3 PHASES OF ENTREPRENEURIAL TRANSACTION COSTS

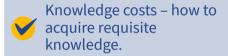
How to better understand the economic costs of assembling, managing, monitoring and administering your value-creation resources.



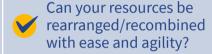
Assembling resources for a value creation business model, initiative or project.

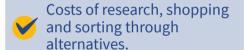
Deploying resources in the production of customer value.

Dynamically adjusting, rearranging and recombining resources during market change.









Employment contract costs
- engaging and keeping the
employees you need.

Employment contract adjustment costs – re-focusing and retraining.

- Costs of integration and combination.
- Costs of granting discretionary judgment to employees.
- Vendor / supplier contract adjustments including termination penalties, etc.

Hiring and training costs.

Start-up costs – initial

- Vendor and supplier relationship management costs.
- Cost of selling or discarding assets (closing offices and plants, etc.)

Costs of using the legal system for contracting.

inefficiency.

- Costs of security and asset protection.
- Legal costs of changes and disputes.
- Maintenance costs.
- General costs of entrepreneurial experimentation.

- Energy costs.
- ✓ Use-up rates.





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