

Why Did I Become An Entrepreneur: Case Study on S. M. Asad ul Haq

Dr. Manzoor A. Khalidi

Dean - CoMS
PAF-Karachi Institute of
Economics and Technology, Pakistan

S. M. Asad ul Haq

Student MBA (Final)
PAF-Karachi Institute of
Economics and Technology, Pakistan

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1. Introduction:

Research papers on entrepreneurship generally discuss the characteristics and the psychological profile of entrepreneurs with the intent that people having certain qualities and personality traits are more likely to succeed as an entrepreneur. This is also the basis of psychometric tests that have been developed to evaluate one's potential to become an entrepreneur. These tests have been developed on the basis of research studies conducted to evaluate the psychometric profile of successful entrepreneurs. Such research however does not answer the question why some people with similar characteristics and similar psychological profile become entrepreneurs while others do not. It was with this intent that I have made an attempt to investigate into the events and the circumstances in the life of people who have become entrepreneurs. The basic premise is that it is not simply the characteristics and psychological profile of the person but more importantly the circumstances in the life of the person and that of his/her family that creates a situation which provides the thrust for one to take the initiative and the concomitant risk to start a business venture rather than to seek work as an employee in an organization.

Asad was my student. My first meeting with him was about three years ago. He was a student in my class of 'Financial Institutions and Markets'. The particular characteristic or trait of his that caught my attention

was his infectious enthusiasm, whether it related to the class room discussion or my after class conversations with the students. I was able to know him better when I supervised his BBA and MBA final year projects. Other than the infectious enthusiasm that he brought to his work, the other distinctive qualities of his included his ability to take difficult and challenging tasks, his ability to work long hours, and last but not the least, his 'do it attitude' towards the tasks assigned to him.

During my teaching career in Pakistan which includes five years with Institute of Business Administration, Karachi and three years at PAF Karachi Institute of Economics and Technology I have come across a few other students with similar characteristics, but not many have followed the path taken by Asad with regard to their career. Asad was unique in the sense that he started his business (a fast food restaurant) while still a student of Bachelors of Business Administration at PAF KIET.

When I asked him why did he become an entrepreneur? His answer was that studies were not that tough; he had a lot of time at hand, and needed a challenging activity for his spare time. On a bit more probing, he said that until intermediate he had supported himself by giving tuitions to matric and intermediate students, he felt that he had had enough of the monotony of giving tuitions and wanted to do something else to

support himself. Giving tuitions to students to support oneself is quite a common phenomenon among the university students in Pakistan, some are able to join hand with a few friends to start a tuition centre, but not very many think of going into a completely different direction as that taken by Asad. Thus began my investigation to understand the unique circumstances that led to the development of Syed Mohammad Asad ul Haq the entrepreneur. It is a fascinating story covering three generations and their struggle for survival which included two migrations and the transformation of the family from agrarian feudal background to that of an urban entrepreneur. It is also a fascinating case study because it introduces us not only to business success but also to business failure and the problems that led to the business failure. The case also provides a source of advice and guidance for potential entrepreneurs who are in the phase of undertaking a prefeasibility study for starting a new business venture.

Doing pre-investment feasibility of the business venture helps in reducing the chances of failure. Planning is a key ingredient in the success of an entrepreneur. A business plan helps to guide the decision-making process during the operations of a business. The first decision in the planning process is to choose the type of business to own. Quite a few books on entrepreneurship have been published. There is a lot of information on the net on starting a small business. There are also many public agencies like SEMIDA which claim to provide assistance to small entrepreneurs with information on starting a new business venture. Yet very few people actually take the step of risking their efforts and their resources towards launching a new venture. One possible reason could be the absence of case studies of small business entrepreneurs, which could provide a source of inspiration as well as a source of guidance and advice for the potential entrepreneurs. There are a few local case studies available on the big players but not much information is available on the smaller players. One of the objectives of this case study is to bridge this gap.

I have written this case study in an autobiographical rather than a biographical style so that the reader would be able to better appreciate and understand the subject

of the case study.

2. Circumstances That Made Me An Entrepreneur:

2.1. My Family Background:

To understand my characteristics, my psyche, and me it is important to provide you with an insight into my antecedents. I will have to take you back to back in time to the days of my Grandfather. My grandfather had a feudal background. He was a jagirdar in Behar. The primary occupation of my family was land owning and agriculture. My grandfather used to live in a joint family havili along with the families of two of his brothers.

My grandfather had three children, two sons and a daughter. My father was the eldest. My grandfather died when my father was only three years old. When my father was 12 years old, partition of India took place. Bloodbath ensued - Behar witnessed one of the worst cases of Hindu-Muslim rioting, the Muslims, especially those belonging to the feudal community became the target of Hindu vengeance. To save their lives, my Grandmother along with her children and a few members of the family abandoned all their inheritances which had been a part of their family processions for generations, and migrated to the Eastern wing of the Promised Land 'Pakistan'. The other members of the family who migrated with her were the two brothers of my grandfather - my grand uncles.

In East Pakistan they were able to get some land in the area of Muragachha on the basis of claim against the loss of land in Bihar, India. The size of the land received as claim against the land lost in India was however only a quarter of the land actually lost in India. It was enough to sustain the living of the family but not enough to sustain a lavish lifestyle of a jaidar family. Initially my father stayed with his uncles at the countryside. He got married in 1960 and had his first son in 1962. It was then he realized that the family lifestyle had to change and education was necessary for survival. That was when he started his formal education. He completed his matriculation and moved to Dhaka to continue his education. It was here that he completed his intermediate

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and Bachelors of Commerce. After completing his education he broke away from the family's ancestral occupation of agriculture and preferred to take up employment in United Bank of Pakistan.

A year later in 1971 the family had to endure the experience of another partition. Once again bloodbath ensued – this time it was not Hindu-Muslim rioting but Muslims killing their brother Muslims. This time it was the language that was the dividing factor. This time it was Bengali-Urdu rioting. Once again the family had to migrate. This time it was from East to West Pakistan. Again the family lost its entire land holding. In 1947 the family was able to get land equal to a quarter of their original landholding on claim. This time the family did not receive any compensation. The jagirdar family had finally become landless, and the joint family system that had endured as a part of the family lifestyle for centuries finally broke down. My father along with his wife and children moved to a rented house in Federal B Area. From now on my father was on his own, from now on there was a complete break from the feudal past of the family.

2.2. My Life Begins:

I was born on 17 January 1984, which makes me a Capricorn. I am the seventh and the youngest son in a family of seven siblings, which includes four brothers and three sisters. My eldest brother had already completed his education by the time I was born. The other brothers had also completed their education by the time I reached the schooling age. I was therefore a kid brother to my elder siblings.

2.3. My Father's First Entrepreneurial Venture:

My father who had started his career in UBL continued his job with the same bank until 1980. 1980s was the era of General Zia-ul-Haq, in those days a sort of a crusade against the interest charged and paid by banks was initiated by the government and the clergy class. My father was heavily influenced by the Tablighi Jamat and their denouncement of banking interest as haram. It was this influence of the tablighi jamat that induced him to resign from his job at UBL. The resignation of my father from his job created the opportunity for him

to think of finding alternate means of livelihood.

His took up the job as an accountant for a friend who was involved in the construction business. This job allowed him an insight into the business of construction. This job continued for a period of five years. When my eldest brother graduated with B.Tech in Civil Engineering my father decided to resign from his job and take the plunge into the business world by launching his own construction company with my brother as his partner. The company was named Al Asad Associates. As you can guess the company was named after me because I was born the same year, and it was perhaps my birth rather than the completion of my brother's education that gave my father the confidence to make a major career switch from working for others to working for himself.

This foray of my family in the world of business was however not much of a success. Some time after my father entered the construction business the construction industry went into slump. Construction activity slowed down. Selling existing projects became difficult and new projects stopped. The natural consequence of this slowdown was that construction companies started to go bankrupt. There were not enough new construction projects available for a construction company to sustain itself. This economic downturn had disastrous effect on my family's business venture too. The tension of the economic downturn had a negative effect on the health of my father. The stress of a failing business led to the development heart problem for my father. It was at around that time that my brother received a good job offer from a construction company in Lahore. Since the business was not doing well and my father because of his heart condition was also not in a physical shape to run the firm alone, he decided to close down the business, and allowed my brother to accept the job offer. The situation now was that my eldest brother had moved to Lahore and my father was unwell to pursue any new business venture. The other brothers were still studying so there wasn't any support available to him to reenter the business arena.

Although my father's foray into the business arena was

not much of a success, but it had a very positive effect on the psyche of the whole family. It gave us the taste of entrepreneurship, which involves the taking of risk of launching a new business enterprise. It also allowed them an insight into the problem of launching a business and sustaining its cash flows. It was perhaps the taste of entrepreneurship that when my second brother Touseef completed his education (his degree was Bachelors of Commerce) he expressed his desire to create his own destiny by launching his own business venture rather than to work for someone else from 9 to 5 for a fixed amount of money. He had seen his father and his brother run their business enterprise. He wanted to do the same.

2.4. My Brother Touseef Becomes An Entrepreneur:

The year was 1988. My father was not working; he and his experience of managing a business enterprise were going waste. He was seriously considering the prospects of starting another business venture. That was when an opportunity arose. It so happened that a friend of my father, Mr Tahir, had two shops in North Nazimabad area that were vacant for some time. He was looking for someone reliable to whom the shops could be rented out. He asked my father if he knew someone reliable who would be interested in renting the shops. For my father this was an opportunity for a new business venture. My brother Touseef was already thinking seriously of starting his own business. My father's health had also improved and he wanted to use his time productively. He discussed the opportunity with Touseef. The two started to think of the possible avenues for the right business venture.

My father's previous foray into the business world was in the construction arena. The reason for the choice of the construction field was my father's own experience in the area and my eldest brother's civil engineering qualifications. This time their reentry would be in an area where neither of the two had any experience or qualification. Touseef had some idea of the operations of a stationary business which was owned by a friend of his. Touseef used to spend his evenings at his friend's stationary shop helping him to run his business. This

time therefore it was my brother Touseef who was given the opportunity to become the decision maker.

Touseef has a very outgoing personality, he loves to be with friends and usually eats out in the evenings with his friends. His natural inclination was therefore to start a restaurant. The presumption was that a food business could never fail. The habits of the people of Karachi were changing and there was a developing cultural trend of eating out. Restaurant business therefore appeared to be an excellent proposition. The problem however was that neither the father nor the son had any experience of running a restaurant.

The key to the success in the restaurant business is to find the right karigar (the chef). The strategy for getting a good karigar is to visit a running restaurant serving tasty food. The strategy is to have a meal and then gratify the waiter with a tip beyond his expectation and inquire about the karigar who prepared the meal. You then promise the waiter more gratification if he could pass on your telephone number to the karigar and ask him to contact you. Then you wait for the karigar to make the contact. Once the contact is made you ask the karigar to provide the details of his expertise, his working conditions and his asking price.

In our case fortunately this process did not take too long. The choice of the karigar was made by my father. The name of the karigar was Inayat. Inayat used to sell Bahari Kababs in a thia (a small portion in front of a dhabba) in Orangi Town. It was a very small business but it was his own. He did not have the capital to expand his business. We had a house in Orangi area which was on rent. My father used to visit the area once a month to collect the rent. My father as well as my brother Touseef had tasted Inayat's Bahari kababs and had appreciated the taste and quality of his food. When it was decided that the business would be food, the first karigar that my father thought of was Inayat. He went over to Orangi and inquired from Inayat whether he would be interested giving up his business and come to work for them. On getting an affirmative reply, the terms were negotiated and a deal was struck. Once the karigar was on board, the business started to

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take its shape. It was decided that the business would primarily be a Bar-B-Q restaurant because that was what Inyat knew best.

The next step (which should actually have been the first step) was to execute the formal agreement to rent the two shops owned by my father's friend. The third step was to furnish the restaurant with the necessary furniture and fixtures. This included the purchase of table and chairs for the customers and more importantly setting up of the kitchen. The problem was that the covered area of the two shops was not adequate for the accommodating the customers and the space for setting up the kitchen. There was however quite a lot of space available in front of the shop. It was therefore decided to use one shop to provide a dining area for ladies and families, and the other to provide space for the cash counter and a mini kitchen. The main Bar-B-Q pit and the seating for the general customers were created in the open area in front of the shop.

The next item on the agenda was the menu. BBQ is primarily an evening food. If the restaurant was to cater for the breakfast and lunch, there was a need for three different menus because the type of customers coming for breakfast is very different from those coming for lunch, and dinner. Furthermore the foods items demanded during the different times of the days also differ. It was therefore decided that we would begin only with BBQ menu. That meant that the restaurant would open only in the evening, and as we learn the ropes of the business, we would gradually venture into the lunch and the breakfast category.

The restaurant started its business with BBQ menu. The clientele started coming in and the business started to boom. About a couple of months into the business, we started to think of expansion. The opening hours of the restaurant were extended and lunch and breakfast were added. To keep things simple the lunch, as well as, the breakfast menus were standardized. Breakfast was halwa-puri-cholay, and lunch was biryani, sabzi, and a salan/curry.

The business model involved my father controlling the cash counter and managing the accounts of the business,

while my brother was involved in managing the supplies and other matters related to the management of the business. This continued for about two years. But the stress of work and sitting late hours started to have its effect on my father's health. He started to develop angina (heart pain). He was advised rest, but he still continued to go to the restaurant.

The business appeared to be running well until the end of 1989, and then tragedy struck. My father suffered a major heart attack and then after a month in the hospital he died. That was the beginning of the downfall of the business. All the responsibility for managing the business fell on the shoulders of Tousif. There was no one to share the responsibility with him. I was only six years old and had just started my schooling, my eldest brother was in Lahore, and the third brother was a student of Mechanical Engineering at NED. He was not interested in business. Touseef was now responsible for managing of cash counter as well as taking care of supplies and managing all the other aspects was the business.

Although the business appeared to be running well in terms of customer turnover, the business started to face major cash flows management problem which eventually led to the closure of the business. There were a lot of receivables that the debtors refused to honor. Up to now all the cash dealings and the maintaining of accounts were being managed by my father, Toseef did not have the experience of managing the cash flows. On taking up the control of accounts Touseef found that my father had a habit of giving credit to a number of customers. If any customer failed to pay, my father would readily extend him credit. The reason was that the restaurant was near our house and he knew most of the customer by first name. He used to keep a record of all the transactions and was able to get back the credit during customer's subsequently visits. Other than the customers who ate food on credit, there was another category of creditors. There were acquaintances and friends of my father who needed money for their personal needs. Anyone who needed money would approach him for personal loan and my father would not say no. This practice had been continuing for quite some time. When the business

was faced with a major cash crunch Touseef made all efforts to get the money from the debtors without much success. Since there was no paperwork and the money had been loaned on trust, the debtors simply refused to own their debts.

2.5. Dissecting The Business Failure:

The business finally had to be closed down, as the cash inflow was inadequate to sustain the cost of operations of the business. At the time of closure Touseef could not pinpoint the reason for the business failure other than the problem of cash flow (the cash inflow was less than the cash outflow) and their inability to get the receivables due from the debtors. Looking back at the situation retrospectively and using my own experience of running a similar business I do realize that there was not one but quite a few problems that were at the heart of cash flow problems that led to the closure of the business. One was the inability of Touseef to control embezzlement from cash-till, and the pilferage of inventories. After the death of my father, Touseef was wearing too many hats; he not only had to manage the cash-till, he also had to manage the operations of the restaurant. Hiring a reliable manager to share the operational responsibilities of the business may have helped in controlling the problem. Another very important reason for the failure of the business was the inability of Touseef to budget the expenses of running the business and allocating a certain part of daily cash flow for future expenses. In a food business similar to that which Touseef was running, there are three major time-points of cash out-flow:

- 1) First major time-point of cash out-flow relates to the daily expenses required for the purchase of raw material like meat, vegetables etc. which have very short shelf life and are required to be purchased daily.
- 2) The second major time-point of cash out-flows happens at the end of each week. This relates to the weekly purchase of consumable food items that have a longer shelf life. This includes raw material like oil, spices, flour, ketchup, mayonnaise, etc. These items are generally purchased on credit and are paid on a bill-to-bill basis, i.e., previous

week's bill is paid when the fresh purchases for the next week's requirements is made.

- 3) The third major time-point of cash out-flows takes place at the end of the month which accounts for recurring expenses like salaries, rent, utilities, etc. This end of the month expense accounts for major cash out-flows and cannot be managed unless conscious budget allocations towards these expenses from the cash flows are made on a daily basis.

In other words, at the end of each day when the cash till is full, one has to make a conscious decision to make sure that adequate allocations have been made for the expenses to be incurred for the next day, as well as, to make sure that certain amount has been kept aside for the costs to be incurred at the end of the week, and that to be incurred at the end of the month. In addition a certain amount (about 20%) also has to be kept aside for contingencies on account of unforeseen events. It is only the amount of cash that is in excess of these requirements, which can be taken out of the business for personal use. In a small business where financial controls are relatively lax one should preferably have separate bank accounts for apportioning part of the revenues to meet the end of the week expenditures and that required for end of the month expenditures and contingencies. Furthermore it is imperative that cash from these accounts should not be withdrawn until their respective time points have been reached. If this is not done the small business entrepreneur will find himself in crisis situation especially at the end of the month when the payment for a lot of expenditures like salaries, rental, electricity, gas, water, etc. become due. In a small business there are also a lot of informal or off-the-record expenditures generally referred to as *bhutta* or exhortation that has to be paid to the police and other civic organizations on a regular basis. These expenditures become due at the end of each month and have to be budgeted as a part of the recurring business expenditure. If one does not pay these on the due date, a lot of unforeseen events can happen.

Inability to realize the credit sales was another reason

for the business failure. While my father did allow credit sale to his friends, he made sure that all the credit sales were accounted for in the books. Furthermore he also had a strategy for getting the money due from the debtors. The beginning of each month when people receive their salaries is generally the best time to ask the debtors for their outstanding dues. Asking for the payment of dues in the middle or end of the month is generally not the right time because people generally do not have extra cash to clear their debts. Inability to develop a strategy for managing credit sales and inability to apply normal accounting tools of ageing of receivables was a major reason that the receivable related to credit sales turned into bad debts.

Another very important aspect related to business that Touseef perhaps did not realize was the importance of product costing. The cost of raw materials like meat especially that of chicken keeps changing on a weekly basis. Adequate product costing helps in understanding the actual gross margin available per unit for each item. It allows one to understand the break-even pricing of each product and also allows one to have an idea regarding the point at which increase in the price of finished products becomes inevitable.

If proper budgeting and product costing was done, and credit sale had been managed properly the business may have survived. Another important fact that should also be borne in mind was that previously the business was been managed by two persons now all the burden of running the business was on the shoulders of one person. With the increased responsibilities put on the shoulders of one person, Touseef did not have the luxury time to sit back and take stock of the situation. As a consequence, he was not able to understand the problems faced in the operations of the business. Employing someone trustworthy to take care of the routine task would have allowed him the luxury to sit back and think about the problem and develop a strategy for overcoming them. But in a situation where cash breakeven itself was a problem, incurring additional salary expenses was proposition that could not be justified. One also has to account for difficult circumstances under which Touseef had to take reigns

of the business. My father had suffered a heart attack and was in the ICU for a month. Touseef not only had to take up the additional business responsibilities of the business during that period but also had to take care of the household responsibilities. A substantial part of the business cash flows may also have been used for my father's medical care, which may have created problems in meeting the end of the month cash outflows.

3. My Entrepreneurship Venture

Before discussing the story of my business venture, it would be worthwhile to tell the reader a bit about my own self. I was born in Karachi in 1984, when I was seven years old my father died. Three years later when I was in the fourth class my brothers decided to take me out of formal school education and send me to the Madrasa for becoming a Hafiz-e-Quran. For the next four to five years I did not get any formal education. I was however fortunate to get informal private tuition in English and Urdu from my sister, and Mathematics from my brother. This was the reason that after becoming a Hafiz-e-Quran, I was able to restart my formal education without much difficulty. I was able to pass the entrance exams for class nine (science group) without much difficulty. I passed my Matric with A grade (72%) and my intermediate (pre-engineering) with B grade (63%). In Pakistan it is the percentage secured in the Intermediate that forms the basis of one's career decision. My percentage was not enough to secure admission in Engineering, Business Studies was therefore the next best option. That was how I came to PAF-KIET.

3.1. The Pre Investment Feasibility:

Running a one-person business is a creative, flexible, and challenging way to become your own boss and chart your own future. It is about creating a life, as it is about making a living. Individuals who start small businesses generally work harder for less money but are happier than their counterparts who work for someone else. The only precondition to the above statement is 'if the business is a success'. Failure can lead to a tremendous personal cost on finances, relationships, and family ties. I have already recounted

the story of the business venture started by my father and my brothers and the consequential effect on the health of my father that eventually led to his demise.

My entry into the business world started with small fast food restaurant M.D.FAST FOOD in North Nazimabad Karachi about 4 years ago. The shop serves most of the items belonging to the category of fast food, for example, burger, broast, zinger burger, sandwiches, rolls, etc. When I started my business I did not know anything about the business of running a fast food restaurant. The only thing that I knew was that I had a capital of Rs. 80,000 loaned to me by my brother Touseef and the desire to create something new. I had just taking admission in BBA at PAF-KIET, which meant that I was learning the tools of running a business. My classes ended at three o'clock and the work pressure in terms of the preparation for the classes and the exams was not very demanding. Up to now (from class 9 to onwards) I had supported myself by giving tuitions to other students. I thought it was time now to take a break from giving tuitions. I now had ample time at my disposal. That is when I started to think about the possibility of starting an own business venture. Although I had no experience of starting or running a business venture, my brother Touseef had a lot of experience and he was ready to be my mentor.

Touseef already had the experience of operating a BBQ restaurant. Touseef is a quintessential entrepreneur. After the closure of the BBQ restaurant, he took up employment at Polka Ice cream. During the period he started his side business of buying exotic birds and breeding them. The business was enough to earn him extra income but not enough to sustain a living. Later he discontinued this business and left his job to start a chicken retail shop that has become quite a success.

When I started to think about the possibility of starting a business one of the constraints was that it had to be a business that could be operated only in the evening. The idea of running a fast food restaurant fitted into this scheme of things. The reason being that bulk of the sales of a fast food restaurant takes place in the evening. I observed the flow of customers to the

existing fast food restaurants. It was quite a revelation. During the morning hours sales is very slow. Inflow of customers begins from the post asar period when school children leave their homes for sports activities. The major item sold during this period is fries. Major sales however start in the post magrib period when people start returning from their offices and peaks during the post isha period (9-10). Sales then gradually sag down. A second spurt of sales takes place at around 12 o'clock and continues for an hour and then gradually sags down again. Fast food restaurants close at around 2 AM and the employees are generally free to return home at around 2.30 AM.

Fast food business fitted into my scheme of things because during the first term I did not have any class in the first period. Furthermore the flexibility of the PAF-KIET system that allows the students to choose their own courses implied that I could choose my own timetable to suit my convenience. The business of fast food restaurant also appeared to be the most suitable choice because bulk of the sales of items of a fast food relate to chicken. This meant that I could easily purchase bulk of my raw material from the chicken retail shop owned by my brother Touseef and also would not have to worry about the quality of the raw material for broast and zinger burger.

Once the decision regarding the choice of the business had been made, the next step was the selection of the location for the restaurant. The choice of the right location is paramount for the success of the business because the demand or the sales to be generated has a direct connection with the population living in the surrounding area. Examining the sales generated by business of similar nature in the locality allows one to make an estimate of the possible sales to be generated by one's own business. For example, if one is trying to estimate the sales of a fast food restaurant, s/he should survey all the fast food restaurants and similar business in the potential locality, and make a log of the number of people who enter the restaurants at different times of the day. S/he should also visit the restaurants to make a note of the items that an average customer orders. Multiplying the average order size with the total

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number customers entering a particular restaurant gives us an idea of the customer demand for that particular restaurant. Following the same exercise for the other restaurants in the locality provides a fair idea of the total demand for fast food in the locality.

In my case I did not go through the process of evaluation of market demand as per the method that I have outlined above. The reason being, I was completely raw in terms of business pre-investment appraisal knowledge. The shop that I choose for my business was a cold spot that used to sell cheap quality bun-kababs. The shop owner wanted to close down the business and was looking for someone reliable to rent out the space. The advantage for me was that the shop came with furniture and fixture including tables, chairs, and cash counter. The furniture and fixtures were made available by the shop owner against a deposit\advance of Rs.30,000 and an agreed rental of Rs.4000 per month. Other then the inducement of availability of furniture and fixture against the deposit\advance, the location of the shop also appeared to be good. It was located in a market with apartments on top and quite a few others near by. Also in the vicinity was a big park 'Talib-e-Chaman'. Quite a few people and their families came to the park in the evening for recreation. The standard of living of the people in the area was also fairly good which implied that they had the purchasing power to buy quality fast food. The location was also quite close to the main road thus ensuring its accessibility by a large number of customers using vehicles.

As mentioned earlier, I had only Rs.80,000 as the seed capital for the project which was loaned to me by my brother Touseef. Of this, Rs.30,000 was paid as the advance\deposit for the shop. I was lucky that the shop was already furnished with furniture and fixtures. I had to spend another Rs.20,000/- for the refurbishment of the shop and the purchase of additional furniture and fixtures for the shop. Refrigerator was provided free of cost by Pepsi on the promise that it would be used to stock their drinks. I had to purchase a deep freezer for Rs. 12,000/- for storing the raw chicken and burger patties. I was left with Rs.18,000/- for the purchase of

broasting machine and hot plate. The cost of a new broasting machine quoted by a manufacturer was Rs.150,000/- was way beyond my purchasing power. The next best alternative was a second hand reconditioned machine. I went to a number of suppliers of broasting machines and hot plates to find a cheap machine that was within my purchasing power. One of the suppliers was Warsi Steel Engineering. They were in the business of selling imported reconditioned second hand equipment from Middle East and Europe. They had a small machine that was a combination of open fryer and hot plate. The asking price was Rs.38,000/- which was Rs.20,000/- more then my purchasing power. I told him my limits and was able to a negotiate the sale of the machine on terms that included Rs.10,000/- advance payment with delivery and the balance to be paid in monthly installment of Rs.5,000 per month.

With all the fixed costs related to the project in place, I now had only Rs.8,000/- remaining for the working capital and sales promotion. For advertising and sale promotion I used banners and leaflets for creating maximum visibility for the business. I got three cloth banners prepared for Rs.100/- each. One banner was placed at the gate of 'Talib-e-Chaman Park'; another was place at the corner of the market where my fast food restaurant was located; and the third banner was placed outside the chicken shop of my brother Touseef which was also in the same market. I also got 2,000 leaflets printed (total cost Rs.900), which were distributed three days prior to the inaguration of the shop. These leaflets were distributed at the near by mosque after the jumma prayers. The banners and the leaflets announced the date of grand opening of M.D.FAST FOOD and the special First-week promotional offer which included a free cold drink with burger, and a special buy two get one free deal etc. From the money that remained I purchased items like ketchup, mayonnaise, boxes for takeaway orders, papers, etc. I was able to get chicken and beef on credit with the promise to pay the bill at the time of the next order for the purchase of those items.

The grand opening of my first business venture was

on 16 Sep 2004. The first day sale was Rs.1,600. The subsequent daily sale during the 7 days promotion period also remained within the vicinity of Rs1,500/-. The crucial period was the sale in the post-promotion period. It was expected the sale would reduce once the novelty would wear off and the promotion discount would be discontinued. The drop in the sale at the end of the promotion period was a question-mark that I dreaded. Fortunately the reduction at the end of the promotion period was not very substantial. The sales remained in the vicinity of Rs.1,000/- per day for the next month. This meant that a loyal customer-base had been created and the business would survive. This is the story of my entry into the business world.

3.2. The Present Scenario and the Future Plans:

It has been over four years since my entry into the business world. I have completed my BBA as well as my MBA degree programs. Now I have all the time in the world to devote to my business. The average sale of M.D.FAST FOOD has grown substantially. I have added more machines to increase the capacity of production. The average sale now is around Rs.15,000 per day. About a year back I started another venture, which has an average sale of Rs. 7,000/- per day.

Now that my studies have been completed I can devote all my energy for the development of my business

enterprise. My first priority would be to develop proper system of management and financial controls so that the business could be run as a professional enterprise. At present I have to devote a lot of my energy for micro managing the enterprise. Once I have been able to develop professional management systems, I will have time to devote for business development and growth.

4. Conclusions:

I had read somewhere that our space in the society is created before we are born. I believe that to understand a person one has to begin the investigation two generations before the birth of the person who is the subject of the investigation. That is the reason I started the investigation from the grandfather of Asad. This was necessary because it allowed us an insight into the psyche of his father who molded the character and the lifestyle of Asad and his siblings. The case study allows us an insight into the process of starting a new business venture. The case also allows us an insight into the problems that can lead to business failure. A very important lesson that we learn from the case is that once a person has tasted the fruits of entrepreneurship, it is very difficult for him to go back to being a salaried employee. In the end the case allows us an insight into the triumph of human spirit in overcoming adversity.