

Cristian NEGRUȚIU

Business Environment Analysis for Entrepreneurs

**A CEE Perspective on Opportunity, Strategy,
and Venture Creation**

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Foreword

I have spent the last years a professional double life. By day, I sit across tables from founders pitching their ventures, evaluating business models, and deciding where to invest. By evening – and often weekends – I stand before students in university lecture halls, teaching entrepreneurship theory and frameworks. This dual existence as both professor and venture capital investor has given me a perspective on entrepreneurship that I believe is rare and valuable: I see entrepreneurship both as it should be taught and as it is actually practiced.

When, together with my old friend, I began investing in Romanian start-ups in the late 2010s, the local ecosystem was nascent. Venture capital was a foreign concept. Most successful businesspeople came from real estate, retail, or other traditional industries. The idea that one could build valuable companies from software and technology – companies that might never own physical assets or employ thousands of people – struck many as fanciful. The entrepreneurs I met in those days were pioneers, often working in isolation, without the playbooks, networks, or support infrastructure that entrepreneurs in Silicon Valley or London took for granted.

Some investments were successful, some failed, as most early ventures do. But I learned more from that failure about what entrepreneurs face – the crushing uncertainty, the resource constraints, the endless pivots – than I had learned from years of studying entrepreneurship academically. That failure, paradoxically, made me a better investor and a better teacher. It taught me that entrepreneurship cannot be understood purely from textbooks or case studies. It must be felt, experienced, lived through.

Over the years, I have invested in few Romanian start-ups. Some have succeeded spectacularly. Others have failed quietly. Watching them navigate the journey from concept to validated venture, from local experiment to international platform, has been both professionally rewarding and personally instructive. Their story, and stories like it, deserve to be shared with the next generation of Romanian entrepreneurs.

But this book is not primarily about my investments or my journey. It is about yours – the journey you are about to embark upon or are already navigating as an aspiring or active entrepreneur. It is about providing you with frameworks that actually work, insights grounded in both research and practice, and an honest view of what building a venture entails.

Why This Book, Why Now?

The Romanian entrepreneurial ecosystem has matured dramatically over the past decade. When I started investing, there were perhaps a handful of serious tech start-ups in Bucharest. Today, there are hundreds. Romania has produced unicorns – UiPath's \$35 billion valuation at IPO proved that world-class companies can be built from here. We have a growing venture capital ecosystem, improving support infrastructure, and increasing international recognition. Success stories inspire more founders to take the leap.

Yet despite this progress, I have observed a persistent gap: Romanian entrepreneurs often lack systematic frameworks for the early stages of venture building. They might have brilliant technical skills – Romania's engineering talent is extraordinary – but struggle with opportunity evaluation, business model design, or systematic validation. They leap from ideas to products without testing assumptions, waste resources building things nobody wants, or pursue opportunities that cannot sustain viable businesses.

This gap is partly an education gap. While entrepreneurship courses have proliferated in Romanian universities, much of the curriculum remains either too theoretical (abstract frameworks disconnected from practice) or too descriptive (war stories and case studies without systematic methodology). What has been missing is a textbook that grounds students in rigorous frameworks while being honest about entrepreneurial reality, that teaches systematic thinking while acknowledging the messiness of practice, and that speaks directly to the Romanian context while maintaining global relevance.

This book aims to fill that gap.

The Dual Perspective

My dual role as professor and investor has taught me that entrepreneurship requires both disciplined thinking and bold action. In the classroom, I emphasize frameworks, analysis, and systematic decision-making. In investment meetings, I see entrepreneurs who must act despite incomplete information, who must commit before perfect clarity emerges, who must balance analysis with intuition and speed.

The best entrepreneurs I have encountered – both as students and as investment opportunities – master this balance. They think systematically about opportunities, customers, and business models, but they also move quickly, experiment boldly, and learn continuously. They respect frameworks without being

enslaved by them. They plan without confusing plans with reality. They analyse without succumbing to analysis paralysis.

This book reflects that dual perspective. It provides rigorous frameworks for thinking about entrepreneurship – opportunity evaluation, business model design, systematic validation – because frameworks discipline thinking and prevent common mistakes. But it also acknowledges that entrepreneurship is fundamentally about action under uncertainty, that plans never survive first contact with reality, and that learning through doing often teaches more than thinking in advance.

What I Have Learned from Entrepreneurs

Over hundreds of pitch meetings and board discussions, I have watched entrepreneurs navigate impossible challenges. I have seen technical founders learn to sell, introverted founders learn to pitch, and inexperienced founders develop business sophistication. I have also seen brilliant people fail because they couldn't adapt, couldn't listen, or couldn't recognize when pivots were necessary.

Several lessons from these experiences shaped this book:

Opportunity quality matters more than execution quality. The best entrepreneurs cannot make bad opportunities succeed. When I look at my portfolio, the biggest successes came from founders who identified genuinely attractive opportunities – large markets with real pain points where novel solutions created substantial value. My biggest failures came from entrepreneurs pursuing opportunities that, however well executed, simply weren't big enough, urgent enough, or defensible enough.

Business models are discovered, not planned. Almost no venture I have invested in has the same business model today that it started with. The business model canvas in Chapter 6 is not meant to be completed once and followed religiously. It is a tool for thinking, testing, and iterating toward models that work. The entrepreneurs who succeed are those who treat initial models as hypotheses to be tested rather than plans to be executed.

Validation is invaluable but insufficient. The lean start-up methodology – building MVPs, measuring results, learning quickly – has transformed how I evaluate ventures. Entrepreneurs who validate systematically waste less money and time than those who build first and ask questions later. But validation cannot eliminate all uncertainty. At some point, entrepreneurs must make bets despite incomplete evidence. The art lies in knowing when you have validated enough to commit more resources.

Context shapes strategy. What works for a Silicon Valley start-up raising \$10 million does not necessarily work for a Romanian start-up bootstrapping on

limited capital. Small domestic markets require different strategies than large ones. Romanian cost structures create different opportunities than American ones. This book deliberately grounds entrepreneurship in the Romanian and Central Eastern European context because context matters, and generic advice often misses crucial local realities.

Resilience matters as much as intelligence. Every entrepreneur faces setbacks. Customers say no. Products fail. Co-founders conflict. Capital runs out. The entrepreneurs who succeed are not necessarily the smartest or most experienced – they are often those who persist intelligently, who learn from failures without being destroyed by them, who adapt without losing sight of their vision.

What This Book Offers

This textbook provides systematic frameworks for the early stages of entrepreneurship – from identifying opportunities through validating ventures. It does not promise to make entrepreneurship easy or to guarantee success. Entrepreneurship remains difficult and uncertain. But it does promise to help you think more clearly about opportunities, design better business models, and test your assumptions more systematically.

The book deliberately focuses on early-stage entrepreneurship because this is where most ventures struggle. Later stages – building teams, scaling operations, managing growth – are important, but they require first getting the fundamentals right. If you cannot identify an attractive opportunity, design a viable business model, and validate that model with real customers, the later challenges become moot.

Throughout, the book emphasizes the Romanian context. You will find case studies from Romanian ventures like UiPath, Bitdefender, eMAG, FintechOS, and others. You will encounter discussions of the Romanian entrepreneurial ecosystem, its strengths and limitations, and strategic implications for Romanian founders. But the frameworks are universal – they apply whether you are building a venture in Bucharest, Berlin, or Bangalore.

A Personal Request

As you read this book, I ask you to engage actively rather than passively. Complete the reflection exercises at the end of each chapter – they are designed to translate concepts into action. If you have an entrepreneurial idea, use the frameworks to evaluate it systematically. If you do not yet have an idea, use the frameworks to search for opportunities more deliberately. Test the concepts in practice and learn from results.

I also ask you to be honest with yourself. Not everyone should be an entrepreneur, and that is perfectly fine. Entrepreneurship requires tolerance for uncertainty, resilience through failure, and willingness to work extraordinarily hard for extended periods without guaranteed success. If, after exploring entrepreneurship systematically, you decide it is not for you, that is a valuable discovery. But if you feel the pull of entrepreneurship – the desire to build something new, to solve problems that matter, to create value – then I hope this book helps you navigate that journey more effectively.

Looking Forward

Romania's entrepreneurial future is bright. We have proven that world-class companies can be built from here. We have technical talent, cost advantages, European market access, and growing support infrastructure. The success stories will multiply, the ecosystem will strengthen, and the opportunities will expand.

But realizing this potential requires that more Romanians choose entrepreneurship, and that those who choose it approach it systematically. We need entrepreneurs who combine technical excellence with business sophistication, who understand both local context and global markets, who can validate efficiently and scale effectively.

This book represents my contribution to that future – a synthesis of what I have learned from two decades of teaching, investing, and observing entrepreneurship in Romania. It distills frameworks that work, acknowledges realities that matter, and provides guidance grounded in both theory and practice.

Whether you are a student exploring entrepreneurship for the first time, an aspiring founder preparing to launch a venture, or an active entrepreneur seeking frameworks to improve your practice, I hope this book serves you well. Entrepreneurship is challenging, uncertain, and frequently frustrating. It is also creative, rewarding, and essential for economic progress and social innovation.

I wish you wisdom in evaluating opportunities, creativity in designing business models, discipline in validating assumptions, and resilience in navigating the inevitable challenges ahead. The entrepreneurial journey is rarely smooth, but for those suited to it, few pursuits offer comparable rewards.

Welcome to entrepreneurship. Your journey begins now.

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