learn how to make a Decision Matrix Analysis open this link:

https://www.mindtools.com/pages/article/newTED_03.htm

4. CONCEPTUALIZATION OF THE IDEA

Once the previous steps have been applied, and once the most interesting idea with possibilities of being developed has been selected, a deeper analysis and collection of information begins to define the details of the design of the entrepreneurial project.

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To collect the information, elements can be used that can be useful to identify the information that is necessary, such as:

1. What are the characteristics of the product that you are interested in offering? Think of a prototype.
- 2) Make a list of clients who may potentially be interested.
- 3) After identifying the potential Clients, determine the attributes demanded by these potential clients and that must be covered by the defined Product.
- 4) Describe the procedure that will allow the provision of the service or the preparation of the property, highlighting the possible losses associated with the operations of the process (waiting time, defective goods, warehouse of finished goods, rework, returns, etc.)
- 5) Prepare a list of the inputs required for the provision of the service or the preparation of the good.
- 6) Determine the attributes that the inputs must meet to ensure the quality of the product.
- 7) Locate the Suppliers that could potentially offer the required supplies with the required quality.
- 8) Identify the competition (direct and indirect) and find out what offers are made to Clients. Think about: a. How to differentiate ourselves? b. How can we offer something different? c. Is any innovation associated with the product possible? d. What can allow me to stand out from the competition?
- 9) Define strategic alliances in order to establish and strengthen the operation of the business.
- 10) Define the characteristics of the technology currently used or that could potentially be incorporated to create some competitive advantage.

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11) Define the environmental factors that, in general, may affect the development of the business in the short, medium or long term.

The sources of obtaining the information are:

Customer interviews

Visit potential competitors

Contact suppliers and ensure supply

Observe the product development process, if it is new, if it does not exist in the market, etc.

Consult with experts for the different fields

Consult sources and bibliographic material, web pages, magazines, etc.

Make visits to universities, incubators, technological development institutes.

Once you have analyzed all the factors, and if it is already possible to collect the necessary information to answer us if what we really think is A BUSINESS OPPORTUNITY...

Referencias

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