

PROJECT REPORT

The Emerging Entrepreneurs Forum 2016

“Creativity, Innovation and Entrepreneurship”

Moods Studio and Lounge, Kathmandu, 16th July 2016

1. Abstract

AIDIA in association with YL Nepal organized Emerging Entrepreneurs Forum 2016 with the view of providing an opportunity for the young people and entrepreneurs to make a difference by realizing their full potential and discuss and interact with the experts from the different sectors which will aid in their existing knowledge and ideas.

2. Introduction – AIDIA

The Asian Institute of Diplomacy and International Affairs (AIDIA) is an independent, non-partisan foreign policy think-tank based in the highly geo-strategic Himalayan region. It's headquarter is Kathmandu Nepal. AIDIA aims to lead a new era in foreign policy and international relations and reflects the unstoppable rise of the Asian continent as the key stakeholder in the economic, strategic and geo-political equations of the present day world. AIDIA provides a platform for policy makers, academicians and industry leaders from around the world to come together to debate, discuss and share their views on the contemporary geopolitical and geo-economics issues confronting the international community. We seek to do this by facilitating effective engagement through the various activities in order to inform, educate and initiate the involvement of Nepal's youth in foreign policy debates and decision-making. AIDIA is actively engaged in providing policy analysis, facilitating diplomatic dialogue and promoting entrepreneurial engagement among all major actors and institutions native to or that have an interest in Asia.

3. The Programme – *Emerging Entrepreneurs Forum*

Entrepreneurs are the backbone of the economic growth and development. ***Entrepreneurship is the journey of exploration of the opportunity and utility of the ideas*** and knowledge devoting the time and efforts with appropriate risk management technique to create value for the profit and good social cause. International Labor

Organization (ILO) report revealed **that 202 million people are unemployed by the year of 2013 which has increased by 5 million in compare to last year.** The scenario is even worst in least developing country like Nepal. In Nepal migration rate of youth in abroad for job seeking, permanent residency and study is increasing every year. In this situation youth empowerment and entrepreneurship is substantial in country like Nepal.

Emerging Entrepreneurs Forum is an initiative focused on the students, young people and entrepreneurs on their initial stage to **develop entrepreneurial skills and quality.** The forum supports emerging entrepreneurs based in our country Nepal helping them to develop create new opportunities and grow their business. Collectively our members **inspire, connect, and share knowledge and best practice** with one another to create real value that leads to business growth and success. Entrepreneurship and economic development has vital inputs and inferences for policy makers, development institutes, business owners, change agents and charitable donors. If we understand the benefits and drawbacks, a balanced approach to nurturing entrepreneurship will definitely result in a positive impact on economy and society. Entrepreneurship puts new business ideas into practice. In doing so, it creates jobs that facilitate personal development. With their innovative and disruptive ideas, entrepreneurs can tackle social problems too. Through this kind event in Nepal, AIDIA is hoping to bring together experts scholars and students from various sectors to come together and talk about how to become a successful Entrepreneur globally.

4. The Project Rationale – Emerging Entrepreneurs Forum 2016 (Creativity, Innovation and Entrepreneurship)

It's been a tradition of Asian Institute of Diplomacy and International Affairs (AIDIA)'s to work with and for the young people of the country. Continuing this tradition, on July 16, 2016, AIDIA in association with Youth Legend (YL) Nepal organized the Emerging Entrepreneurs Forum.

The opportunity to welcome renowned businesspersons of different background as speakers who have the experience of prospering in their respective sectors, and to involve our participants on discussing some of the most crucial aspects of business and entrepreneurship was an important step in creating an aware young mass that has the capability to engage in critical thinking, creativity and innovation. Judging from the discussions that took place, the arguments raised and debated, this session was a particularly successful one.

Entrepreneurs are the backbone of economic growth and development. Entrepreneurship is the journey of exploration of new opportunities and utilization of innovative ideas and knowledge. It also involves devoting time and efforts with appropriate risk management technique to create value for profit and good social cause. For this purpose, AIDIA in association with YL Nepal, organized Emerging Entrepreneurs Forum 2016, with a view of providing an opportunity to youth entrepreneurs to make a difference by realizing their full potential. The Forum also provided a platform to the participants to discuss and interact with experts from different sectors which will aid in adding to their existing knowledge and ideas. The program was a six hour discussion session which included Finance, Food, Hydropower, IT, Business Basics and International Business as the main areas. AIDIA and YL Nepal felt necessary that all these sectors have huge potential in Nepal and the participants can find immense opportunities in these areas.

5. Project Report

The session began with Ms. Pratikshya Poudel, Member, YL Nepal welcoming the participants and guests in the program. Mr. Bishal Nepuane and Ms Sudha Subedi were called upon to introduce about AIDIA and YL Nepal respectively. Ms. Poudel then welcomed Mr Rajendra Giri (Chairman, Kailash Bikash Bank Ltd.) on the stage and handed him the floor. Mr Rajendra Giri spoke about the “Prospects and problems of financial management for startups in Nepal”.

Session 1: Prospects and Problems of Financial Management for Startups in Nepal- Mr. Rajendra Giri

Mr. Rajendra Giri, shared his 30 years of experience in the financial sector in Nepal. He said that being an entrepreneur is giving employment to others and because of incapable government, we need to come forward on our own to succeed.

“Though most of us are reeling through the situation of lack of money (the lifeblood of business) to start a business, there is enough of money in the banks and if one follows the system, the banks are ready for the investments and money will be available easily,” he shared. “As banks look for the credibility and personality and network of the person seeking money, we need to build that up before starting a business. You need to clearly mention about your business, i.e. service/production type of business and how it works, in the loan proposal so as to avail the banking loan.” He also shared how even in developed countries, more than 50% of the businesses fail.

“As an entrepreneur, you need to manage all the dimensions of the business, i.e. products and services, sales, staffs, accounting, taxation and administration of a business,” he opined. He shared how the business support system is lacking in Nepal. “Starting a business is a commendable work, and at the same time a challenging one,” he mentioned. Giving suggestions to the emerging entrepreneurs, he said that marketing, finance and HR departments need to understand everything before starting a business. Encouraging the participants to opt for a partnership type of business, he said that the risks and responsibilities are shared among the partners and different core skills can be utilized together in such business model. “It is usually preferred to start in partnership, but the partners need to have different skill sets and need to ensure that disputes won’t arise later,” he opined.

He further shared that a feasibility study of a business needs to be conducted before launching one and said that the business growth plan should be considered on the basis of market and sales, and not based only on the financial sector.

After the session, Ms. Kamana Magar, presented him the token of love and thanked him for his valuable contribution. After that, Ms. Pratikshya Poudel announced another session and called Mr. Sushil Khadka for his talk on ‘Creativity in doing Business: Perspective from the Restaurant Business’.

Session 2: Creativity in Doing Business: Perspective from the Restaurant Business- Mr. Sushil khadka

Mr. Khadka started his speech by taking the feedback of the participants and made it clear that, he wants it to be participative. He shared that Bajeko Sekuwa is a food chain that places innovation at its core. He mentioned that if the business is not meaningfully unique and the same products are sold by everyone, it will bring price war. “To overcome this, one needs to be focused on providing unique offerings and having a smart menu about one’s services,” he shared explaining that 80% of the problems in businesses arise by 20% of services one offers. Giving insights on how Nepal has grown to become an agriculture dependent country, he pointed out the need to have high value agro-products.

Talking about startups, he said that there needs to be clarity of business idea in one’s mind before starting a business of any kind. At the same time, the skills of the co-founders need to complement that of each other, he said. To benefit from a business, one needs to standardize the production cost while adequately ensuring that the supply chain is in place alongside maintaining cost control and inventory control. Especially in food businesses, inventory control needs to be closely tied up with the food production. At the same time,

consistency in the delivery of quality products and service are also highly essential for one's reputation and developing client base. While going outside of Kathmandu, one is always confronted with a dilemma over the place to eat. There is no reliable brand out there, he quipped. And, as foods need to be safe to keep one fit and healthy, one needs to be conscious about the food one is eating. "There is a big market outside of Kathmandu for a food business, provided that your products and services are unique and consistent."

He further said that in the case of Nepal, the contribution of food sector to the GDP of the nation is less than 1%, meanwhile, in a thriving economy; it should be more than 6%. Being an entrepreneur, he said that one cannot expect operating profits on day one.

He said that technology is highly essential for the efficiency and production control in a restaurant business. Monitoring of sales in a business is easier if you standardize the system and use the required technology. In the end he said brand is not built by Facebook or e-mail or advertisement or any marketing tools, brand is built by word of mouth. It is through word of mouth that people realize how good that business is.

After the session Ms. Sudha Subedi (CEO, YL Nepal) handed Mr. Khadka the token of love and thanked him for his valuable time and contribution. After that, Ms. Pratikshya Poudel announced another session and called Mr. Shisheer Bhatta for his talk on "Business Basics: Initial Strategy for startups".

Session 3: Business Basics: Initial Strategy for Startups- Mr. Shisheer Bhatta

Mr. Bhatta started his lecture with his experience in Japan. He introduced himself as a medical researcher rather than as a businessperson. His actual profession was research and he didn't know much about business until he opened a restaurant in Japan in 2001. He didn't want to be a businessman but circumstances made him one and now he owns 13-14 companies.

Moving on the topic, Mr. Bhatta Started by saying that "the biggest challenge for a new company is no one wants your product. People are already satisfied with their own product, why would they want yours? So you've got to have something new in your product. There is no new business; there are only new ways of doing things." He further added that people don't have to worry about the registration procedure and which business to start, it's all simple once they have the right documents and internet. "If you want to expand, don't go for franchise, open up your own thing in a new place". Speaking of his personal business experience, he said that during the initial stages, they tried the same traditional way and went ahead with few customers but after some time tried a different way, kept the same menu but with different ambience. "People want the same things but in different way, for eg.

If you put a different menu for the same item then people will come for that". Keeping that in mind, they kept every restaurant in different way and things started to prosper. He further added that this will not be the case everywhere; people cannot do that same thing every time or in every situation and need to be dynamic and find out new ways of doing things. "Great ideas only last for a short period of time and people should be transparent in doing things. Present day businessmen should not be brand loyal, sticking into only one brand will not get you anywhere, if something great comes up then s/he should move on with that. Every business has its own field of work so it's not about the money it's about how you get things done. Consumer's behavior is very complex; they want unimaginable things so you should be ready for what's coming", he said. When asked about his views on IT, he said business is all about communication so IT plays a pivotal role in business. Effective communication is necessary for all kinds of business, whether it's for internal e-mails and calls or for external dealings and negotiations. Technology is unpredictable and one needs to upgrade accordingly.

Mr. Bhatta ended his speech by saying "world is large, you don't have to stick in one thing all the time, if you feel this isn't working for you, then you leave that and move on."

"Too much patience can ruin your business, if you think you have a great thing, start now."

After the session, Ms. Kamana Magar, presented him the token of love and thanked him for his valuable contribution. After that, Ms. Pratikshya Poudel announced another session and called Mr. Nirvana Chaudhary for his talk on "CG's World Wide Business Experience: Challenges and Opportunities".

Session 4: CG's Worldwide Business Experience: Challenges and Opportunities-Mr. Nirvana Chaudhary

Mr. Chaudhary initiated the session with his experience as a youth. When he was of a very young age, he was interested in creative things such as music, arts and sports. He always felt that he will do something in these fields. His father always told him to choose his passion and to do everything possible to achieve that. "But there are unspoken things in the family, and parents always want their children to handle the family business", he said. He didn't know much about finance so he started working in an investment bank during the day time and in restaurants as a waiter during night after finishing his studies at Oxford College, UK. He said there is a great power in patience so for some time he waited and observed his father's business and when he felt comfortable and ready, he got into the business world. He always believed in simplifying complicated things and said that simplicity is the key to success. Staying alive is the most important thing to move ahead and the world's worst case

scenario will come to those who stand still. He also further added that, “the day you hold back is the day you are finished”. He said that now he has a greater value for money and his prized possession is the 64 pounds he collected while working in a restaurant in UK. He said that “if you want to get on the corporate ladder, start now, tie up the concept and the art of the game and look at everything”. He further added that, entrepreneurs must have the following four E’s:

- Energy: they must have the fire inside
- Energize the things around them
- Edge against others
- Execute

He said that startup fund is a great idea and CG is working to provide startup funds to everyone who has such great ideas. He requested everyone to approach CG if they think they have great idea and CG will further work and decide whether it is a right project or not.

Mr. Chaudhary ended his speech by saying “follow your dream, get on the dance floor. Think big, start small and have such a dream which does not let you sleep at night. Figure out your passion, work on that and the next big thing could be in this room.”

After the session, Mr. Mohan Ghimire (COO, YL Nepal) handed Mr. Chaudhary the token of love and thanked him for his valuable time and contribution. After that, all of the participants were taken for lunch where they were able to interact with the guests and speakers.

After lunch, Ms Poudel resumed the session and called Mr. Gyanendra Lal Pradhan for his talk on “Prospects and problems of energy sector in Nepal”.

Session 5: Prospects and Problems in energy sector of Nepal: Gyanendra Lal Pradhan

Mr. Pradhan initiated his speech by saying a few words of motivation. He said that “you should have the feeling of doing; thinking is not enough. People! We must act, analyze our strengths and find out our areas of interest”. He said that Hydropower should not be your initial business and there is huge potential for construction. Hydropower should be the third business venture after construction and agriculture. He said that when he started doing business, there was the trend of not telling anyone. “But things are different now and you can only move forward by telling others”, he said. He added that, “failure is the key to success; if you do not fail then you will never learn”. He also gave an example of how he went places after Manakamana cable car failed. “There is no entrepreneur who has not failed. The problem with energy in Nepal is that we are not able to use our full potential. The biggest source of energy is solar and due to various circumstances, we are not able to use

solar as much as we want to. Another reason is that solar and hydropower is not efficient, so we have to rely on the efficient source which is petroleum. We have Sundarjal and Trishuli as biggest hydropower projects but that still is not enough”.

Mr. Pradhan said that Nepal is in an awkward situation: “On the one hand, we have made high progress and on the other hand, we are still in the Stone Age”. He further added that energy cost is the highest cost incurred by businesses in Nepal. “Nepal is the worst in the energy sector as we have started projects very early and haven’t been able to produce and supply electricity efficiently on a continuous basis even until now”, he said. He said that there are no favorable conditions for anyone starting out and that one has to create favorable conditions according to situation.

Mr. Pradhan ended his speech by saying that “There are few key areas for every country; Nepal also has one and it’s up to us to finalize what those sectors are and start working for them.”

After the session, Ms. Kamana Magar, presented him the token of love and thanked him for his valuable contribution. After that, Ms. Pratikshya Poudel announced another session and called Dr. Rudra Raj Pandey for his talk on “IT Sector: What it’s like to be an IT entrepreneur?”.

Session 6: IT Sector: What it’s like to be an IT entrepreneur?

As the last speaker of the event, Dr. Rudra Raj Pandey, Chairman of Deerwalk Institute of Technology, talked about IT industries in Nepal and the scope and opportunities in the sector. He initiated by sharing his experience on his dreams other than IT. He shared his experience of being a truck driver to a physics teacher and a scientist. He said, “Time changes your dreams”

He said that entrepreneur is not someone who is planned to become one, instead s/he is made entrepreneur by different situations in life. Someone, other than family will teach them a lesson and that’s when they realize that they will have to do something. He said that entrepreneurs should be sales person from the beginning, and they should simplify things. He insisted that due to competitiveness and other factors, people only have 30 minutes to sell their stuff which could be down in the market in the days to come, so people should be focused and specific in what they are doing and what they want to do. Mr. Pandey introduced the concept of TOME and OME.

- *Teamwork: People are not expert at everything so they need to find a team where people have the knowledge in their respective fields.*

- *Detail Oriented: People should look for the opportunity and do the research in detail if they are to excel.*
- *Market: People should identify their target market, what sort of audience or geographical location they are focusing.*
- *Exit Strategy: After sometime people should focus on the exit strategy. There will be intense competition and people should look for alternatives for expansion; such as selling their company or issuing the stock to general public.*

Dr. Pandey motivated everyone regarding entrepreneurship and hard work. He said “work hard, be the first person to come to office and be the last one to leave. Always have higher dream, if you want to be a politician then dream of becoming PM and if you want to do business dream of no less than being the richest person”. He said that people don’t want to be exploited and whenever they feel something’s not fair, they should speak up. People have to look at themselves, their team and everything around them. If someone is leaving their team then they should think that they themselves are the problem. He also said that people are impatient in Nepal about money, they want it overnight. “If you want your business to flourish then you should be able to work without any salary for two years”, he said. He said that the biggest problem in Nepal is the problem of “Intellectual Property”. “There is no value of intellectual property, politicians don’t know and traditional and big business houses don’t care”, he said.

As per him, to be an entrepreneur, one needs to be LASH (likable, agile, (have) sense of humor and (be) happy). “Entrepreneurs are those people who make the problem simplified and possess excellent selling skills. To be a successful entrepreneur one needs to have a good team, carry out good research about the market one’s going to work on and plan for an exit strategy,” he shared. “To be a successful entrepreneur, your idea needs to be causing disruptions in the market.”

After the session Ms. Sudha Subedi (CEO, YL Nepal) handed Dr. Pandey a token of love and thanked him for his valuable time and contribution.

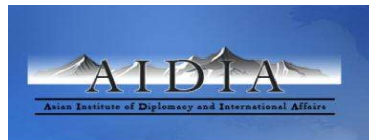
Ms. Sudha Subedi, officially announced the ending of the program and thanked all the participants, speakers, volunteers and everyone associated with the program. After the formal ending, participants were busy networking with the speakers and amongst themselves, discussing many things to move ahead in their idea and career.

As entrepreneurs are the backbone of economic growth in a nation, and entrepreneurship is the journey of exploration of new opportunities and utilization of creative ideas and knowledge, devoting one’s time and efforts with appropriate risk management techniques to

create value for profit and a good social cause, the program was highly successful in providing the emerging entrepreneurs with the ideas and the knowledge required to start entrepreneurial venture. The program also provided the emerging entrepreneurs in the town with the much needed platform to discuss their entrepreneurial ideas.

Kathmandu, the 16th July, 2016

The Emerging Entrepreneurs Forum 2016: Creativity, Innovation and Entrepreneurship



www.aidiaasia.org



Mr. Rajendra Giri addressing the Emerging Entrepreneurs Forum



A participant expressing his query during the program



Guest Speakers and Organizers of the Forum



Mr. Nirvana Chaudhary, CEO of Chaudhary Group Ltd. addressing the Forum



Participants having lunch at the pprogram



The Guest Speakers, Organizers and Participant at the Emerging Entrepreneurs Forum

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