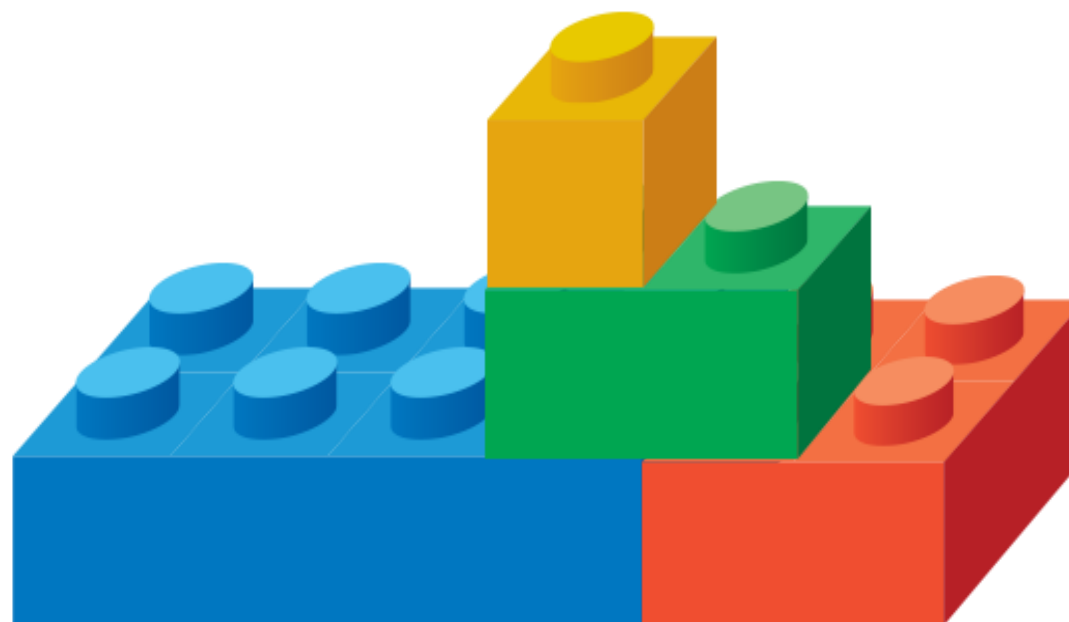


# CRAYON's TRAINING COURSE

Creativity in Action to promote YOung eNtrepreneurShip

Project number 2015-1-ES01-KA203-016056

## MODULE 2 Entrepreneur skills



This project has been funded with support from the European Commission. This publication [communication] reflects the views only of the author, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

# JUSTIFICATION

There are false myths and many misunderstandings about what is to be an entrepreneur person. An entrepreneur does not necessarily finalises his or her project with a business or firm, an entrepreneurs may also be someone implementing a project within an organisation or being able to define his/her own professional path and make it real.

Having said this, there are several skills and competences that entrepreneurs share and that must be known.



# OBJECTIVES

- To provide students with a general introduction to the meaning of being an entrepreneur,
- To identify the necessary skills that are linked to an entrepreneur's profile.
- To reflect about how to develop the necessary skills and attitudes



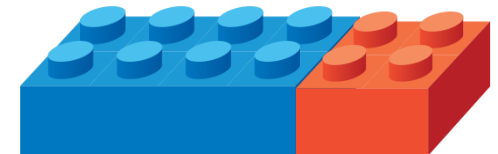
# INDEX OF CONTENTS

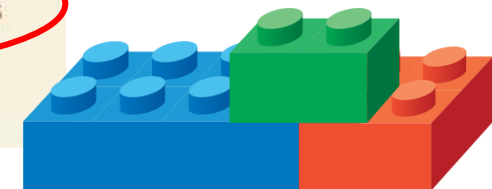
1. An insight into an **ENTREPRENEUR's** profile
2. Entrepreneurial **CHARACTERISTICS**
3. Entrepreneurial **SKILLS**
4. **QUALITIES** an entrepreneur needs to possess
5. Entrepreneur's **DNA**



# Who is an **ENTREPRENEUR**?

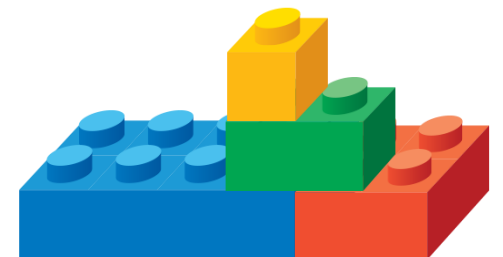
- Hard to define!
- Definitions
  - People who own, operate, and take the risk of a business venture are called **entrepreneurs**.
- Somebody who has **IDEAS** and makes these ideas happen or come to life.
- Must have some **BUSINESS SKILLS** (ideation, creativity & innovation)
- Somebody who **ASSUMES RISKS**
- Desires to **MAKE PROFIT**





# What do Entrepreneurs Do?

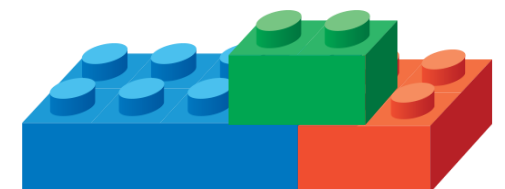
- Entrepreneurs bring together various resources in order to pursue a **venture** that addresses some need, want, or problem in an innovative way;
- Entrepreneurs have the ability to see what others have not seen and the courage and skill to act on the **opportunities** perceived;
- Entrepreneurs carefully weigh “opportunities” against “**risk**” before acting.





# Why do people **become** entrepreneurs?

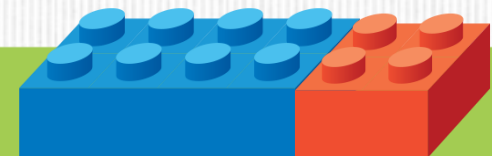
- **People go into business for themselves for many reasons.**
  - Some want to leave the fast-paced corporate environment.
  - Others want to be at home but still earn an income.
  - Others want to pursue a personal dream.
- **The reason why you wish to become an entrepreneur may be completely different from these.**



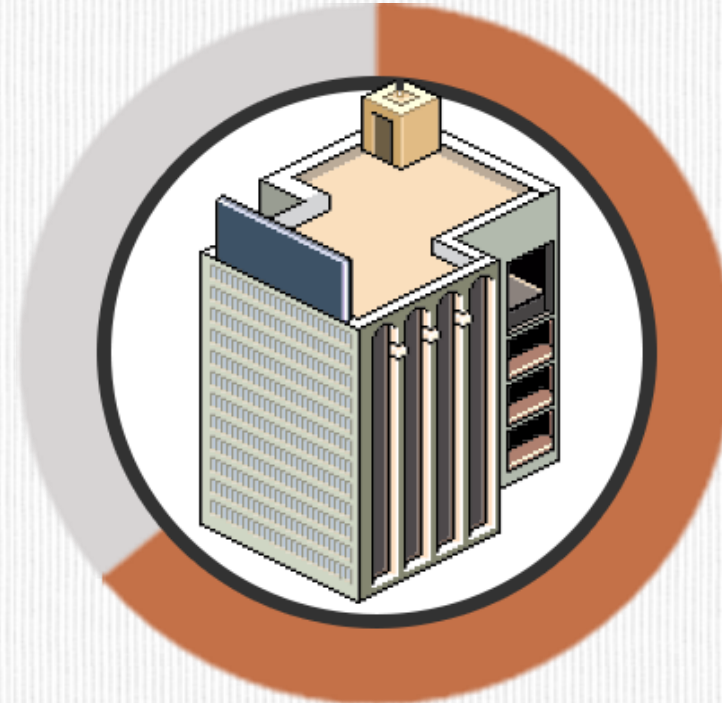


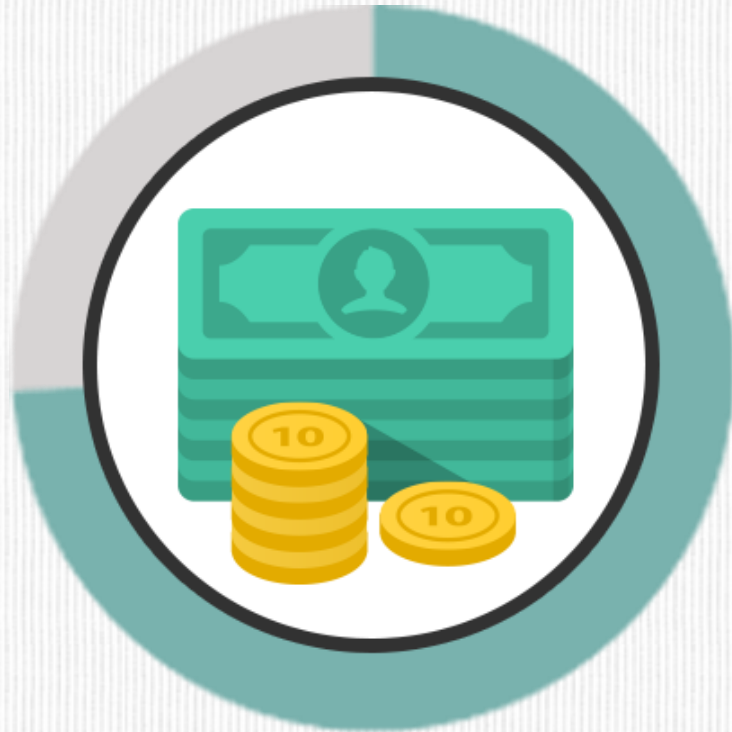


**60%** of today's entrepreneurs said that working for others was not appealing for them.



**64.2%** said that they always dreamt of opening up a company.





74% were motivated to accumulate wealth.





**66.2%** wanted to build up a startup from scratch.



# Think Critically

- What are your reasons for wanting to become an entrepreneur?

Do you think they are common to all entrepreneurs, or are some of your reasons unique?

- Independence
- Flexibility
- Enjoying work



# What's the **ROLE** of an Entrepreneur?

## 1. Entrepreneurs are innovators

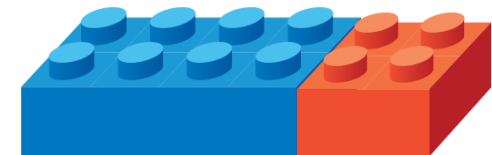
- They observe an opportunity.
- They create new goods and services.
- They improve existing products.



# What's the **ROLE** of an Entrepreneur?

## 2. Entrepreneurs provide choice

- They add goods and services to the marketplace.
- They offer variety.
- They design different approaches to familiar problems.





# What's the **ROLE** of an Entrepreneur?

## 3. Entrepreneurs provide jobs

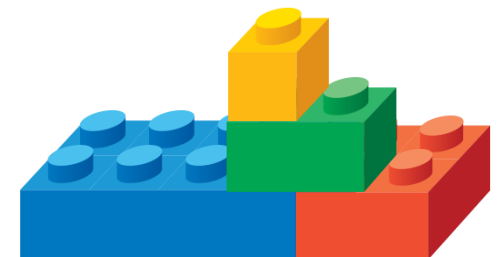
- They hire workers for their businesses.
- They consume resources, thus providing jobs in the industries that supply those resources.



# What's the **ROLE** of an Entrepreneur?

## 4. Entrepreneurs help the economy grow. They help society. They:

- Create **new products/services** to provide convenience.
- Create **competition** that lowers price.
- Find **new ways** of making products available.
- Create **jobs**, Create **new opportunities**.
- Increase **in # of** products produced in the economy (economic growth)
- Help communities to **progress and grow**.
- Provide a **spirit of adventure** (Cirque du Soleil)
- Help the country to compete internationally and to be recognized (**globalization**).



# BENEFITS of Being an Entrepreneur



## Freedom

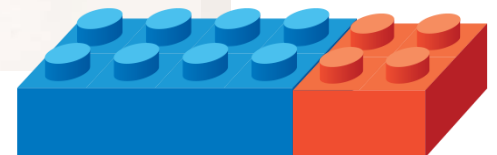
Freedom to work whenever you want, wherever you want, and however you want. Most entrepreneurs don't consider their work actual work because they are doing something they love.



# BENEFITS of Being an Entrepreneur

## Flexible Schedule

You can schedule their work hours around other commitments, including spending quality time with their families.





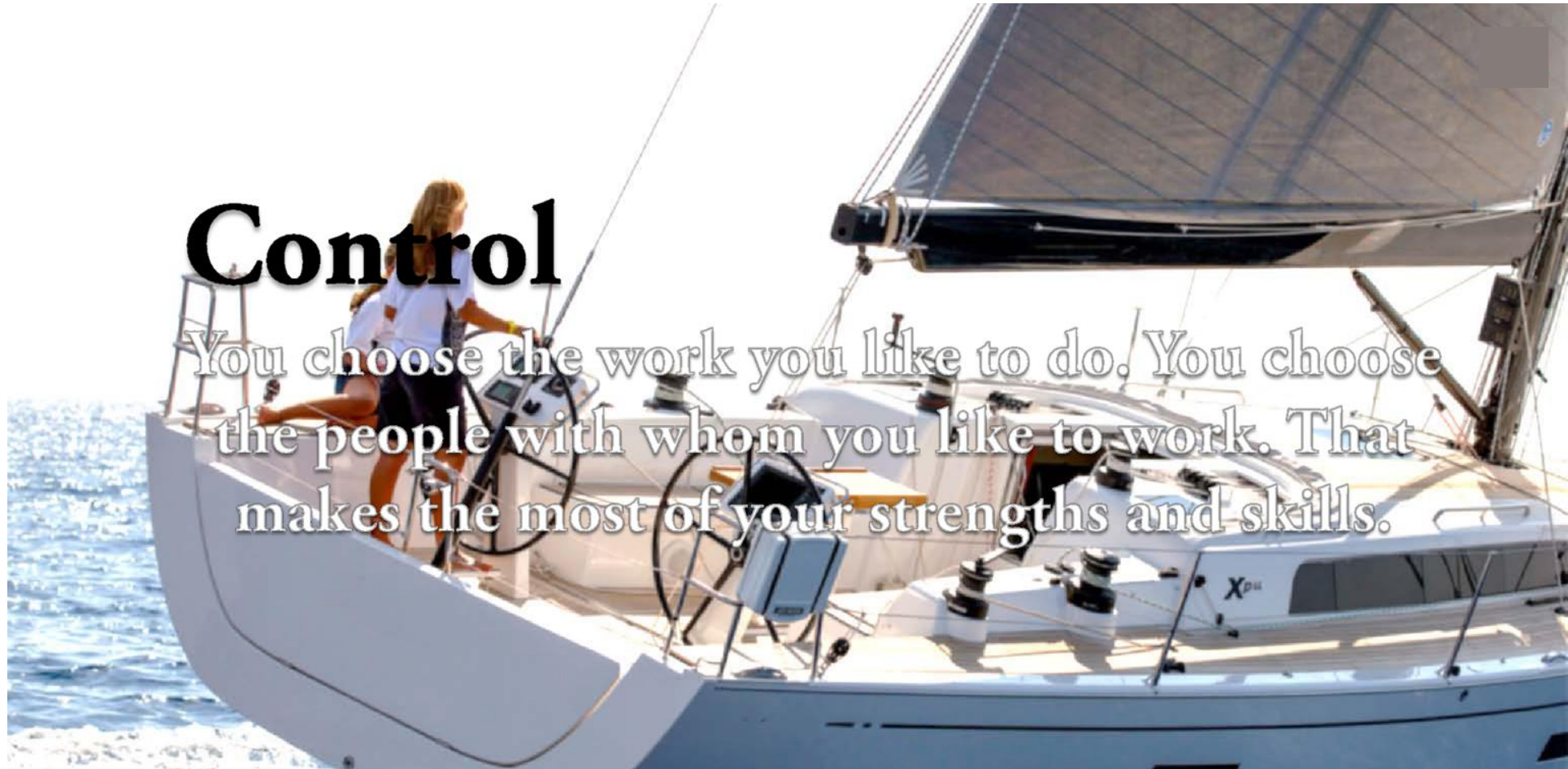
# BENEFITS of Being an Entrepreneur

## Excitement

Each day is filled with new opportunities to challenge your abilities, skills and determination, which excite entrepreneurs. Many entrepreneurs consider their work highly enjoyable.



# BENEFITS of Being an Entrepreneur



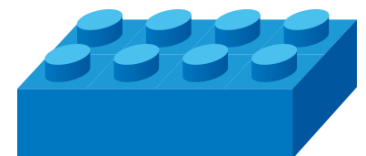
## Control

You choose the work you like to do. You choose the people with whom you like to work. That makes the most of your strengths and skills.





# BENEFITS of Being an Entrepreneur





# BENEFITS of Being an Entrepreneur



# BENEFITS of Being an Entrepreneur



## Income Potential

As an entrepreneur, your income is directly related to your efforts and the success of your business.

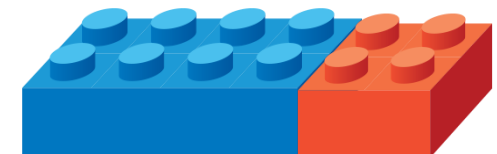




# BENEFITS of Being an Entrepreneur

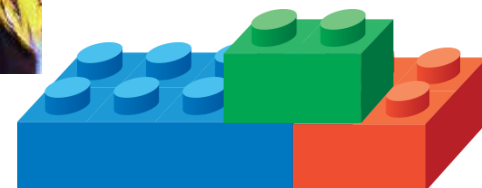


## BENEFITS OF BEING AN ENTREPRENEUR



# DRAWBACKS of being an Entrepreneur

- Chance of business failure

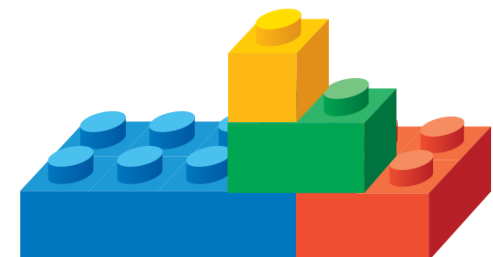
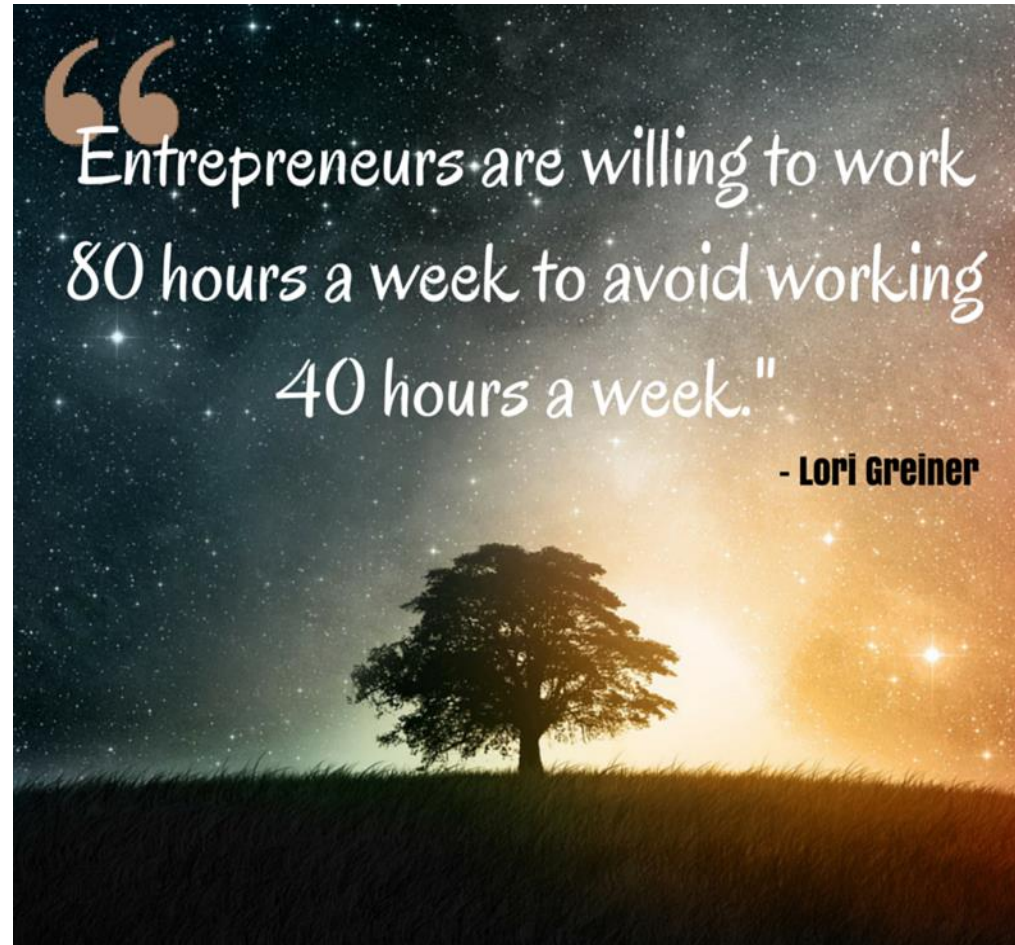




# DRAWBACKS of being an Entrepreneur

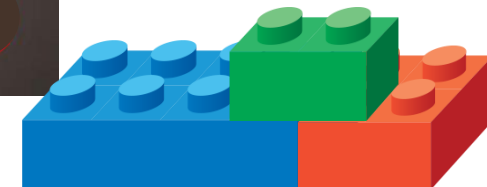


- Time-consuming (can work more hours)



# DRAWBACKS of being an Entrepreneur

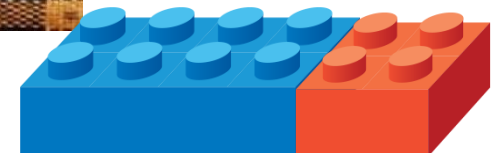
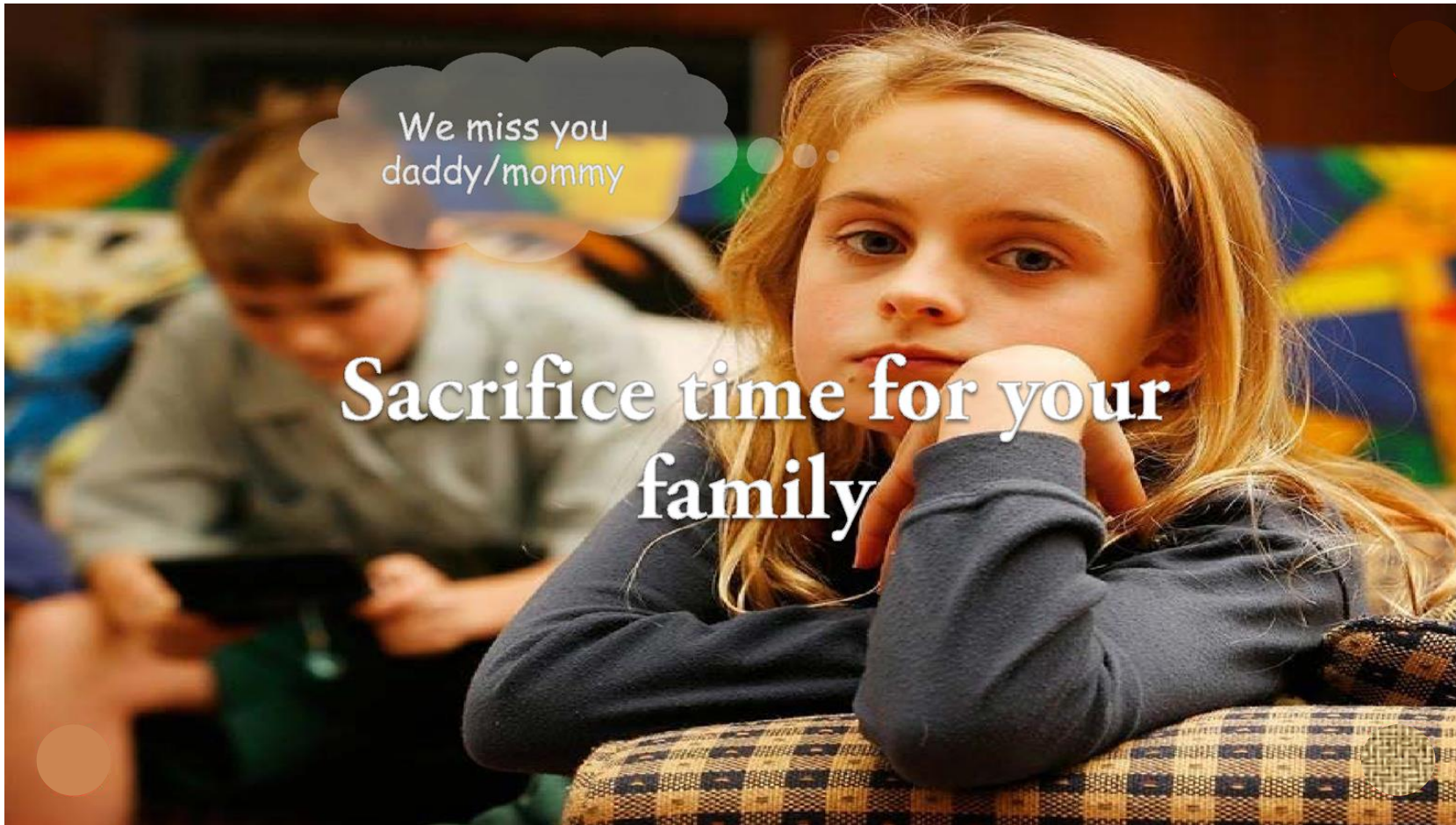
- Income may not be as secure or regular as it would be working for someone else





# DRAWBACKS of being an Entrepreneur

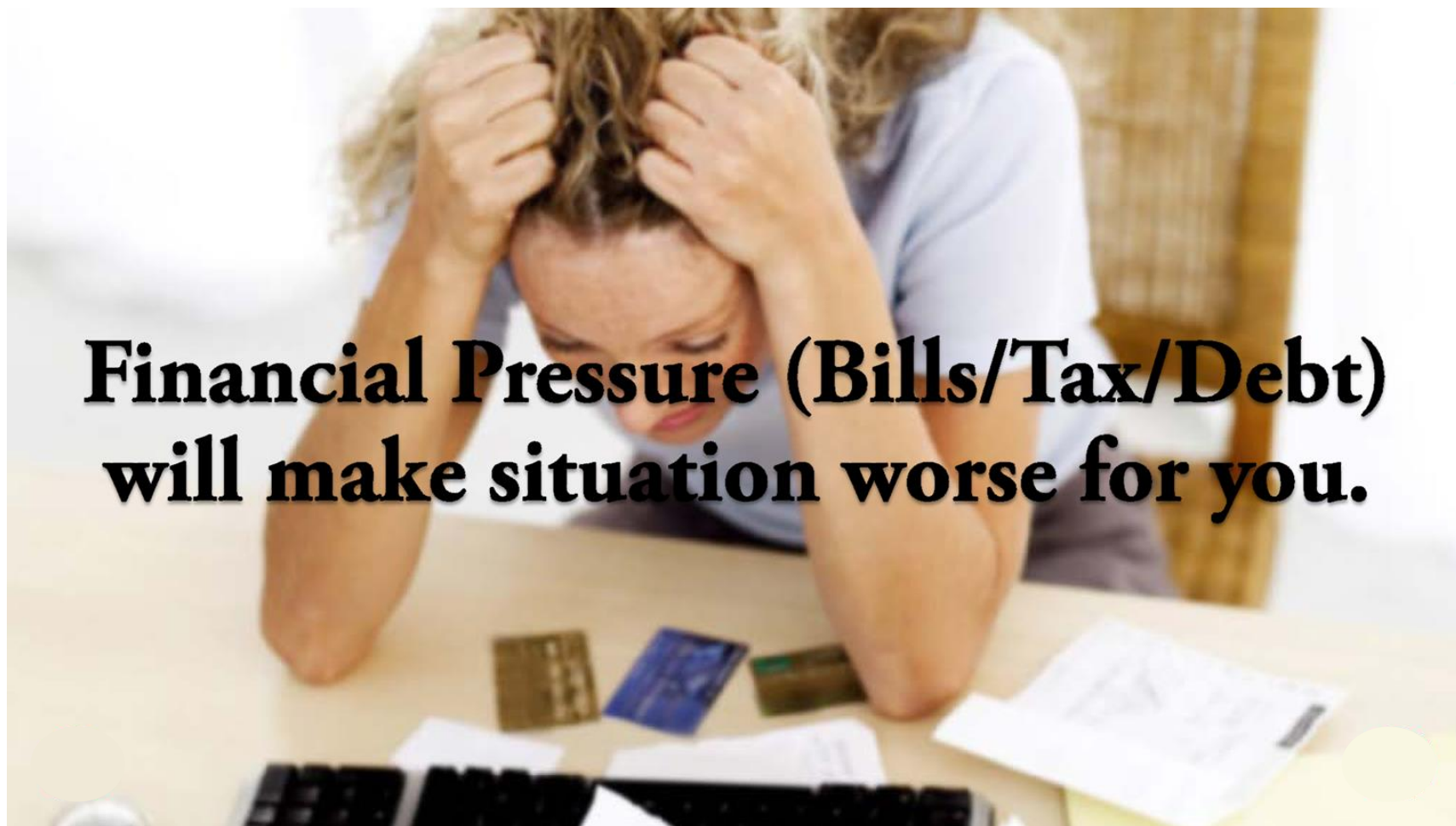
- Sacrifices (may not have us much family time)





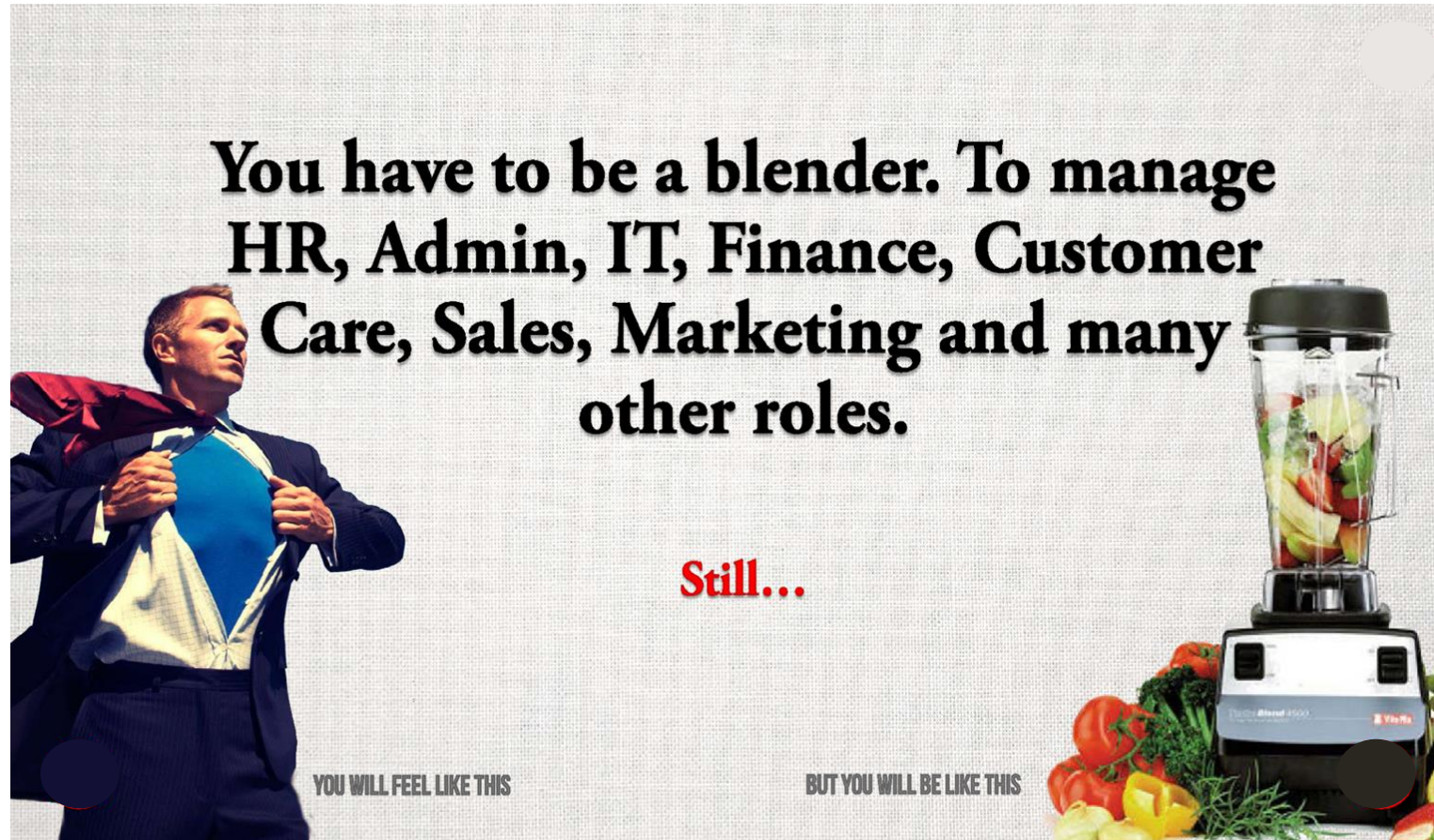
# DRAWBACKS of being an Entrepreneur

- Financial risk



# DRAWBACKS of being an Entrepreneur

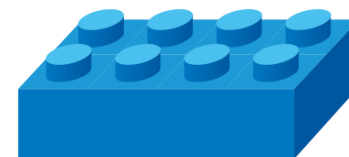
- Responsibility (There are many different responsibilities and roles you will need to assume.)





# DRAWBACKS of being an Entrepreneur

- Pressure to succeed



# Are you going to be an Entrepreneur?



- Entrepreneurship is not for everyone. Some people lack the qualities needed to become successful entrepreneurs. Others lack the aptitude needed to run a business.
- For others, the benefits of entrepreneurship do not outweigh the disadvantages.

## Or are you a Wantrapreneur?

Someone who wants to be an entrepreneur or enjoys the status of calling themselves an entrepreneur, but lacks the direction, determination, or work ethic required to actually execute and build an impactful business.



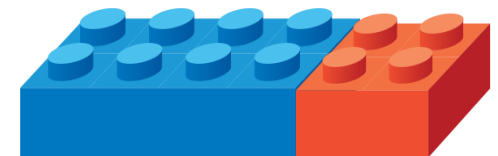
# Think Critically

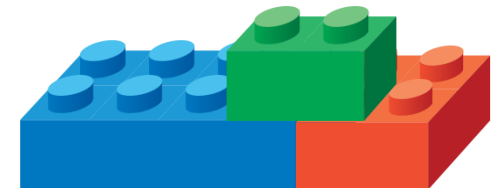
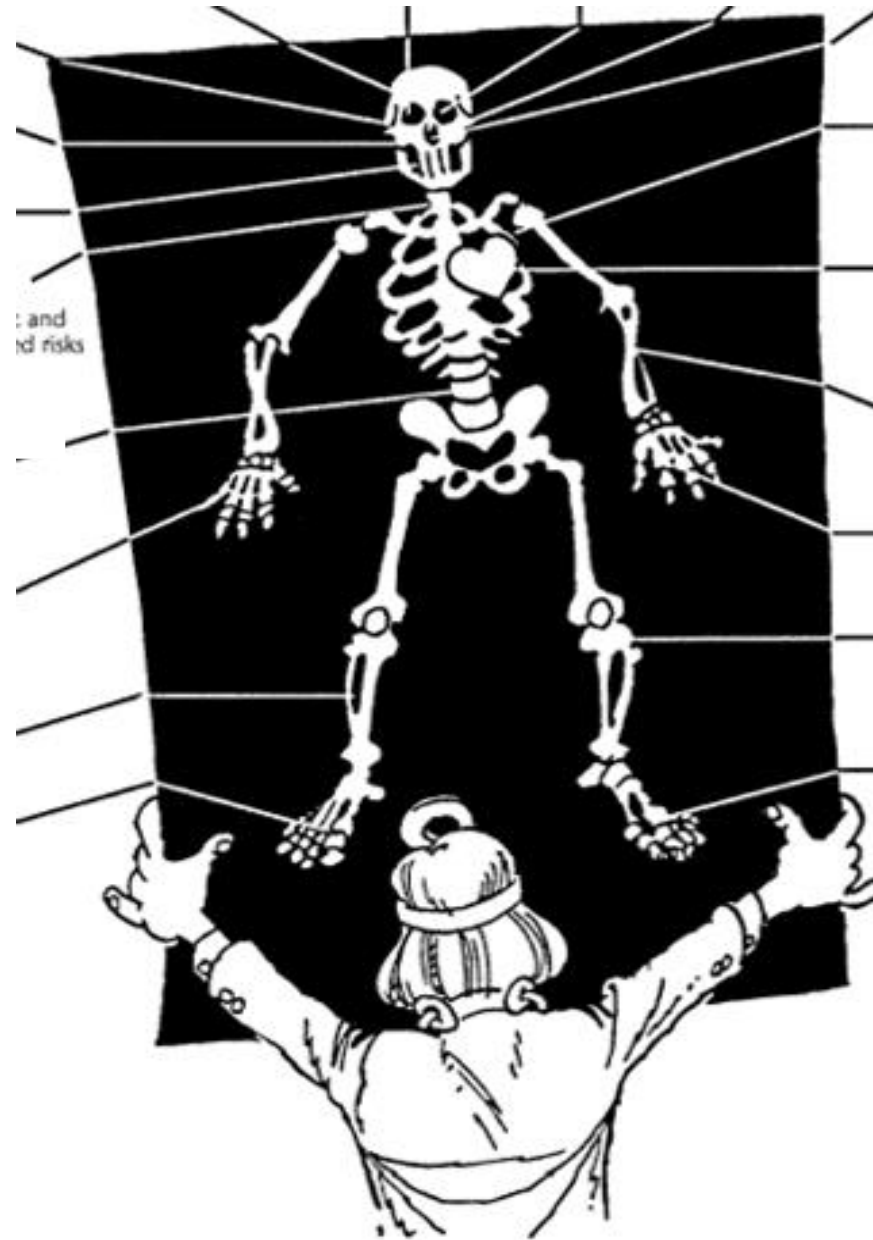
1. Entrepreneurs can fail even if they are committed and have the characteristics needed to be successful. Why do you think this can happen?
1. Why is it important for entrepreneurs to choose a field that they will enjoy?



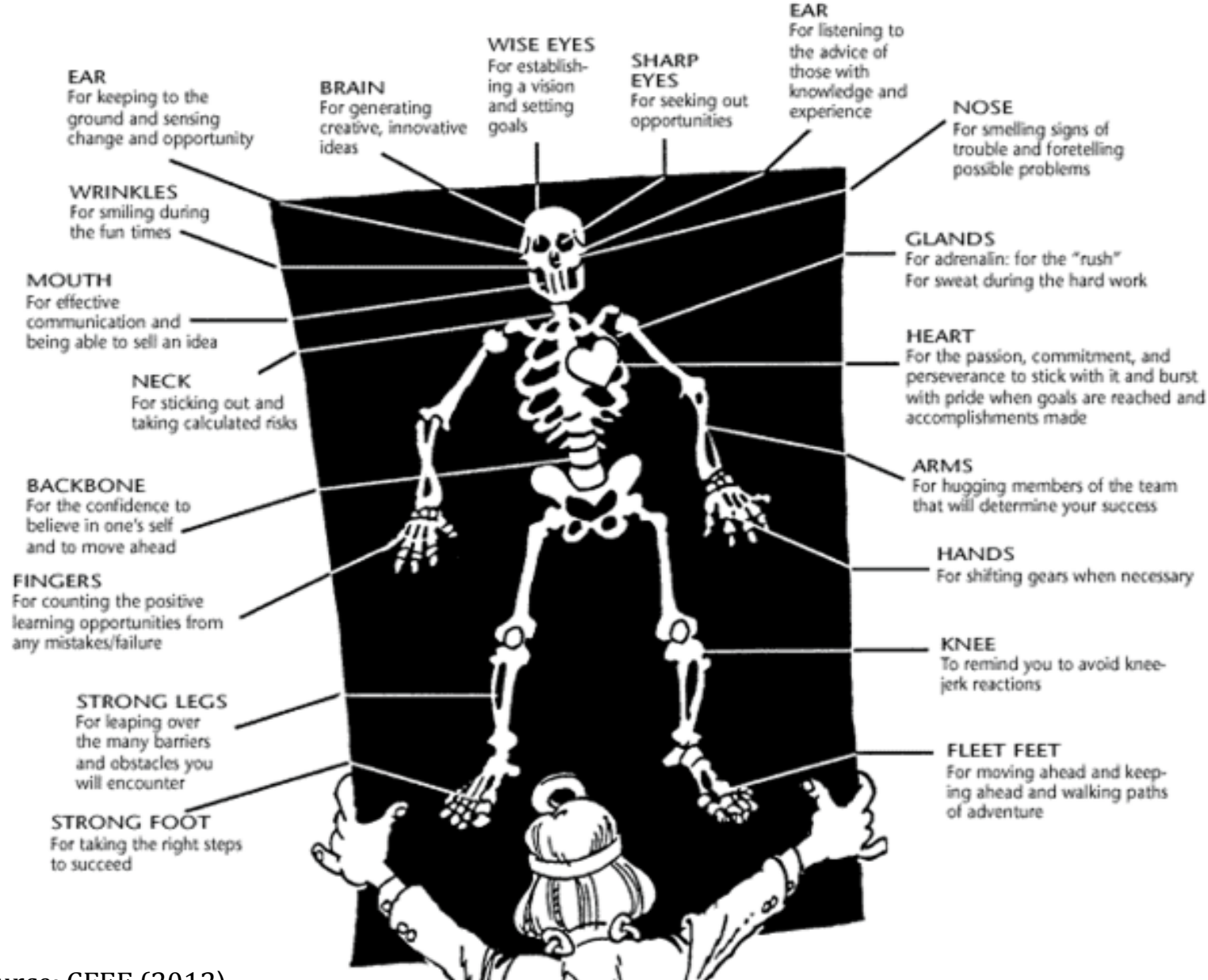
# Activity 1. Draw entrepreneurial person

- See the “Module II\_Activity 1\_Draw entrepreneurial person” for the explanation of this activity.

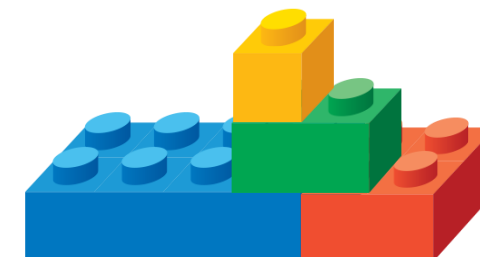








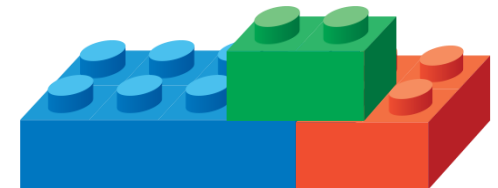
The Entrepreneurial Person. Source: CFEE (2012)



## 2. Entrepreneurial **CHARACTERISTICS**

a special quality or trait that makes a person, thing, or group different from others

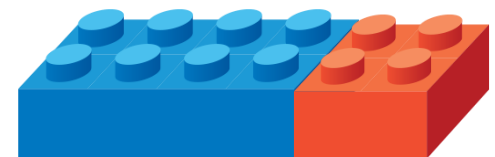
- **ENTREPRENEUR**
  - **VISIONARY**
  - **ABLE TO MANAGE RISK**
  - **RESOURCEFUL**
  - **MOTIVATED**
  - **HARD WORKING**
  - **PERCEPTIVE**
  - **SELF CONFIDENT**
  - **ABLE TO GET ALONG WITH OTHERS**
  - **INDEPENDENT**
  - **FLEXIBLE**
  - **OPTIMISTIC**
  - **GOAL ORIENTED**
  - **CREATIVE**



# Entrepreneurial CHARACTERISTICS

## Successful entrepreneurs:

- Are assertive – want to make own decisions
- Are self-confident – make choices alone
- Have determination and perseverance – persist through hard times until goals are met
- Are goal-oriented – know what they want, and they are able to focus on achieving it.



# Entrepreneurial CHARACTERISTICS

## Successful entrepreneurs:

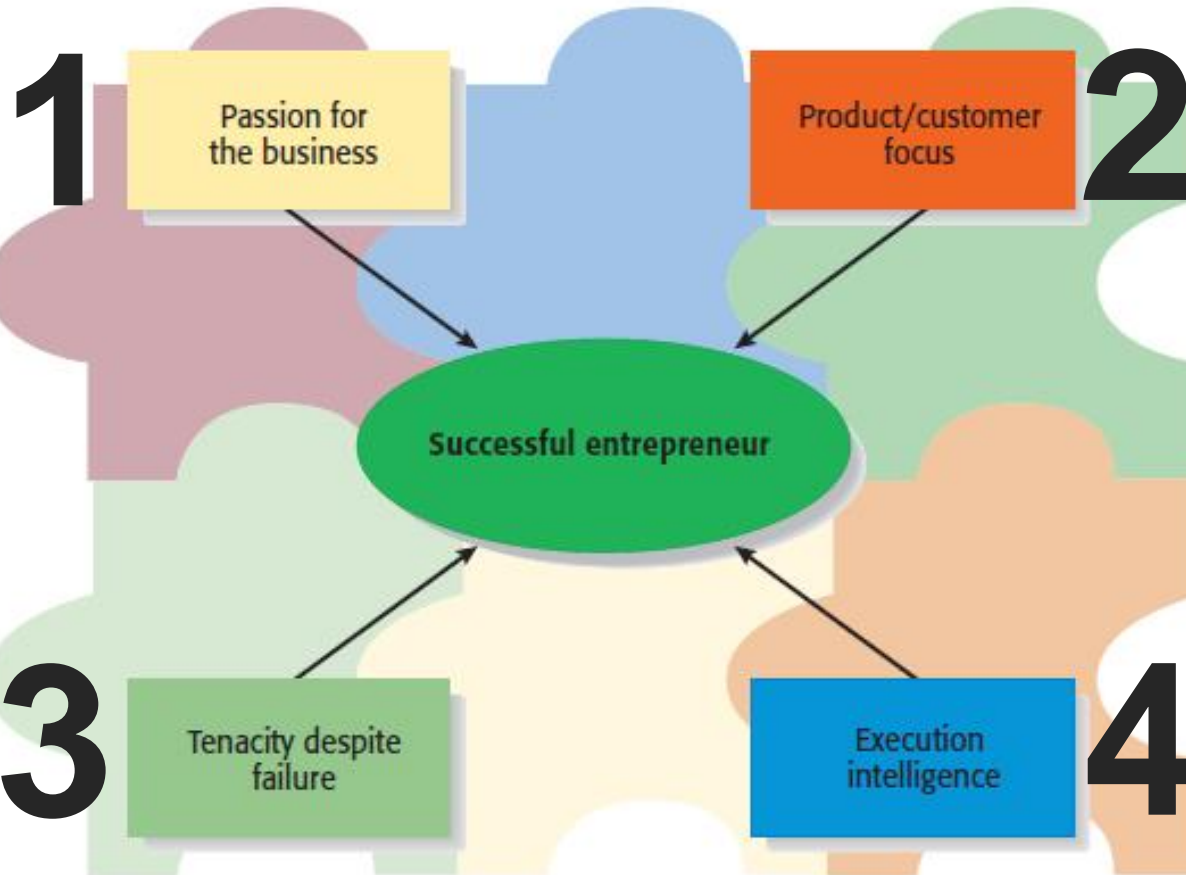
- **Have a need to achieve and to set high standards for themselves** – constantly setting challenging new goals
- **Are creative** – think of new ways to market their businesses and present their projects, and are always looking for new solutions to problems
- **Are able to act quickly** – not afraid to make quick decisions when necessary, which helps them beat their competitors



# Entrepreneurial CHARACTERISTICS

**1** This passion typically stems from the entrepreneur's belief that the business will positively influence people's lives.

**3** They typically try something new, the failure rate is naturally high. A defining characteristic is their ability to persevere through setbacks and failures.



**2** An entrepreneur's keen focus on products and customers typically stems from the fact that most entrepreneurs are, at heart, craftspeople.

**4** The ability to fashion a solid business idea into a viable business is a key characteristic of successful entrepreneurs



# 3. Entrepreneurial SKILLS



“That’s great, but what about computer skills?”





# Entrepreneurial **SKILLS**

- Having a skill means you have the ability to do something specific.
  - Carpenter → woodworking skills
  - Chef → cooking skills
- It is easier to learn a **skill** than it is to develop a **characteristic**
- To be successful, entrepreneurs need a variety of skills



# Entrepreneurial SKILLS

## INTERPERSONAL

Interpersonal skills include: Listen to others and what others are saying, Motivate others, Engage others, Negotiate and resolve conflicts, Communicate with suppliers, and Maintain positive customer relationships.

## CRITICAL-THINKING

## CREATIVE-THINKING

Critical-Thinking skills include: Make a decision and Plan out steps to achieve the goal and act out the plan. Creative-Thinking skills include: Generate ideas and Identify opportunities.

## PRACTICAL

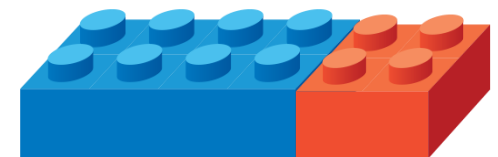
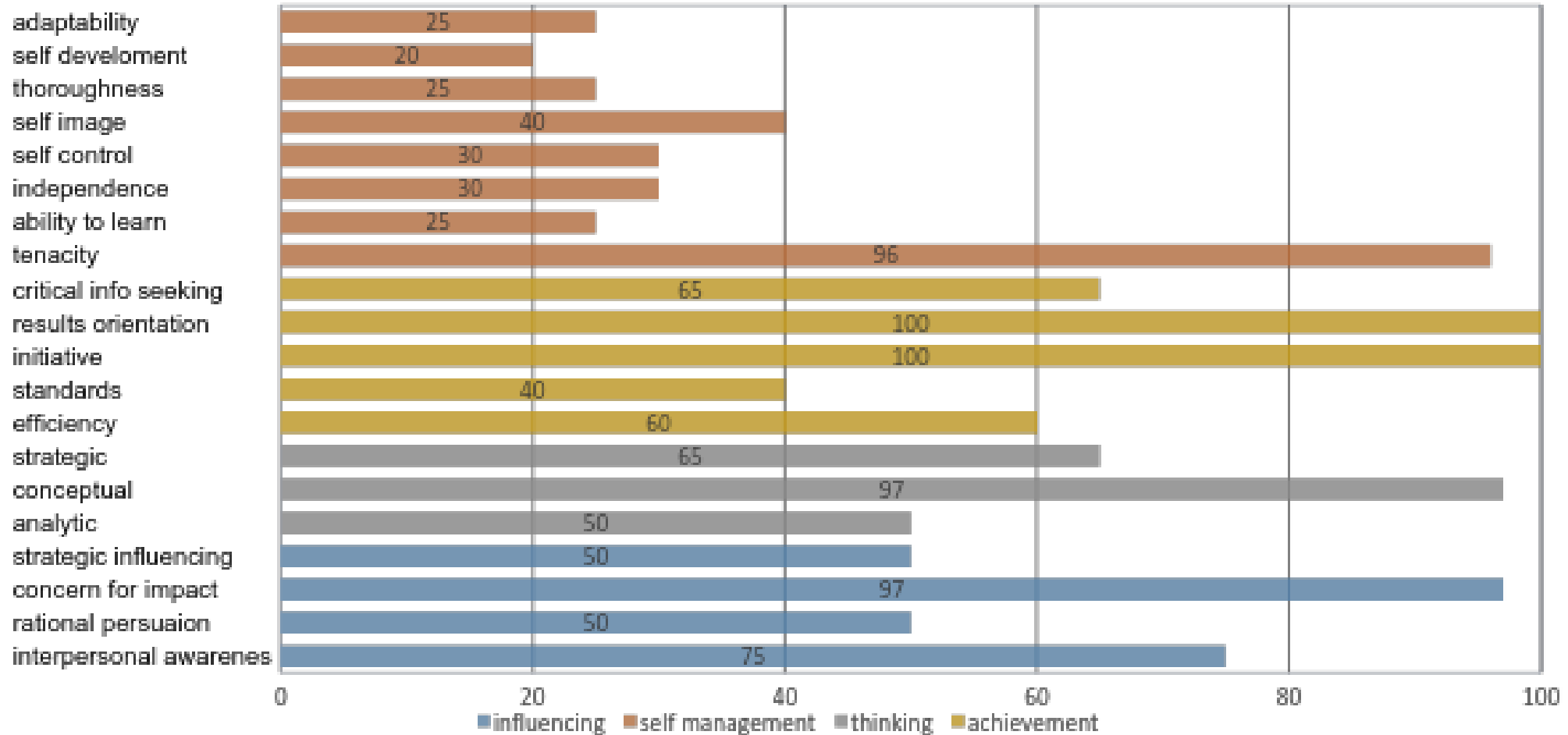
This is the ability to use special tools designed for a specific job.

Are essential for an entrepreneur to be successful.

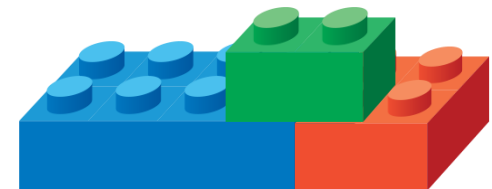


# Entrepreneurial SKILLS

Another research divided entrepreneurial skills into 4 clusters



# 4. **QUALITIES** an entrepreneur needs to possess

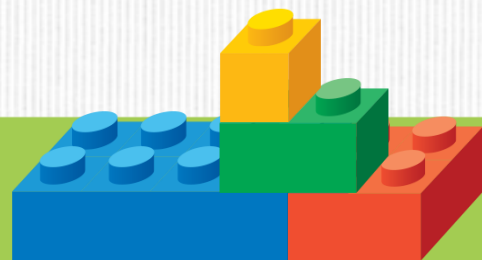




## Perseverance



**Does not get deflated by failure but becomes even more determined to succeed in the future.**





Journalist: "What is the secret of your success?"

CEO: "Two words."

Journalist: "And, what are they?"

CEO: "Right decisions."

Journalist: "But how do you make right decisions?"

CEO: "One word."

Journalist: "And, what is that?"

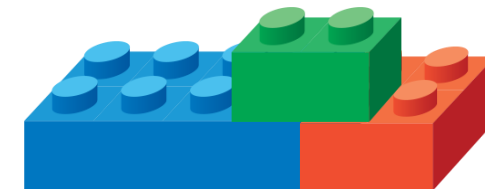
CEO: "Experience."

Journalist: "And how do you get experience?"

CEO: "Two words."

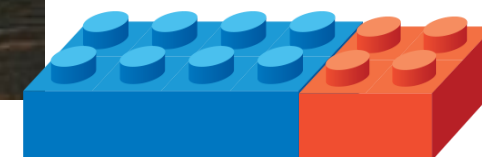
Journalist: "And, what are they?"

CEO: "Wrong decisions."





*The difference is  
that a successful  
entrepreneur will  
not fear these  
failures, but  
**understand**  
them for the  
**lessons**  
that they are.*



## Highly Motivated and Energetic

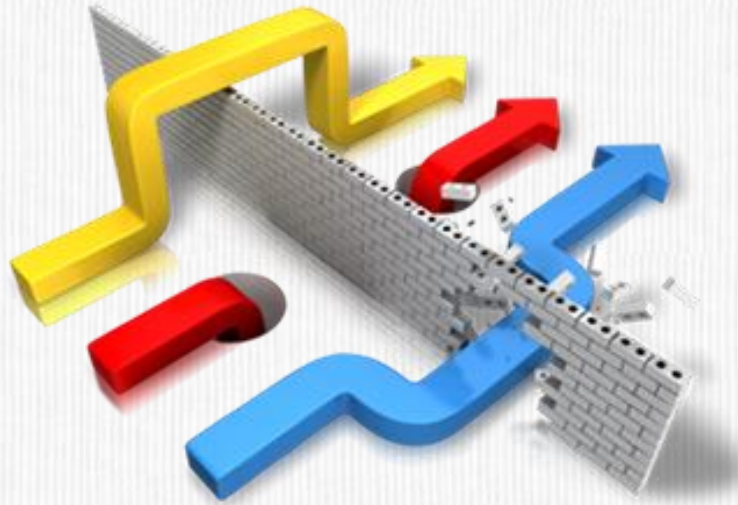


Entrepreneurs are always on the move, full of energy and highly motivated. They are driven to succeed and have an abundance of self motivation. The high standards and ambition of many entrepreneurs demand that they have to be motivated!





## Inner Drive to Succeed



Entrepreneurs are driven to succeed and expand their business. They see the bigger picture and are often very ambitious. Entrepreneurs set massive goals for themselves and stay committed to achieving them regardless of the obstacles that get in the way.



## Initiative

**Anticipates problems in advance and solve them in an efficient way.  
Creates self-imposed standards and enjoys taking responsibility.**



## Self-Confidence



### **Know themselves and others.**

They have a strong and assertive personality. They are focused and determined to achieve their goals and believe completely in their ability to achieve them





## Creative Thinking

**Have the proficiency to turn an existing product into a better one.**

All entrepreneurs have a passionate desire to do things better and to improve their products or service. They are constantly looking for ways to improve. They're creative, innovative and resourceful.

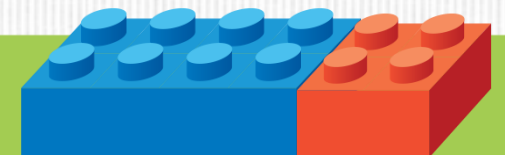


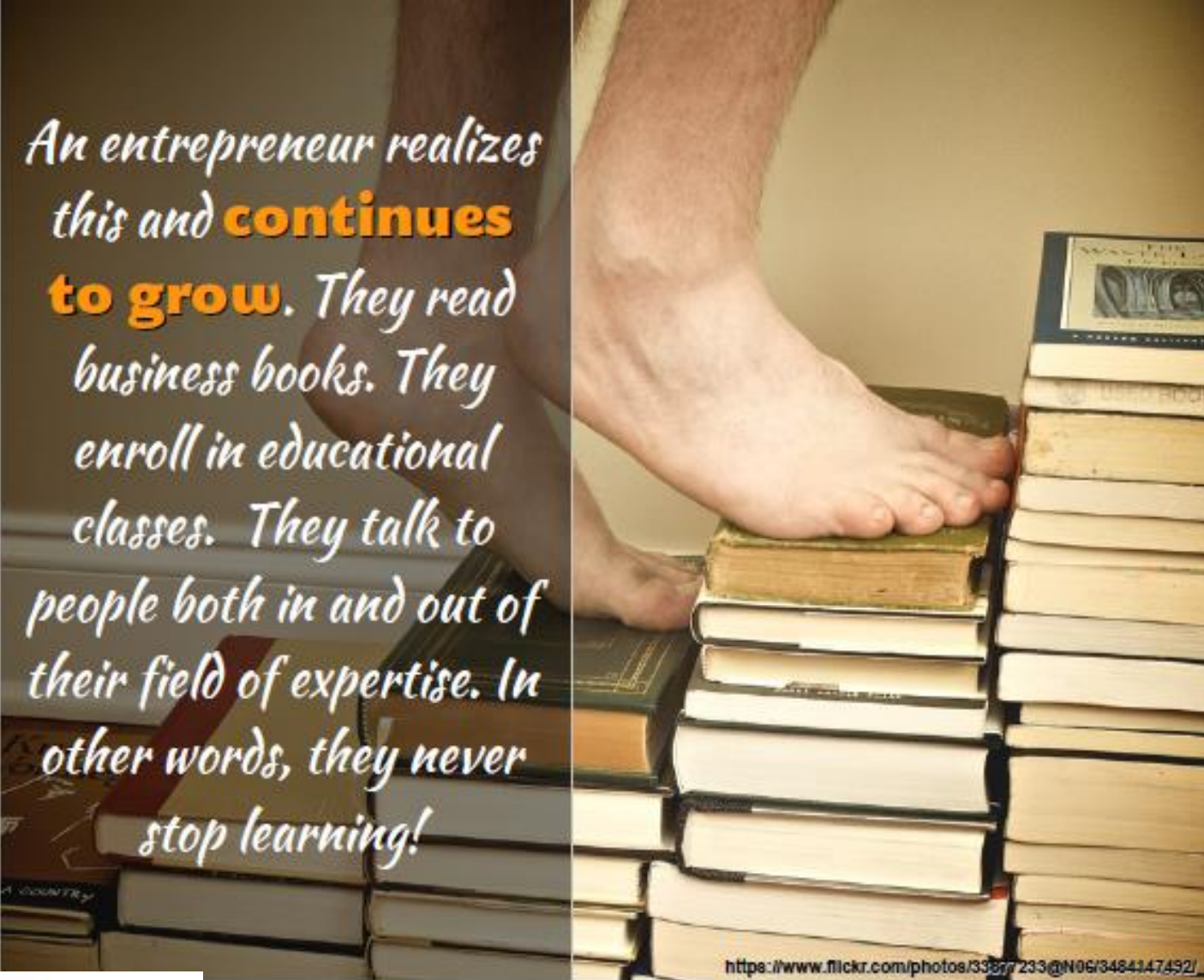


## Knowledge-seeking



**Always looking out to gain more knowledge, from failure as well as success. Keep updated with information that can lead to growth.**



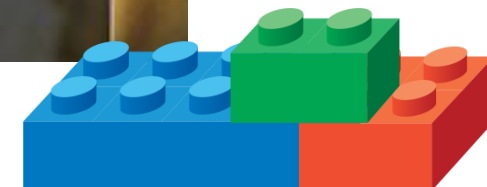


*An entrepreneur realizes this and **continues to grow**. They read business books. They enroll in educational classes. They talk to people both in and out of their field of expertise. In other words, they never stop learning!*

**They never stop learning.**

*Learning is an ongoing process. There is far more knowledge out there than any person can learn in their lifetime.*

<https://www.flickr.com/photos/33877233@N06/3484147492/>





## Delegator

**Doesn't try to do every task single handedly. Uses the knowledge of the team to delegate work to the appropriate member.**



## Relationship-Builder

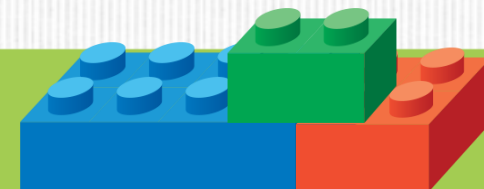


**Possesses the ability to influence, convince and inspire and build relationships that aid growth.**

 Kindness Goes a Long Way

“The best part of being a human is being nice to people...It's not just about what it's going to get you...it's how it makes you feel.”

- Ted Rubin, most followed CMO on Twitter





## Commitment to Others

**Has the integrity to fulfill promises made to customers, suppliers and, most importantly, employees. Can be trusted.**



## Competitiveness and cooperation

### IMAGE

While some dosis of competitiveness have traditionally be of the basis of a successful entrepreneur, current social and technological contexts bet for more cooperative skills.



## Openness to Change

If something is not working for them they simply change. Entrepreneurs know the importance of keeping on top of their sector and the only way to being number one is to evolve and change with the times. They're up to date with the latest innovations and are always ready to change if they see a new opportunity arise.





## Accepting of Constructive Criticism and Rejection



Innovative entrepreneurs are often at the forefront of their activity/business so they hear the words "it can't be done" quite a bit. They readjust their path if the criticism is constructive and useful to their overall plan, otherwise they will simply disregard the comments as pessimism. Also, the best entrepreneurs know that rejection and obstacles are a part of any leading initiative and they deal with them appropriately.





## Risk Taker



**Willing to take risks. Able to calculate risk and make quick decisions when needed.**



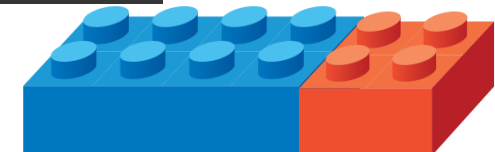
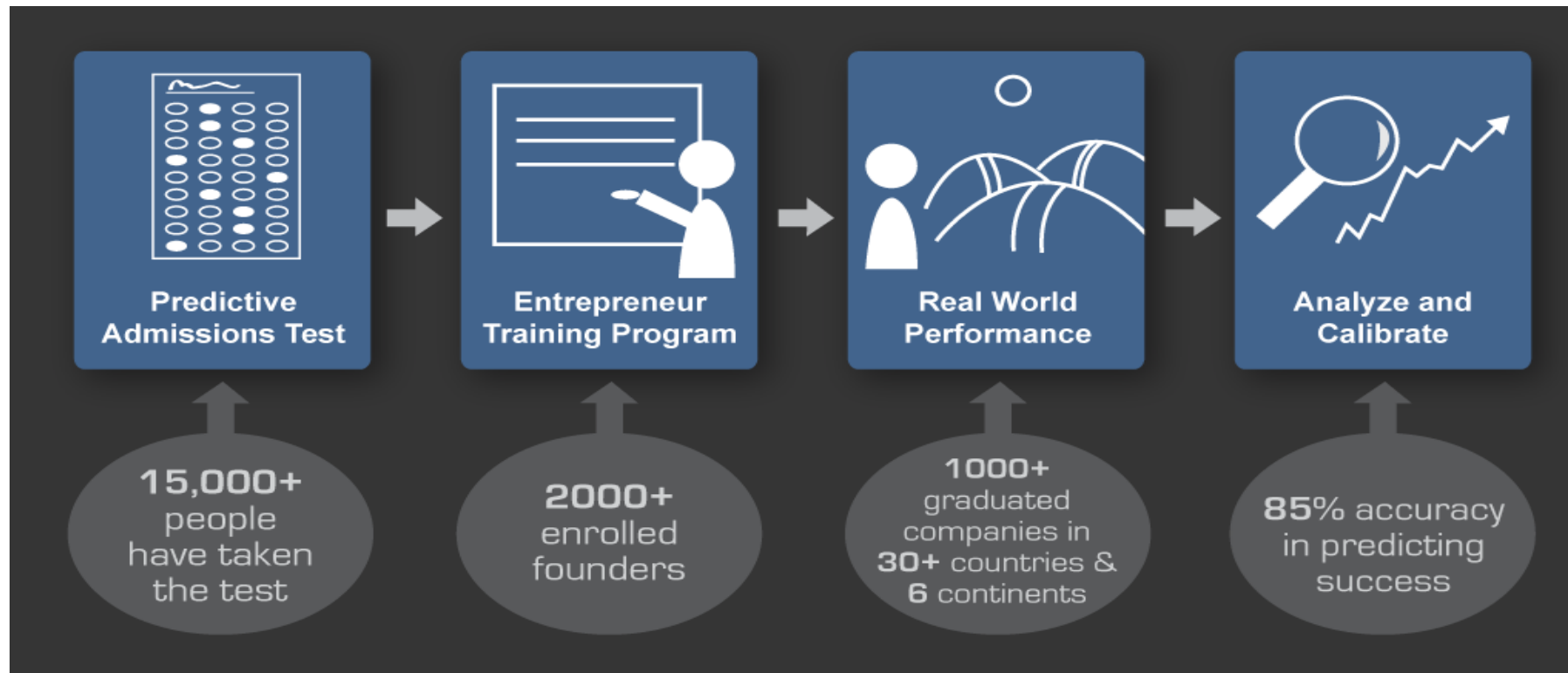
# Activity 2: Risk taking game

- See the “Module II\_Activity 2\_Risk taking game” for the explanation of this activity.



# 5. Entrepreneur's DNA

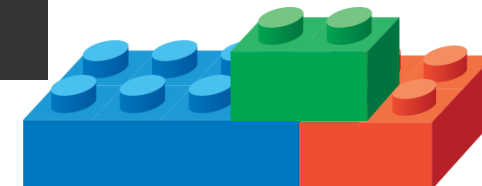
Since 2009, the Founder Institute has collected test results from thousands of entrepreneurs, and tracked their progress and company performance in the real world.



# Entrepreneur's DNA

## PROFESSIONAL EXPERIENCE

We find that many of our successful founders are over 28 years old and have business experience.

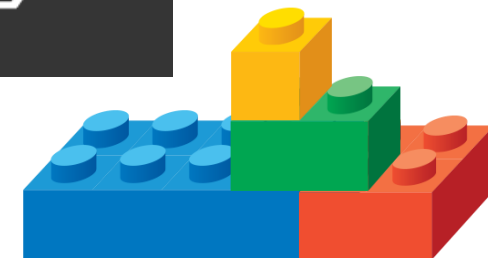
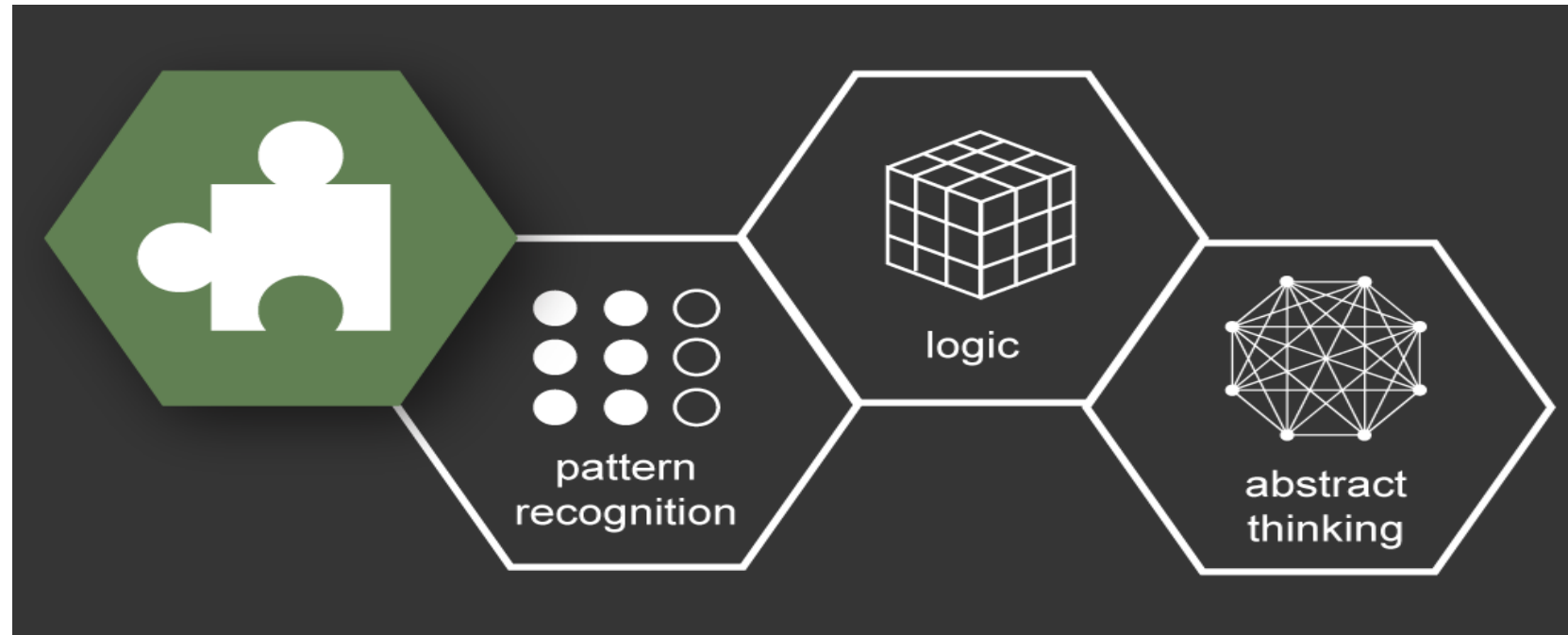




# Entrepreneur's DNA

## HIGH FLUID INTELLIGENCE

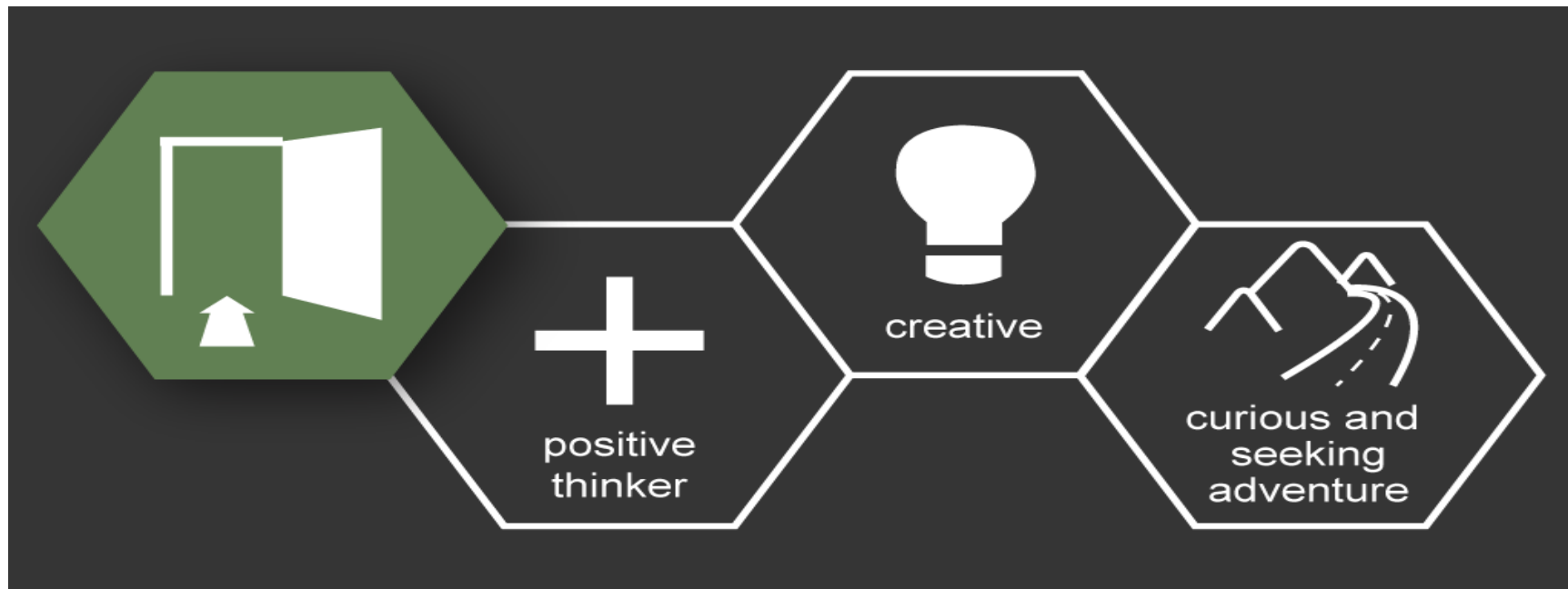
Fluid intelligence, a combination of pattern recognition abilities and abstract thinking skills, strongly correlates with success.



# Entrepreneur's DNA

## HIGH OPENNESS

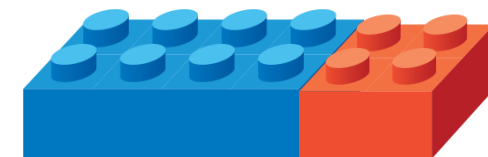
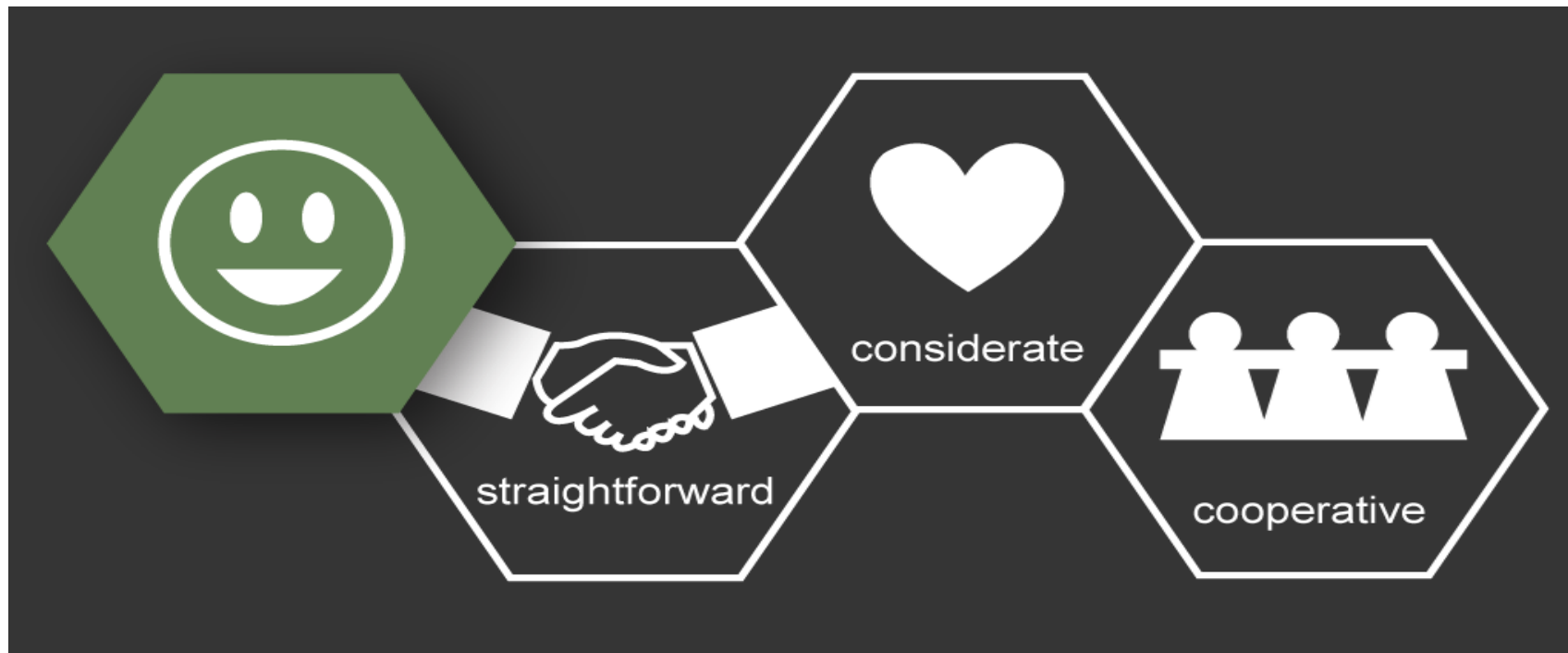
Many successful founders are open to new ideas, with natural curiosity and optimistic perspectives.



# Entrepreneur's DNA

## MODERATE AGREEABLENESS

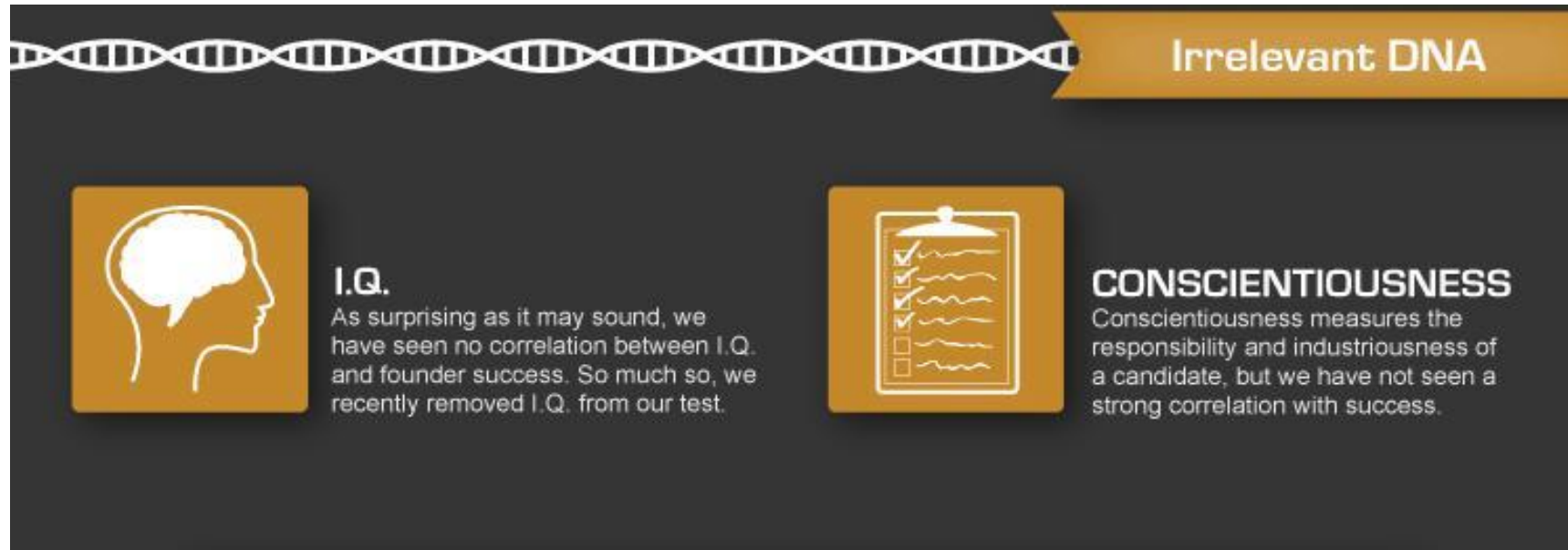
Founders are more likely to succeed if they are agreeable, but not too agreeable.



# Entrepreneur's DNA

## !!! SURPRISING FINDINGS !!!

Contrary to popular belief, IQ and Conscientiousness do not seem to be relevant in predicting entrepreneurial success.



**Irrelevant DNA**

**I.Q.**  
As surprising as it may sound, we have seen no correlation between I.Q. and founder success. So much so, we recently removed I.Q. from our test.

**CONSCIENTIOUSNESS**  
Conscientiousness measures the responsibility and industriousness of a candidate, but we have not seen a strong correlation with success.

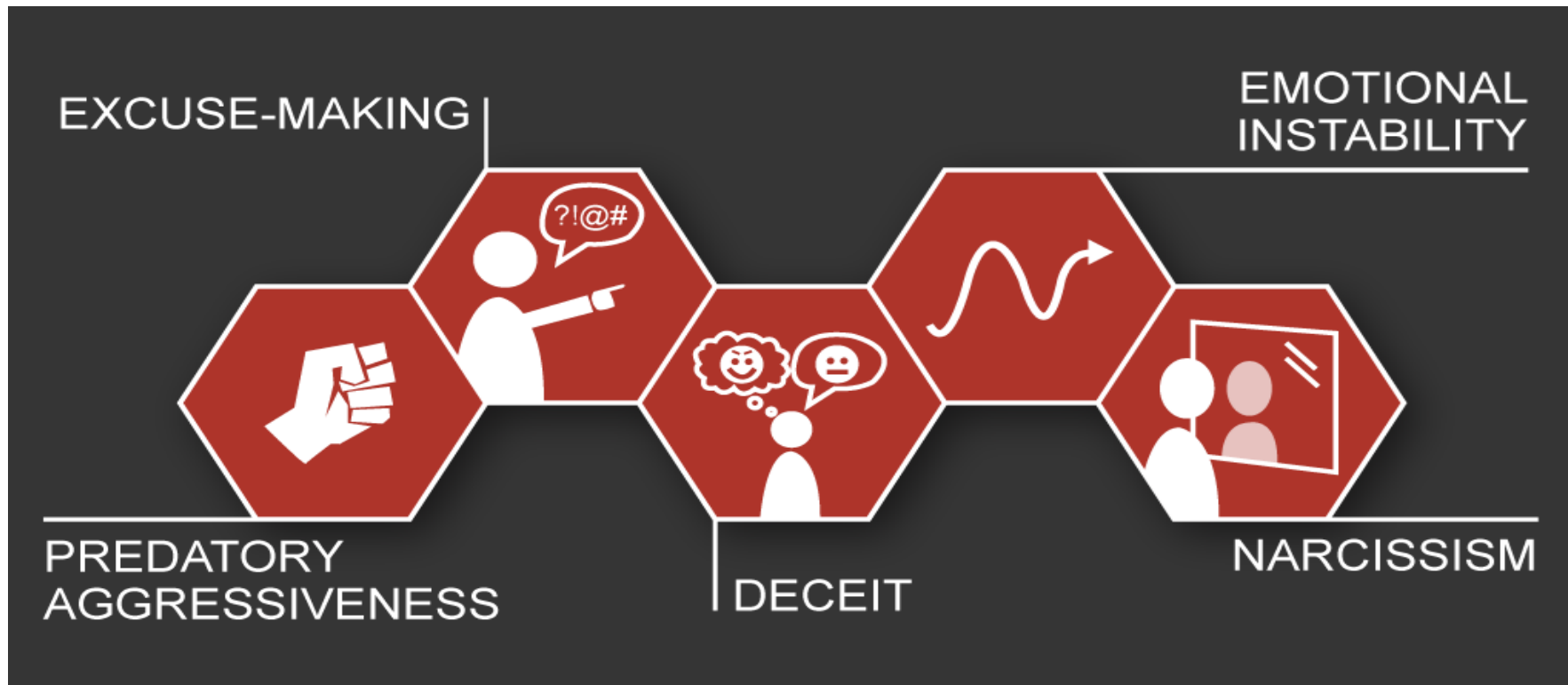




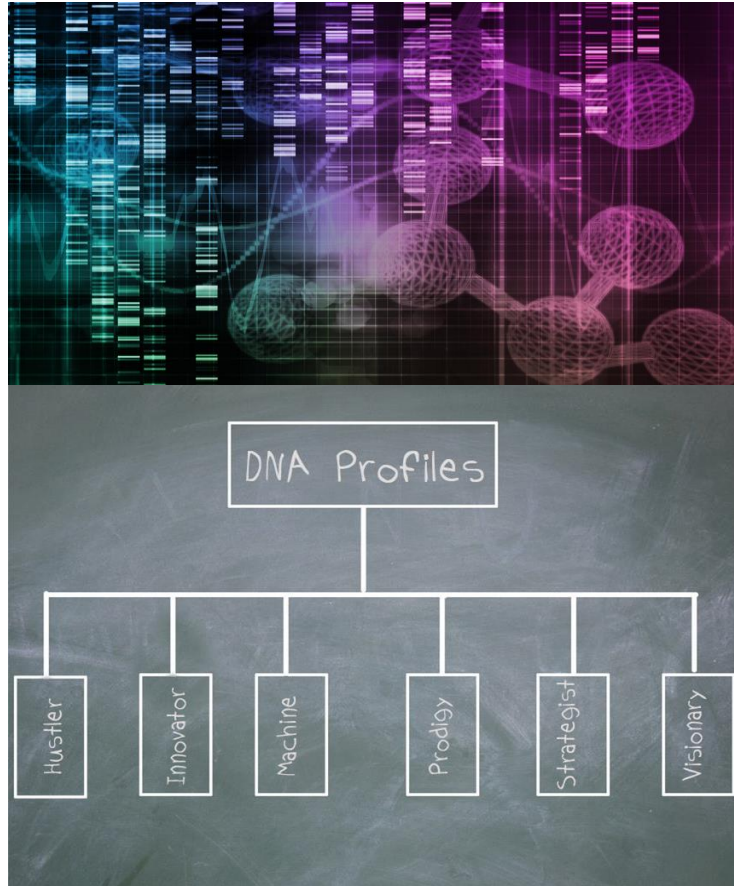
# Entrepreneur's DNA

## BAD FOUNDER DNA

Analysis of our test results revealed that certain personality traits hinder founder success.

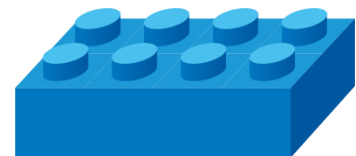


# Entrepreneur's DNA PROFILES



Leading social scientists analyzed the test data, and identify “buckets” of common personality trait combinations exhibited by successful entrepreneurs.

Six very distinct  
“Entrepreneur DNA Profiles”.



# Entrepreneur DNA Profile



## THE HUSTLER

You are a go-getter, determined to succeed. When you set your sights on something, you don't let anything stand in your way. With an outgoing personality and a presence that exudes confidence, you can sell just about anything.



## Entrepreneurial Traits

### High Extraversion

You are an enthusiastic, action-oriented individual who enjoys interacting with others.



average score

hustler score

~25% above average

### High Conscientiousness

You are someone who is always prepared, dutiful, and never lacks self-discipline.



average score

hustler score

~25% above average

### High Agreeableness

Considerate, kind, and generous, you are always interested in the needs of others.



average score

hustler score

~15% above average

25 50 75 100

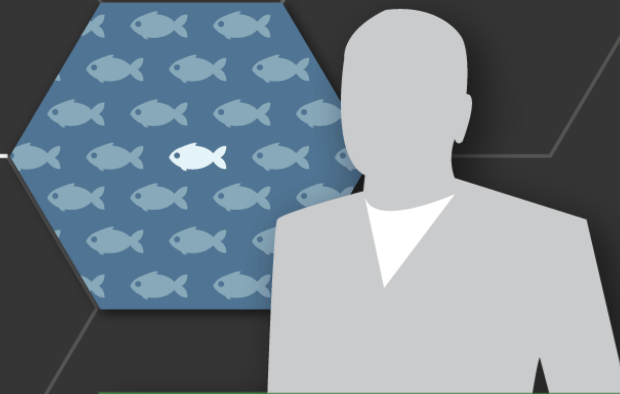


# Entrepreneur DNA Profile



## THE INNOVATOR

As the Innovator, you are always on the lookout for new and unconventional business ideas. Armed with an adventurous attitude and forward-thinking personality, you are all about experimenting with the old and exploring the new.



## Entrepreneurial Traits

### High Openness

You are a creative and inventive individual with a flair for the cutting-edge.



average score

innovator score

~10% above average

### High Agreeableness

Considerate, kind, and generous, you are always interested in the needs of others.



average score

innovator score

~25% above average

### Moderate Emotional Stability

You can handle yourself in most tough situations, rarely letting adversity get to you.



25

50

75

100



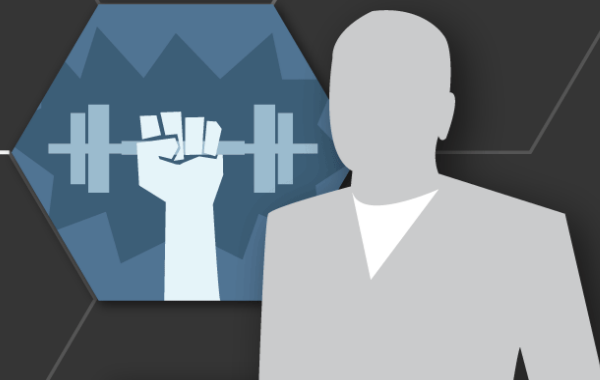


# Entrepreneur DNA Profile



## THE MACHINE

You are someone who gets things done. Equipped with a strong sense of duty and an aptitude for solving problems, you are the type of person that always delivers a high quality product on schedule.



## Entrepreneurial Traits

### Moderate Openness

You are a generally creative person, often looking for new ideas to optimize your work.



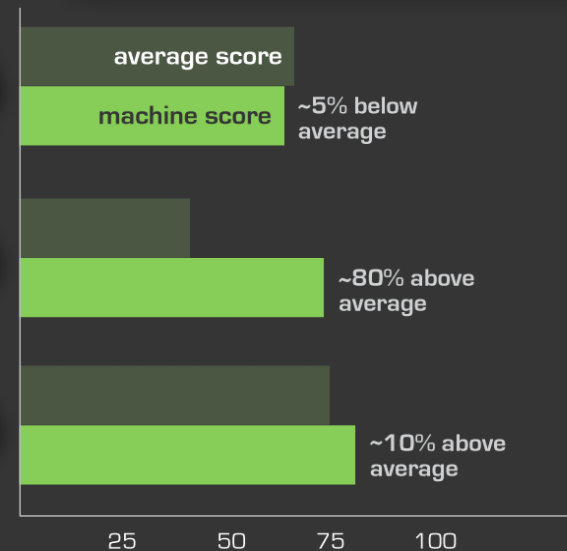
### High Conscientiousness

You are someone who is always prepared, dutiful, and never lacks self-discipline.

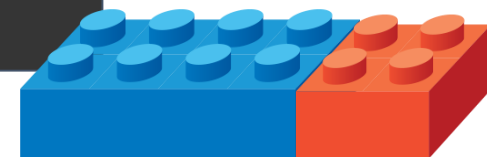


### High Fluid Intelligence

You have a knack for solving problems on the fly and overcoming unexpected challenges.



Learn more about Entrepreneur DNA at [FI.CO/DNA](https://www.fico.com/dna)

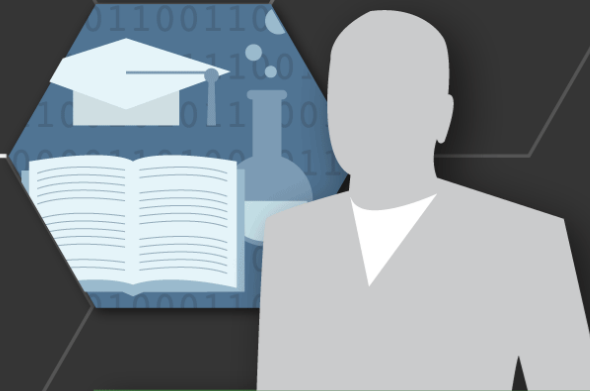


# Entrepreneur DNA Profile



## THE PRODIGY

As The Prodigy, you are blessed with an inherent business sense and instinct. Your natural intellect and social skills can help guide you through the hardship of the startup world, and you never let adversity get the better of you.



## Entrepreneurial Traits

### High Fluid Intelligence

You have a knack for solving problems on the fly and overcoming unexpected challenges.



average score

prodigy score

~15% above average

### High Agreeableness

Considerate, kind, and generous, you are always interested in the needs of others.



average score

prodigy score

~45% above average

### High Emotional Stability

You can handle yourself in demanding scenarios without letting hardship bring you down.

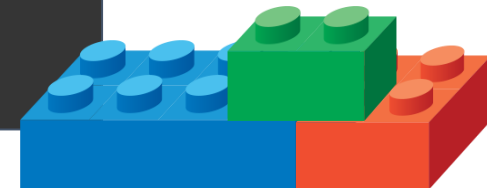


average score

prodigy score

~25% above average

25 50 75 100



# Entrepreneur DNA Profile



## THE STRATEGIST

You are a creative and tactical thinker, always coming up with effective and efficient game plans. You never lose your cool in difficult situations, and you can easily think your way out of adversity.



## Entrepreneurial Traits

### High Openness

You are a creative and inventive individual with a flair for the cutting-edge.



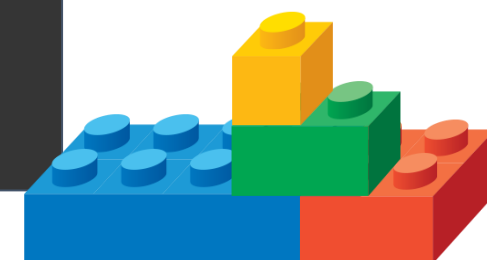
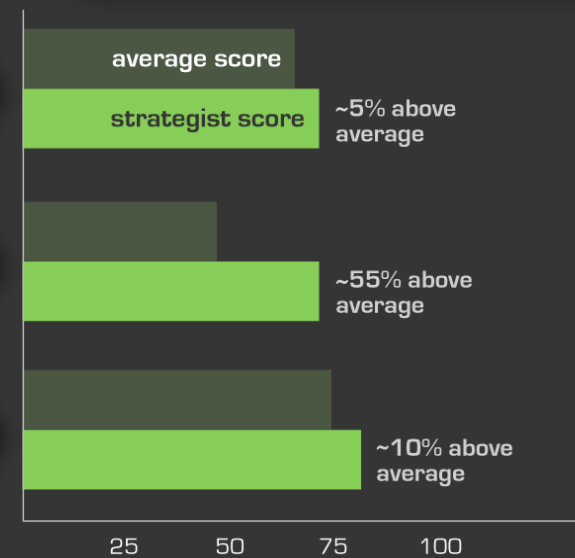
### High Emotional Stability

You can handle yourself in demanding scenarios without letting hardship bring you down.



### High Fluid Intelligence

You have a knack for solving problems on the fly and overcoming unexpected challenges.



# Entrepreneur DNA Profile



## THE VISIONARY

As The Visionary, you are always looking at the big picture, coming up with new ways to push the limits. You are constantly on the lookout for new and innovative ideas, and devising new ways to put them into action.



## Entrepreneurial Traits

### Moderate Extraversion

You are generally enthusiastic about working with others in team environments.



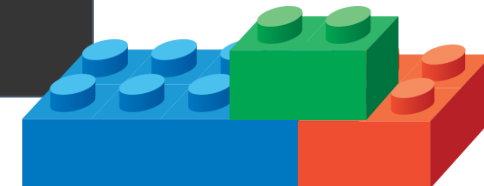
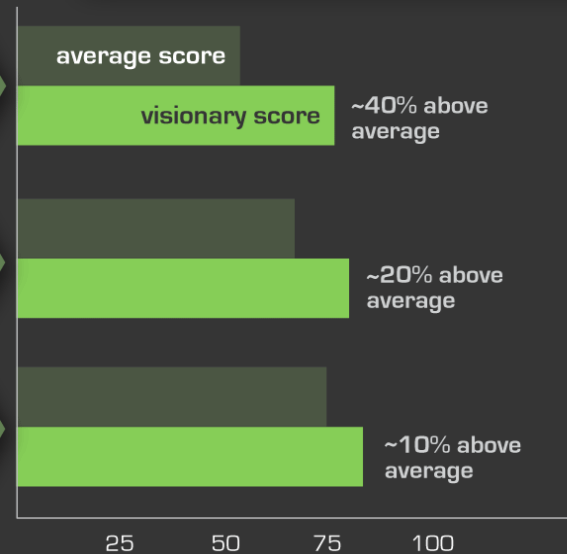
### High Openness

You are a creative and inventive individual with a flair for the cutting-edge.



### High Fluid Intelligence

You have a knack for solving problems on the fly and overcoming unexpected challenges.

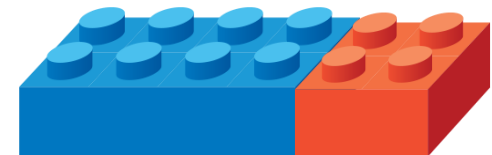




# Common MYTHS About Entrepreneurs

## **Myth 1:** Entrepreneurs Are Born Not Made

- This myth is based on the mistaken belief that some people are genetically predisposed to be entrepreneurs.
- The consensus of many studies is that no one is “born” to be an entrepreneur; everyone has the potential to become one.
- Whether someone does or doesn’t become an entrepreneur, is a function of the environment, life experiences, and personal choices.



# Common MYTHS About Entrepreneurs

## Myth 2: Entrepreneurs Are Gamblers

- Most entrepreneurs are **moderate** risk takers.
- The idea that entrepreneurs are gamblers originates from two sources:
  - Entrepreneurs typically have jobs that are less structured, and so they face a more uncertain set of possibilities than people in traditional jobs.
  - Many entrepreneurs have a strong need to achieve and set challenging goals, a behavior that is often equated with risk taking.



# Common MYTHS About Entrepreneurs

## **Myth 3:** Entrepreneurs Are Motivated Primarily by Money.

- While it is naïve to think that entrepreneurs don't seek financial rewards, money is rarely the reason entrepreneurs start new firms.
- In fact, some entrepreneurs warn that the pursuit of money can be distracting.



# Common MYTHS About Entrepreneurs

## **Myth 4:** Entrepreneurs Should Be Young and Energetic.

- The most active age for business ownership is 35 to 45 years old.
- While it is important to be energetic, investors often cite the strength of the entrepreneur as their most important criteria in making investment decisions.
  - What makes an entrepreneur “strong” in the eyes of an investor is experience, maturity, a solid reputation, and a track record of success.
  - These criteria favor older rather than younger entrepreneurs.

