

Chapter 3

Entrepreneurs: Key Characteristics and Skills

Are All Entrepreneurs Alike?

While entrepreneurs have in common certain characteristics and skills, there is a wide range of individuality among them. In sports, some athletes do well because they love a sport and are trained to play it. They have developed their skills. Others are full of natural talent and require much less special training. Still others simply find their own successful approach to playing a sport even though they may not have been trained.

Entrepreneurs are the same way. Some receive formal training and skill development. Others have a natural flair for it. Still others break every rule or devise very unusual approaches, but still succeed. Which do you think would be *your* style?

While there is no recipe for becoming a successful entrepreneur, certain **characteristics** are associated with entrepreneurial success. Here are several important ones.



Do What You Love

According to research, one of the most important qualities associated with successful entrepreneurship is **passion**. When people feel committed to what they are doing and when they care deeply about it, they stand the best chance of being successful at it. The heart must become an ally of the mind. Think about this popular business saying:

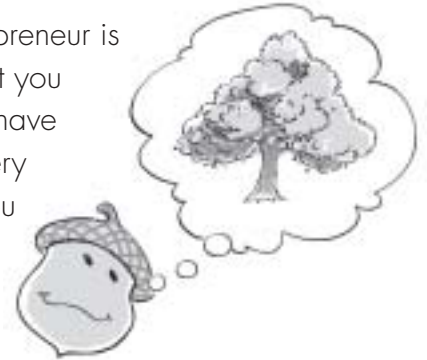
*If your mind can conceive it,
and your heart can believe it,
then you can achieve it!*

Entrepreneurs typically care more about *what* they are doing than how much money they might make. They must earn an income, of course, or they cannot continue to be entrepreneurs; however, the amount they earn often is secondary to achieving their goals.

***If your mind can conceive it,
and your heart can believe it,
then you can achieve it!***

If I Think I Can . . . I Can!

Another key quality of the successful entrepreneur is **self-confidence**. If you are thinking that you would like to be an entrepreneur, do you have confidence in your ability to succeed? Every entrepreneur encounters problems, and you have to believe you can overcome them.

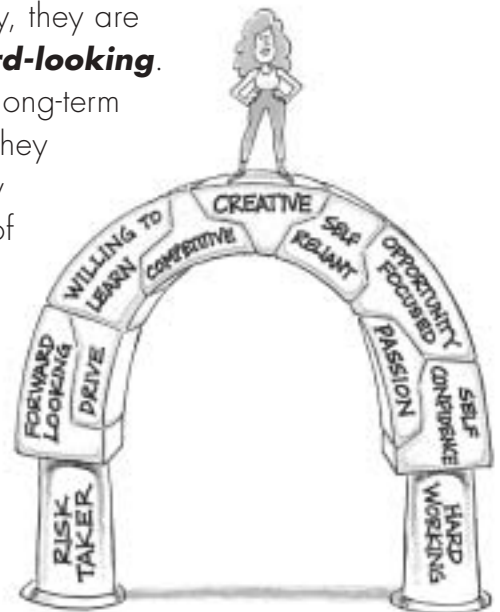


If you feel you lack self-confidence, perhaps you're not fully appreciative of your past accomplishments. Think about all the things you've done. Have you participated in activities at school like music, art and sports? Have you held part-time jobs? Do you do chores regularly at home? When you think about all of the things you have accomplished, you will find that you have every right to be self-confident. Successful entrepreneurs believe not only that they are *capable* of success but also believe that they are *worthy* of success.

Entrepreneurs are **self-reliant**. They do not wait for others to tell them what to do. They are self-starters and feel confident making decisions.

Entrepreneurs have other qualities as well. To accomplish their goals and make their vision a reality, successful entrepreneurs must have **drive, persistence, the ability to complete tasks**, and be **willing to work hard**. Additionally, they are **opportunity-focused** and **forward-looking**. They are able to set both short- and long-term goals. They create a vision of what they want their future to be, and then they work to achieve it. These are some of the qualities that help them see problems as opportunities.

As we discussed earlier, entrepreneurs are **willing to take a risk**. While most people try to avoid risk,



Entrepreneurs are self-reliant, opportunity-focused, willing to take risks and thrive on competition.

entrepreneurs understand that risk is a natural part of trying to achieve goals. Their self-confidence helps them accept the challenges of the risks they take.

Entrepreneurs tend to **thrive on competition**. While they may actively compete with others, they are *more likely to compete against themselves*. In other words, they are constantly trying to improve their own performance regardless of what others may be doing.



Although they may not realize it, most entrepreneurs are **creative**. This does not mean they paint pictures or write poetry (though it can); rather, it means they find innovative ways to problem solve. They always look for new and better ways to do things—ways that have not occurred to others. Believe in your ability to be creative. Experts tell us that the biggest block to creativity is *thinking* you are not creative.

Finally, entrepreneurs are **willing to learn**. They are **information seekers**. They may already know a great deal, yet they recognize that no one knows everything, and that they can learn valuable information from others. Entrepreneurs who are not open to learning often compromise the degree of success they will be able to achieve.

Entrepreneurship Is Not for Everybody—Or Is It?

Not everyone has the qualities it takes to be an entrepreneur or even wants to be an entrepreneur. Even people who possess the necessary qualities are not necessarily made happy by being entrepreneurs. People who have entrepreneurial characteristics are often happier working for someone else. They use their entrepreneurial skills to advance their own careers without taking the risks associated with being an entrepreneur. If you recognize that you have some of the characteristics discussed here but do not feel drawn to becoming an entrepreneur, you can find ways to further your goals or your chosen career by putting your entrepreneurial characteristics to work for you. It may surprise you how much recognition you'll get for the good work you do.

Entrepreneurs who are not open to learning often compromise the degree of success they will be able to achieve.

Activity: Are You a Potential Entrepreneur?

Part 1: Entrepreneurial Characteristics—A Personal Review and Assessment

Select the number that best indicates what you believe about each of the following. At the extremes, "1" means "strongly disagree," while "10" means "strongly agree."

I am a person who:	Strongly Disagree	Strongly Agree
Is passionate, with strong feelings about things personally important to me.....	1 2 3 4 5 6 7 8 9 10	
Is self-confident	1 2 3 4 5 6 7 8 9 10	
Has high self-esteem	1 2 3 4 5 6 7 8 9 10	
Is capable of accomplishing whatever I set out to do.....	1 2 3 4 5 6 7 8 9 10	
Is self-reliant	1 2 3 4 5 6 7 8 9 10	
Is opportunity-oriented	1 2 3 4 5 6 7 8 9 10	
Is forward thinking.....	1 2 3 4 5 6 7 8 9 10	
Has vision and goals.....	1 2 3 4 5 6 7 8 9 10	
Has drive and ambition.....	1 2 3 4 5 6 7 8 9 10	
Is willing to work hard.....	1 2 3 4 5 6 7 8 9 10	
Is willing to take a risk.....	1 2 3 4 5 6 7 8 9 10	
Is competitive, especially against myself	1 2 3 4 5 6 7 8 9 10	
Is creative.....	1 2 3 4 5 6 7 8 9 10	
Is willing to learn.....	1 2 3 4 5 6 7 8 9 10	

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Activity: In your **Personal Journal**, turn to page 4 and complete the activity entitled **“Are You a Potential Entrepreneur? Part 1: Entrepreneurial Characteristics—A Personal Review and Assessment.”**

Some Entrepreneurial Skills You Must Have for Success

As with any sport, having the right attitudes and characteristics can carry you only so far. You also need the **skills** that will help you succeed. However, unlike personal characteristics and attitudes—which can often be hard or impossible to change—*entrepreneurs can*

acquire skills if they are willing to learn them. Additionally, they can hire people to work for them who have the needed skills. Either way, the following skills are important if the entrepreneur’s business is to succeed.

Entrepreneurs can acquire skills if they are willing to learn them.

Ability to Plan: The ability to plan is a key skill for entrepreneurs. They must be able to *develop plans to meet goals in a variety of areas*, including finance, marketing, production, sales and personnel (hiring and maintaining productive and satisfied employees).

Communication Skills: Entrepreneurs should be able to *explain, discuss, sell and market* their good or service. It is important to be able to interact effectively with your business team. Additionally, entrepreneurs need to be able to express themselves clearly both verbally and in writing. They also should have strong reading comprehension skills to understand contracts and other forms of written business communication.

Good marketing skills—that result in people wanting to buy your product—are critical for entrepreneurial success.

Marketing Skills: A business’s success or failure is very dependent on whether the business reaches the market (its potential customers), interests the market and *results in those in the market deciding to buy*. Many entrepreneurs who failed started with an innovative good or service that with proper marketing could have been very successful. Good marketing skills—that result in people wanting to buy your good or service—are critical for entrepreneurial success.

Interpersonal Skills: Entrepreneurs constantly interact with people, including customers and clients, employees, financial lenders, investors, lawyers and accountants, to name a few. The ability to *establish and maintain positive relationships* is crucial to the success of the entrepreneur's business venture.

Basic Management Skills: The entrepreneur must be able to *manage every component of a business*. Even if entrepreneurs hire managers to attend to daily details, they must understand if their business has the right resources and if those resources are being used effectively. They must ensure that all the positions in their business are occupied by effective people.

Personal Effectiveness: In order to handle the pressures of their busy lifestyles, entrepreneurs must have the ability to *manage time well and to take care of personal business efficiently*. Because first impressions are so important, entrepreneurs must also pay attention to such things as personal appearance and telephone skills. For example, think of the difference in the impression made by someone who answers the phone by saying, "Yeah?" versus saying, "Computer Support Services, this is Alex. How may I help you?" Additionally, entrepreneurs benefit a great deal by being aware of their own strengths and weaknesses.

Team Building Skills: Because entrepreneurs usually assemble a team of skilled people who help them achieve business success, they must be able to *effectively develop and manage the team*.

Leadership Skills: One of the most important leadership skills an entrepreneur must have is the ability to *develop a vision* for the company and to inspire the company employees to pursue that vision as a team. The expression "people would rather be led than managed" applies especially well to an entrepreneurial venture.

Few entrepreneurs possess every skill needed to ensure business success. For example, they often look to outside experts for help in areas such as strategic planning, accounting and finances, contracts and legal issues, and specialized marketing.



Think about the skills necessary for successful entrepreneurship. What are your personal areas of strength? In what areas would you be most likely to need assistance from other experts? Entrepreneurs must have the ability to evaluate realistically their own skills and to know when to draw on the skills of others.

Activity: In your **Personal Journal**, turn to page 5 and complete the activity entitled **“Are You a Potential Entrepreneur? Part 2: Entrepreneurial Skills.—A Personal Review and Assessment.”**

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Activity: Are You a Potential Entrepreneur?
Part 2: Entrepreneurial Skills—A Personal Review and Assessment

Fill out the chart below, selecting the number that most closely corresponds to your skill in each area, with a "1" meaning the least amount of skill and a "10" meaning highest amount of skill.

	Least Amount	Highest Amount
Able to plan effectively	1	2 3 4 5 6 7 8 9 10
Communication skills: Speaking	1	2 3 4 5 6 7 8 9 10
Communication skills: Writing	1	2 3 4 5 6 7 8 9 10
Communication skills: Reading	1	2 3 4 5 6 7 8 9 10
Promoting a good or service	1	2 3 4 5 6 7 8 9 10
Interpersonal skills	1	2 3 4 5 6 7 8 9 10
Basic management ability	1	2 3 4 5 6 7 8 9 10
Personal effectiveness	1	2 3 4 5 6 7 8 9 10
Team-building skills	1	2 3 4 5 6 7 8 9 10
Leadership ability	1	2 3 4 5 6 7 8 9 10

Apply the score to 70 or over, you already have many of the key skills necessary to be successful entrepreneur. If you score between a score of 60 or less, you may need to focus on areas of improvement. If you score below 60, you may need to become a successful entrepreneur.

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Activity: Are You a Potential Entrepreneur?
Part 3: Another Point of View

Take this opportunity to “check out” whether a special friend or family member or teacher—someone who knows you very well—agrees with what you think are your strongest skills/characteristics and your areas for growth/improvement. Ask them the following questions:

What do you think is my MOST awesome/outstanding skill or characteristic? (Record the person’s responses.) _____

What do you think would be an area for growth/improvement that would benefit me the MOST? Ask the person to explain why. _____

Return to Parts 1 and 2 in your Personal Journal.
 Were your responses the same or different from the person who knows you very well?



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You may also want to find out if people who really know you well (special friend, family member, teacher) agree with you on what you believe are your major strengths and areas for improvement.

Activity: In your **Personal Journal**, turn to page 6 and complete the activity entitled **“Are You a Potential Entrepreneur? Part 3: Another Point of View.”**