

Entrepreneurial competencies



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MODULE 1 ENTREPRENEURIAL COMPETENCIES INTRODUCTION Every role has a skill and competency requirement. For a teacher or a performing artist, for example, it is the skill to communicate that plays a decisive role in their effectiveness besides, of course, their knowledge. For a craftsman or an artist, it is the creativity and skill in the chosen craft. Talking about entrepreneurship, you need to have a knack for spotting business opportunities and creativity and innovation in developing and delivering a product or service.

It is hoped that after reading this module you will actually see the potential of a career in entrepreneurship, and experience a desire to start a venture of your own. At the same time there might be certain inhibitions in your mind whether such a task is feasible, practical and sustainable. For every task one needs certain competencies. In this module you would learn in detail about the entrepreneurial competencies. Whereas competencies reinforce a person's perception of feasibility of a career option, there also has to be the will and urge, a 'perception of the desirability. Is it not impossible that entrepreneurship has a key role to play in economic development, yet there are very few who ever think of it as a career option? And, it is not that they may be lacking in skills. What one often finds is the lack of motivation! Competencies equip you with the knowledge of how to do ('know-how') of entrepreneurial behavior and motivation provides answers to why to do ('know-why') of entrepreneurial behavior. You would also be learning about why people opt for entrepreneurship.

The question of 'why entrepreneurship' is also linked to reward expectations, be these financial, social status or psychological satisfaction. In

case of entrepreneurship, successful performance of the venture itself becomes a reward for the entrepreneur. OBJECTIVES After reading the lesson you would be able to:

- Describe the entrepreneurial competencies and evaluate how you fare on these.
- Describe what motivates an entrepreneur and develop your motivation to be an entrepreneur
- Develop a measure of entrepreneurial performance
- Distinguish between financial and non-financial rewards of entrepreneurship

As noted in the introduction, every career draws on the competencies of an individual. Some of these competencies may be general and some peculiar to the chosen career. You may understand competencies to mean abilities and skills. However, we would cease from calling these as personality traits as such a conceptualization only reinforces the mistaken belief that entrepreneurs are born rather than made. We believe that recognition of these competencies as abilities and skills makes entrepreneurship as a teachable and learnable behavior.

In this module we orient you towards a set of entrepreneurial competencies developed by entrepreneurial researchers. These competencies were identified by a thorough research procedure based on critical analysis of the case studies of the successful entrepreneurs. We also annex a questionnaire that you can use to evaluate your score on each of these competencies. We would also suggest how you might improve on your scores. Initiative Acting out of choice rather than compulsion; taking the lead rather than waiting for others to start. Sees and Acts on Opportunities

A mind set where one is trained to look for business opportunities from everyday experiences. Persistence A ' never say die' attitude; not giving up easily; striving Information seeking continuously until success is achieved. Knowing Knowing who knows, consulting experts, reading relevant material and an overall openness to ideas and information. Concern for High Quality of Work Attention to details and observance of established standards and norms. Commitment to Work Contract Taking personal pains to complete a task as scheduled. Efficiency Orientation Concern for conservation of time, money and effort.

Systematic Planning Breaking up the complex whole into parts, close examination of the parts and inferring about the whole; e. g. simultaneously attending to production, marketing and financial aspects (parts) of the overall business strategy (the whole). Problem solving Observing the symptoms, diagnosing and curing. Self-confidence Not being afraid of the risks associated with business and relying on one's capabilities to successfully manage these. Assertiveness Conveying emphatically one's vision and convincing others of its value. Persuasion Eliciting support of others in the venture. Use of Influence Strategies

Providing leadership. Monitoring Ensuring the progress of the venture as planned. Concern for Employee Welfare Believing in employee well being as the key to competitiveness and success and initiating programs of employee welfare. The self-administered questionnaire in the last part of this module would help you measure where you stand on these competencies. Given that these competencies matter in entrepreneurial success. Researchers estimates that development of these competencies can substantially (as <https://assignbuster.com/entrepreneurial-competencies/>

much as 33%) bring down incidence of business failures/industrial sickness. DEVELOPING COMPETENCIES Awareness,' they say, is the first step towards 'improvement' and 'success.' Now that you are aware of the critical competencies for entrepreneurial success and also have a measure of your scores on these, it is appropriate that you also think in terms of how to improve your scores. Suppose, you find yourself lacking in the competency- 'opportunity spotting,' you may start practicing to think like an entrepreneur (See Box entitled 'Thinking like an Entrepreneur'). With just a little change in perspective, the world changes for you. Similarly you may work on the other competencies as well. Thinking Like an Entrepreneur

On a trip down south, in Quezon province, you marvel at the coconuts and the price at which they are available. You buy several and consume these merrily en route. This is consumer's mindset. On the contrary, an entrepreneurially thinking individual, he may buy and enjoy the coconuts as well, would also start thinking what if I arrange for their transportation and sale at my place... if volume-weight factor and perishability is the constraint how about packaged coconut (buko) juice, where would the technology come from, India? Would Filipinos like to consume packaged juices when by the roadside they can get fresh juice?

Exports? Which are the countries that could serve as the potential market?

What would be their quality expectations? ... The role of Prior Work

Experience Project work, summer training as well as prior work experience hone the entrepreneurial competencies. Whichever area you might decide upon to start a venture be it a school, restaurant, garments, courier service, interior decoration etc. along with the educational qualifications, if any, you

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need to acquire practical experience in that field. For it is while you get on the job training/experience that you familiarize yourself with all aspects of the venture.

You can learn as to how to handle customers, suppliers, and government officials, financiers. You will also be able to acquaint yourself with the basics of the production process, bottlenecks like power disruptions, delay or non-availability of raw materials and a host of other things. Day to day dealings of the various facets of business will equip you to handle your own venture cleverly, with confidence and with minimum costly mistakes. Check your progress You have learnt about various competencies. Please identify 3-4 most important competencies for the following careers/ventures

Teacher _____
 _____ Software

Specialist _____

Paete sculptor _____

Restaurant Owner

Interior Decorator

QUESTIONS TO ANSWER Q. 1 Comment on competencies considered

necessary for successful entrepreneurial behavior. Q. 2 Enumerate the basis of evaluating entrepreneurial performance. Q. 3 Can one be content with seeing their dream being converted into reality? Comment. Q. 4 Is there any difference in motivation of male and female entrepreneurs? SELF- RATING

QUESTIONNAIRE Your Name

Company Address

..... Date

.....

Instructions 1. This questionnaire consists of 70 brief statements. Read each statement and decide how well it describes you. Be honest about yourself. 2. Select one of the numbers below to indicate how well the statement describes you : 5 = very well 4 = well 3 = somewhat 2 = Very little 1 = Not at all 3. Write the number you select on the line to the right of each statement. Here is an example: I remain calm in stressful situations. The person who responded to the item above wrote a “ 2” indicating that the statement 2 described him or her very little. 4. Some statements may be similar, but no two are exactly alike. . Please answer all questions. Write the number on the line to the right of each statement. 1. I look for things that need to be done. ----- 3 2. I like challenges and new opportunities. ----- 4 3. When faced with difficult problem, I spend a lot of time trying to find a solution. --- 3 4. When starting a new task or project, I gather a great deal of information. -----3 5. It bothers me when things are not done very well. -----4 6. I give much effort to my work. -----4 7. I find ways to do things faster. ---3 8. I plan a large project by breaking it down into smaller tasks. ---3 9. I think of unusual solutions to problems. ----4 10. I feel confident

that will succeed at whatever I try to do. ———3 11. I tell others when they have not performed as expected. ———2 12. I get others to support my recommendations. ———2 13. I develop strategies to influence others. ———3 14. No matter whom I'm talking to, I'm good listener. ———3 15. I do things that need to be done before being asked to by others. —3 16. I prefer activities that I know well and with which I am comfortable. ———5 17. I try several times to get people to do what I would like them to do. 8. I seek the advice of people who know a lot about the problems or tasks I am working on. —4 19. It is important to me to do a high quality job. ———5 20. I work long hours and make personal sacrifices to complete jobs on time. ———4 21. I am not good at using my time well. ———5 22. I think about the advantages and disadvantages of different ways of accomplishing things. —4 23. I think of many new ideas. ———3 24. I change my mind if others disagree strongly with me. ———3 25. If I am angry or upset with someone, I tell that person. ———4 26. I convince others of my ideas. ———3 27. I do not spend much time thinking about how to influence others. —3 28. I feel resentful when I don't get my way. ———4 29. I do things before it is clear that they must be done. ———3 30. I notice opportunities to do new things. ———3 31. When something gets in the way of what I am trying to do, I keep on trying to accomplish what I want. ———4 32. I take action without seeking information. ———3 33. My own work is better than that of other people I work with. —3 34. I do whatever it takes to complete a job. ———35.

It bothers me when my time is wasted. ——— 36. I try to think of alone problems I may encounter and plan what to do if each problem occurs.

——— 37. Once I have selected an approach to solving a problem, I do not change that approach. —— 38. When trying something difficult or challenging, I feel confident that I will succeed. 39. It is difficult for me to order people to do things. —— 40. I get others to see how I will be able to accomplish what I set out to do. —— 41. I get important people to help me accomplish my goals. —— 42. In the past, I have had failures. —— 43.

I take action before it is clear that I must. —— 44. I try things that are very new and different from what I have done before. —— 45. When faced with a major difficulty, I quickly go on to other things. 46. When working on a project for someone, I ask many questions to be sure I understand what that person wants. —— 47. When something I have been working on is satisfactory I do not spend extra time trying to make it better. —— 48.

When I am doing a job for someone, I make a special effort to make sure that person is satisfied with my work. —— 49. I find ways to do things for less cost. —— 50. I deal with problems as they arise, rather than spend time trying to anticipate them. —— 51. I think of many ways to solve problems. —— 52. I do things that are risky. —— 53. When I disagree with others, I let them know. —— 54. I am very persuasive with others. —— 55. In order to reach my goals, I think of solutions that benefit everyone involved in a problem. — 56. There have been occasions when I took advantage of someone. — 57. I wait for direction from others before taking action. —— 58. I take advantage of opportunities that arise. —— 59.

I try several ways to overcome things that get in the way of reaching my goals. — 60. I go to several different sources to get information to help with tasks or projects. - 61. I want the company I own to be the best of its type.

- 62. I do not let my work interfere with my family or personal life. ——
- 63. I get the most I can out of the money I have to accomplish a project or task. —— 64. I take a logical and systematic approach to activities. ——
- 65. If one approach to a problem does not work, I think of another approach. ——
- 66. I stick with my decisions even if other disagree strongly with me. -
- 67. I tell people what they have to do, Even if they do not want to do it. ——
- 68. I cannot get people who have strong opinions or ideas to change their minds. ——
- 69. I get to know people who may be able to help me reach my goals. - ——
- 70. When I don't know something, I don't mind admitting it. ——

SCORING SHEET FOR SELF-RATING QUESTIONNAIRE Instructions 1.

Enter the ratings from the completed questionnaire on the lines above the items numbers in parentheses. Notice that the item numbers in each column are consecutive: item number 2 is below item number 1, and so forth. . Do the addition and subtraction indicated in each row to compute each competency score. 3. Add all competency scores to compute the total score.

Rating of Statements Score Competency $\underline{\quad} + \underline{\quad} + \underline{\quad} + \underline{\quad} - \underline{\quad} + 6 =$
 $\underline{\quad}$ Initiative (1) (15) (29) (43) (57) $\underline{\quad} - \underline{\quad} + \underline{\quad} + \underline{\quad} + \underline{\quad} + 6 =$
 $\underline{\quad}$ Sees and Acts on opportunities (2) (16) (30) (44) (58) $\underline{\quad} + \underline{\quad} + \underline{\quad} - \underline{\quad}$
 $+ \underline{\quad} + 6 =$
 $\underline{\quad}$ Persistence (3) (17) (31) (45) (59) $\underline{\quad} + \underline{\quad} - \underline{\quad} + \underline{\quad} +$
 $\underline{\quad} + 6 =$
 $\underline{\quad}$ Information seeking (4) (18) (32) (46) (60) $\underline{\quad} + \underline{\quad} + \underline{\quad} -$
 $\underline{\quad} + \underline{\quad} + 6 =$
 $\underline{\quad}$ Concern for high Quality of work (5) (19) (33) (47) (61)
 $\underline{\quad} + \underline{\quad} + \underline{\quad} + \underline{\quad} - \underline{\quad} + 6 =$
 $\underline{\quad}$ Commitment to Work Contract (6)
(20) (34) (48) (62) $\underline{\quad} - \underline{\quad} + \underline{\quad} + \underline{\quad} + \underline{\quad} + 6 =$
 $\underline{\quad}$ Efficiency
Orientation (7) (21) (35) (49) (63) $\underline{\quad} + \underline{\quad} + \underline{\quad} - \underline{\quad} + \underline{\quad} + 6 =$
 $\underline{\quad}$ Systematic Planning (8) (22) (36) (50) (64) $\underline{\quad} + \underline{\quad} - \underline{\quad} + \underline{\quad} + \underline{\quad} + 6 =$
 $\underline{\quad}$ Problem Solving (9) (23) (37) (51) (65) $\underline{\quad} - \underline{\quad} + \underline{\quad} + \underline{\quad} + \underline{\quad} + 6$

= ____ Self-confidence (10) (24) (38) (52) (66) __+ ____ - ____ + ____+ ____ +
 6 = ____ Assertiveness (11) (25) (39) (53) (67) __+ ____+ ____ + ____ - ____
 + 6 = ____ Persuasion (12) (26) (40) (54) (68) __- ____ + ____ + ____ + ____ +
 6 = ____ Use of influence Strategies (13) (27) (41) (55) (69) TOTAL SCORE
 ____ - ____ - ____ - ____ - ____ + 18 = ____ Correction Factor (14) (28) (41) (55)

(70) CORRECTED SCORING SHEET Instructions 1. The correction factor (the total of items 14, 28, 42, 56 and 70) is used to determine whether or not a person tries to present a very favorable image of himself.

If the total score on this factor is 20 or greater, then the total scores on the 13 competencies must be corrected to provide a more accurate assessment of the strength of the competencies for that individual. Subtract the following correction number If the correction Factor score is : from the total score for each competency: 24 or 25 77 22 or 23 55 20 or 21 33 19 or less 00 2. Use the following numbers when figuring the corrected score: 3. Use the page below to correct each competency before using the Profile Sheet.

COMPETENCY PROFILE SHEET FOR SELF-RATING QUESTIONNAIRE Instructions

. Transfer the corrected competency score to the profile sheet by marking " X" at the appropriate point on the dotted horizontal line for each competency. 2. Draw a heavy line over the dotted horizontal line for each competency, from the left vertical line to the point you have marked with an " X". The heavy lines you have drawn graphically represent the strength of each competency. 3. The following is an example of how to create the profile sheet. If the score for Initiative is 19, it will appear as follows: Initiative

_____ X _____ 0 5 10 15 20 25

CORRECTED SCORE SHEET Competency Original Correction Corrected Score

- number* = Total Initiative _____ - _____ = _____ Sees and acts
 on Opportunities _____ - _____ = _____ Persistence _____ -
 _____ = _____ Information seeking _____ - _____ =
 _____ Concern for High Quality of Work _____ - _____ =
 _____ Commitment to work Contract _____ - _____ = _____
 Efficiency Orientation _____ - _____ = _____ Systematic Planning
 _____ - _____ = _____ Problem solving _____ - _____ =

Self-Confidence _____ - _____ = _____ Assertiveness _____ -
 _____ = _____ Persuasion _____ - _____ = _____ Use of
 influence Strategies _____ - _____ = _____ Corrected Total Score

_____. Comment on competencies considered necessary for successful
 entrepreneurial behavior. 2. Enumerate the basis of evaluating
 entrepreneurial performance. 3. Can one be content with seeing their dream
 being converted into reality? Comment. 4. Is there any difference in the
 motivation of male and female entrepreneurs?