

From start-up to corporation

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This presentation aims at comparing and differentiating two forms of enterprise which are start-up and corporation.

A start-up is an enterprise or project whose primary goal is to launch an innovative product or service on the market. Its characteristic features are the lack of a specific business model and managing the business in conditions of extreme uncertainty.

The start-up term is usually used in the technology or IT industry.
The main areas of activity of star-ups are:

- IT
- e-commerce
- mobile applications

Launching a start-up is associated with significant risk and the possibility of failure. It is mainly related to seeking and developing an effective business model and the uncertainty that the actions taken will not meet specific market needs.

Main differences between start-up and corporation

Start-up

No hierarchy, quick promotion possibilities

Variable situation related to building the start-up position on the market

Quite limited and unusual benefits

High independence related to broadening knowledge and acquiring new skills

Corporation

The hierarchy and organizational structure are rigid

Work stabilization

Larger benefit packages

Less independence

Taking all those factors into consideration, start-up and corporation are different forms of enterprise which vary in a significant way. Due to its flexible and non-hierarchical structure, start-up may be better form of business for creative people who need to launch an innovative or a completely new product or service. It is at high risk of failure, though. Corporation, on the other hand, would be a better form for businesses with a developed position on the market and for professionals who prefer stabilization and specific career path.

Bibliography:

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