

## Entrepreneurial Skills

### Introduction

Entrepreneurship starts with thinking and acting on a business idea. However, before jumping to an idea, it is important to develop certain entrepreneurial skills and competencies in the process. One of the most important skills required to become a successful entrepreneur are problem solving and creativity. Apart from the skills, it is also important to understand how different value systems, motivations and attitudes also influence entrepreneurial success. Ideation is a creative and iterative process. In this chapter, we will focus on how ideas can be generated, how to understand needs and wants of potential customers and how to assess the competitive landscape for a business idea.

### Values

In sociology, values are defined as standards and guidelines that influence a person's behavior and attitude.

*Values have been described as the beliefs about how to behave and what goals are important to achieve.*

Milton Rokeach defines values as beliefs that guide judgement and actions for various situations. To an extent, a person's values influence how he or she decides between right or wrong, desirable or undesirable and good or bad.

According to Schwartz, some elements of values include:

- Values are based on concepts or beliefs.
- Values guide the selection and evaluation of specific behaviors and events.
- Values are set in an order of relative importance.
- Values differ based on motivational objectives.
- Values go beyond specific behaviors and situations. For instance, obedience is important at work, at school, or during physical exercises

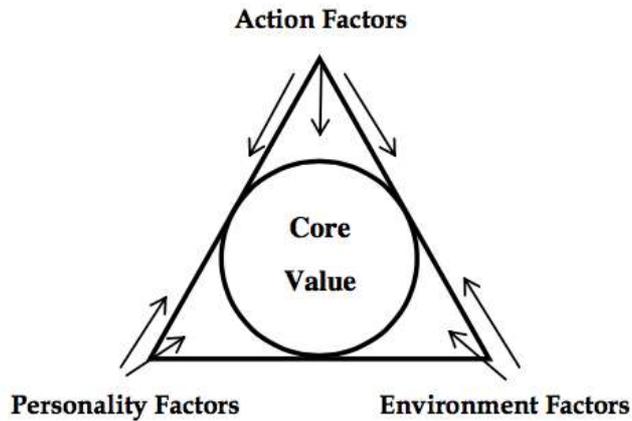
There are three types of values:

- **Personal**
- **Professional**
- **Social**

Read more about different values and their meanings by doing Activity I, given below.

### Activity I

Every entrepreneur must be aware of their “core value”, which is that one thing that is the most important to them It is summarized in the following diagram:



*Example:* If your core value is honesty, it will influence your decision when you are presented with an opportunity to accept in case your teacher gives you extra marks by mistake. Your value of honesty would make you choose to inform the teacher that you have been given extra marks due to calculation error, even though you might not realize why exactly you did so.

Understanding what you value and reflecting on why you behaved in a certain way will help you realize what matters the most to you and what you can do well. Self-reflection is essential when you move towards making a career choice and aims to give you more clarity. Ask the “why” in everything you do and the possible answers should be able to convince you to trust your decisions. If it doesn’t, be open to exploring other options.

In the following exercise, you are given a list of life values with their meanings. These represent different traits and qualities that entrepreneurs and leaders across the world resonate with.

**Step 1:**

You have to pick the values you feel the most strongly about. Start with the top ten and finally decide your top five values. Think about these questions if you are facing a difficulty choosing them:

- Who do you look up to? This can be anyone from friends and family or someone you idealize.*
- Why do you look up to them?*
- What are some recurring things that your closest people keep telling you?*
- What is it that you want to achieve for which you will exceed your limits? Lots of money? To meet your family if they are away? To become a celebrity? To travel the world?*
- If you feel stuck, feel free to discuss it with someone close to you.*

<b>Achievement</b>	<b>a sense of accomplishment, mastery, goal achievement</b>
<b>Advancement</b>	continuous betterment and improvement
<b>Adventure</b>	engaging in new and challenging opportunities, excitement, risk
<b>Aspiration</b>	hope or ambition of achieving something
<b>Authority</b>	position and power to control events and other people’s activities

<b>Autonomy</b>	ability to act independently with few constraints and to make most decisions and choices
<b>Balance</b>	giving proper weight to each area of one's life
<b>Change</b>	an act or process through which something becomes different
<b>Close relationships</b>	strong, deep or close association between two or more people
<b>Community</b>	sense of belongingness with people who share common attitudes and interests
<b>Competence</b>	the ability to do something successfully or efficiently
<b>Competitiveness</b>	possession of a strong desire to be more successful than others
<b>Cooperation</b>	the action or process of working together to the same end
<b>Creativity</b>	the use of imagination or original ideas to create something
<b>Decisiveness</b>	the ability to make decisions quickly and effectively
<b>Economic security</b>	steady and secure employment, adequate financial reward, low risk
<b>Effectiveness</b>	the degree to which something is successful in producing a desired result
<b>Efficiency</b>	quality of working in a well-organized and competent way
<b>Ethical practice</b>	practicing the moral principles that govern a person's behaviour
<b>Excellence</b>	the quality of being outstanding or extremely good
<b>Excitement</b>	a feeling of great enthusiasm and eagerness
<b>Fairness</b>	impartial and just treatment or behaviour without favouritism or discrimination
<b>Fame</b>	the state of being known by many people
<b>Freedom</b>	the power to act or speak without externally imposed restraints
<b>Growth</b>	the process of developing physically, mentally, emotionally and spiritually
<b>Help</b>	helping other people attain their goals, provide care and support
<b>Honesty</b>	the quality of being free of deceit; truthful and sincere
<b>Independence</b>	the state of being free from outside control; not subject to another's authority
<b>Influencing others</b>	having an impact or effect on the attitudes or opinions of others
<b>Integrity</b>	acting in accord with moral and ethical standards; honesty, sincerity, truth, trustworthiness
<b>Knowledge</b>	understanding gained by experience or education of a fact or a situation

<b>Leadership</b>	ability to lead a group of people
<b>Learning</b>	gain or acquire knowledge
<b>Openness to Experience</b>	trait of being open to try and enjoy new things and being curious
<b>Opportunity</b>	chance of doing something new
<b>Optimism</b>	hopefulness and confidence about the future or the success of something
<b>Personal development</b>	dedication to maximizing one's potential
<b>Recognition</b>	positive feedback and public credit for work well done; respect and admiration
<b>Resourcefulness</b>	the ability to find quick and clever ways to overcome difficulties
<b>Reputation</b>	the beliefs or opinions that are generally held about someone or something
<b>Responsibility</b>	dependability, reliability, accountability for results
<b>Security</b>	the state of being free from danger or threat
<b>Self-reliance</b>	reliance on one's own powers and resources rather than those of others
<b>Self-respect</b>	pride, self-esteem, sense of personal identity
<b>Stability</b>	the state of being sane and sensible; not easily upset or disturbed
<b>Status</b>	being respected for one's job or association with a prestigious group or organization
<b>Wealth</b>	an abundance of valuable possessions or money
<b>Wisdom</b>	sound judgment based on knowledge, experience, and understanding

### Step 2:

Now, think about why you picked these five values. Find a partner and share the reasoning or story behind the five values you picked and how those values are going to guide your personal and professional goals.

### Step 3:

Finally, pick only one value that is most important to you. This one value will be your "core value".

In the above exercise, you tried to find your own values or things that you think are important to you.

## Entrepreneurial Values

Entrepreneurship is considered to be a value-driven process, as there is a higher chance of the entrepreneur to be motivated to sustain the business in the long run. Entrepreneurial values are some key values and beliefs that entrepreneurs are seen to have and that have influenced or encouraged entrepreneurial behaviour. These deeper beliefs influence one's decision

making and opinions. An entrepreneur needs to balance between personal, professional and social values.

**Personal values** for an entrepreneur include passion, honesty, integrity, determination, confidence, wisdom, cooperation, decisiveness, humility etc. These values are reflected in a person's personality and in their perception about certain things. No one really likes to do business with someone who is dismissive, arrogant, egoistic, argumentative and dishonest.

**Professional values** correspond how an entrepreneur conducts himself or herself in the professional business and workplace environment. Ethics in the business world are also the domain of professional values. Professional values guide entrepreneurs towards being an effective team leader. Some professional values include advancement, balance, authority, leadership, competitiveness, efficiency, opportunity, ethical practice, resourcefulness, excellence etc. These values encourage self-determined action in a professional setting.

**Social values** are values that make entrepreneurs look beyond the core business and have a bigger purpose. These values are what drive entrepreneurs to make the business socially acceptable. In terms of business, social values also influence the objectives of business and the manner in which business matters should be carried out. Some social values an entrepreneur must possess include change, creativity, fairness, kindness, patriotism, empathy etc. This encourages entrepreneurs to take action that benefit the society as well.

Some entrepreneurial values are as follows:

**Independence:** Entrepreneurs need to be independent to savour the sense of achievement. It creates a very strong and positive ego and enables the entrepreneur to develop a mission concept to achieve their goal. This trait of self-reliance and self-sufficiency serves as an important asset for the entrepreneur to increase their confidence and courage to innovate.

**Respect for work:** An entrepreneur cannot succeed if he/she does not respect and values their work. It is important for an entrepreneur to work hard and keep trying different alternatives to sustain and grow their venture. This encourages the entrepreneur to keep pursuing a career path in which rewards and incentives are dependent on the amount and quality of hard work and effort put in.

**Respect for others:** Mutual respect towards others and one's employees is an important value for entrepreneurs. This also includes value for their work, time and effort. It enables the entrepreneur to appreciate others' efforts, relate effectively to vendors, employees and community, build long-lasting and healthy relations and increases their self-esteem as well.

**Trust:** Usually overlooked in a professional setting, trust plays a key role for an entrepreneur in different aspects of life. An entrepreneur must trust their own vision or goal, develop mutual trust with employees, make customers trust his product/service, develop a trustworthy relationship with vendors etc.

**Honesty:** An entrepreneur must be honest in financing the company and managing the assets of the firm. Honesty, which emanates from decisiveness in taking risks and making choices, lets the entrepreneur avoid false security and stay calm amid confusing situations. An ethical entrepreneur is always driven by honesty.

**Vision:** Vision guides the entrepreneur through the business planning process, clarifying the opportunity and setting goals for the organization. Vision allows the entrepreneur to see past his or her current position and beyond limited resources to more fully appreciate the potential of the venture.

**Outstanding performance:** Entrepreneurs are always ready to face and resolve the challenges They set for themselves certain standards of outstanding performance and excellence and can deal with unexpected obstacles with confidence. Most companies experience three or four life-threatening crises in their early years; to survive this period, the true entrepreneur deals with these crises and wins through.

**Initiative and ownership:** Entrepreneurs derive great satisfaction by taking initiative and in their sense of ownership. They take initiative to do many things and commit to executing tasks. This gives them a sense of complete identification and encourages them to learn from their own decisions.

**Creativity and innovation:** Entrepreneurs value creativity as they constantly have to use their imagination or original ideas to create something new. Similarly, they like to innovate in a lot of aspects of the business by making small incremental changes.

In any civilized society, values and qualities like truthfulness, honesty, harmony, integrity etc. as given high regard for a healthy, peaceful and happy living. As we are aware, these beliefs that serve as standards and influence behavior are known as values. Since entrepreneurs also share some of these beliefs and qualities that guide and direct certain behavior in them, they are termed as entrepreneurial values.

### **Skill-Based Activities:**

#### **I. Value System**

- Make your own list of at least 10 entrepreneurial values that you think are important.
- Discuss in groups how these entrepreneurial values play a role in an entrepreneur's life.
- Reflect on what values do you exhibit during activities such as ice breaking, rapport building, group work and home assignments.

### **Attitude**

*Attitude is defined as a set of beliefs, emotions and behaviours towards a particular place, object, person, situation, event, ideas or thing.*

An individual's experiences and circumstances shape their attitude towards things. Some social psychologists also define attitude as a learned tendency to evaluate situations and things in a certain manner.

Attitude influences intended behavior intrinsically, without any external intervention. It is not always possible for an individual to be conscious of his or her attitude as it comes subconsciously to them. While attitude, and sometimes behavior cannot be realized, it can be

watched based on its repercussions and consequences. For example, a high level of productivity can be assumed to be directly proportionate to a positive attitude for work.

### Activity II

We have always heard people saying that a person has either a positive attitude or a negative attitude. People show a positive attitude for some things and a negative attitude for some things. This can vary depending on a person's goals, one's motivation factors, skills, self-belief, economic status and opportunities.

What does it really mean? What type of attitude should one behold? Is it really possible for a person to be positive or negative all the time?

Read the following statements and answer the statement signifies positive attitude or negative attitude.

Statement	Answer
1. I have been trying very hard but I still always have to face failure.	
2. Some stories and works really inspire me to perform better.	
3. I am tired of getting criticism for my ideas.	
4. This work is boring and nonsensical.	
5. I think I gave my best but I think there are some areas where I need to improve.	
6. I want to continuously keep learning about different fields and industries.	
7. I think I am inferior to my teammates because I feel they are better at doing the work than me.	

### Entrepreneurial Attitudes

Entrepreneurs often exhibit certain attitudes. Similarly, some attributes related to one's attitude are needed to have the right mindset for achieving entrepreneurial success. Some of these are as follows:

**Use imagination:** In entrepreneurship, use of imagination and creativity provides a structure to entrepreneurs to think out of the box, consider alternatives, try unconventional ways to do things and continuously improvise and iterate.

**Take moderate risks:** Moderate risk takers are those entrepreneurs who are often characterized as willing to assume a moderate amount of risk in business, being neither overly conservative nor likely to gamble.

**Look for economic opportunities:** The trends in industries and businesses keep changing. In various situations, entrepreneurs can feel uncomfortable when implementing a needed change in people, technology, product, mission, etc. An entrepreneur has to step out of his or her comfort zone and focus on pursuing and trying different economic opportunities. They must continuously.

**Enjoy freedom of decision making and action:** If an entrepreneur does not decide to take a particular action, the action will not happen. Entrepreneurs have to decide to do something and then do that. This is the logical process of how they can take action.

**Analyse situations and plan actions:** Part of having an entrepreneurial attitude is to assess and analyse situations, understand challenges given the situation and plan action steps accordingly. Entrepreneurs must not be afraid to plan and take real action. Planning and executing actions are something that can lead to successful and timely business activity.

**Be able to deal with fear:** No one can live without experiencing fear. Knowing this truth will enable you deal with fear. In business, many challenging tasks can create pressure and instil fear in an entrepreneur, such as repaying a loan, launching a new product, losing employees etc. It is important for an entrepreneur to overcome the fear and take the leap.

**Accept feedback and criticism positively:** Constructive feedback can prove to be extremely valuable for entrepreneurs. Many times, customers, industry partners, consultants etc. might criticize the idea or a certain action. An entrepreneur must always be open to this and take it positively rather than getting demotivated or negative about it.

**Get involved in all activities:** An entrepreneur cannot afford to procrastinate or be laid back. While planning helps, it is important for an entrepreneur to make timely decisions. Even when there are ups and downs while building the business, it is important to rebound from the setbacks and keep moving forward. For this, an entrepreneur needs to be involved in all activities.

**Have clarity of purpose:** When an entrepreneur has clarity of purpose, he/she will always have the confidence to execute. Without clarity of purpose, an entrepreneur cannot inspire staff, or potential clients, or even vendors.

**Believe the change you want to bring:** Self-believe and faith is an important part of an entrepreneurial attitude. This is because getting bogged down by things can come inevitably to the entrepreneur. It is imperative for one to believe in one's own self, in one's vision, in one's company, and in one's people. This confidence helps to keep employees, stakeholders, customers and suppliers believe in the business and its mission as well.

**Be passionate:** Passion is key for entrepreneurial success, because one cannot deal with frustrating situations or overcome challenges if one does not feel passionate about the business. This also helps to persuade others to stay motivated. Most successful entrepreneurs feel passionate about their ideas, daily tasks, creations and goals.

**Be flexible:** Sudden adversities, changes and hurdles are a part of entrepreneurial journey. An entrepreneur has to maintain a positive attitude, be open and flexible to uncertainty and adversity. An entrepreneur must be able to make relevant changes and act quickly during unexpected situations.

**Do not be egoistic:** Keeping one's ego under control when it comes to managing employees, building partnerships and taking advice, is important. It is not necessary to impress others every time but one must be open to hearing out new suggestions and ideas even if they don't make sense in the first go.

**Strong work ethic:** Work ethic is a set of moral principles an entrepreneur uses in their work. A strong work ethic helps to produce high-quality work consistently and the output motivates them to stay on track.

**Skill-Based Activities:**

**I. Understanding My Attitude**

- Prepare a list of factors that influence attitude in general and entrepreneurial attitude.
- Demonstrate and identify your own entrepreneurial attitudes during the following micro lab activities like thematic appreciation test.
- Prepare a short write-up on “who am I”.

**II. Brand Building**

- Pick a product and suggest how its features can be improved.
- Discuss in groups about brand names of products and enterprises.