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# EXPERIMENT 7 IDENTIFICATION OF ENTREPRENEURIAL SKILLS

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## 7.1 INTRODUCTION

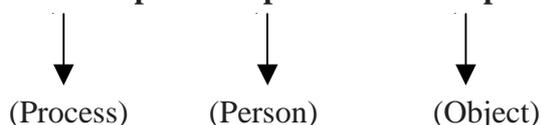
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Entrepreneurial skills are essential for the success of any business. Firms that possess human resources with exceptional entrepreneurial skills have a long-term focus and are more likely to use their skills to take advantage of emerging opportunities (*DonHofstand, Ag. marketing resource center, Iowa state University Extension*).

The development of any economy in any form is the result of human activity in three important roles like, organizer, worker and user of goods produced. Entrepreneurs use personal initiative, and engage in calculated risk-taking, to create new business ventures by raising resources to apply innovative new ideas that solve problems, meet challenges, or satisfy the needs of a clearly defined market.

Entrepreneurship is neither a science nor art. It is a practical. It has a knowledge base. Knowledge in entrepreneurship is a mean to an end. Indeed what constitutes knowledge in practice is largely defined by the ends, that is by the practice. Entrepreneurship is not just about making money. It is about imagination, flexibility, creativity, willingness to think conceptually, readiness to take risks, ability to mobilize agents of production and the capacity to see change as an opportunity. A high sense of responsibility is an essential ingredient for development of entrepreneurship in India.

**Entrepreneurship = Entrepreneur + Enterprise**



“Entrepreneurship is essentially the act of creation requiring the ability to recognize

an opportunity, shape a goal, and take advantage of a situation. Entrepreneurs plan, persuade, raise resources, and give birth to new ventures.” (Source: Mohanti, S.K., *Fundamentals of Entrepreneurship*, Prentice Hall India Private Limited, 2005, New Delhi-110001)

**Example:** Dairy farming is an enterprise and entrepreneur is a person who takes the risk, start the business and club all the factors of production and start production. Success of an enterprise depends on the entrepreneurial skill of the entrepreneur. Entrepreneurial skill is an important factor, which affect the entrepreneurship.

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## 7.2 OBJECTIVE

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1 to Identify the Entrepreneurship Skills.

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## 7.3 EXPERIMENT

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### i. Principle

The experiment is based on the assessment exercise to find out how well a person has developed skills that successful entrepreneurs tend to use to start and grow their ventures.

### ii. Requirements

Students shall be provided with the information on different entrepreneurship skills in a schedule. From the schedule each student will assess the assessment of entrepreneurship skills and see the results.

### iii. Procedure

Enterprises skill schedule is provided, the students can assess the level of entrepreneurial skills possessed by them on the basis of four columns. It's important that the student learn which entrepreneurial skills have already developed and which one is need to develop more. Try the self-assessment exercise below to find out how well a person is developed for successful entrepreneurs. They can tick mark in the relevant column and can work out the percentage of each column and then improve upon by building the skills wherever they lack. Higher the score, higher will be the level of entrepreneurial skill.

### iv. Observations

The student has to tick mark in the columns made as 'not developed', 'beginner', 'quite capable' and 'very capable' and observe the percentage obtained at the end of each columns.

### v. Results

The students shall draw inferences from the observation recorded in the columns 'not developed', 'beginner', 'quite capable' and 'very capable' and come to know their level of entrepreneurship skills or the person who is trying the skill assessment.

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## 7.4 PRECAUTIONS

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The level of entrepreneurship skill varies from one individual to other individual and it should not be misunderstood and remember, this isn't a clinical assessment, but it will give you an idea of where your strengths are and which skills you need to work on.

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## 7.5 EXERCISE

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### Identification of Entrepreneurial Skills

Entrepreneurs tend to start ventures that build on specific skills they have already developed and knowledge they've already acquired in a certain occupation or industry, for example, auto repair. But all entrepreneurs tend to share other, more general, skills such as communication, team-building, and creative-thinking skills. Try the assessment exercise below to find out how well you have developed the skills that successful entrepreneurs tend to use to start and grow their ventures.

Remember, this is not a clinical assessment, but it will give you an idea of where your strengths are and which skills you need to work on. Unlike characteristics, which you need yourself, skills can be acquired by hiring people who have the ones you lack. So do not feel too bad if you do not score well in every category.

#### Skill Assessment Schedule

Check the column that best describes your skill level.

Some Important Entrepreneurial Skills Identified	Not Developed	Beginner	Quite Capable	Very Capable
Creativethinking (I find new ways to solve problems)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Planning and research (I know how and where to find information and how to use it.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Decisionmaking (I study my option, then decide)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Organization (I set priorities and organize to achieve them)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Communication (oral) (I speak and present clearly and effectively)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Communication (writing) (I produce accurate, clear, error-free writing)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Team building (I know how to assemble, motivate, and empower an effective team)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marketing (selling) (I know how to sell and can describe what selling involves)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Financial management (I know how to manage cash flow and how to read a bottom line)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Record keeping (I can identify and use business forms; file and record financial transactions)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Goal setting (I set and work toward short-, medium-, and long-term goals)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Business management (I can manage people effectively, delegate responsibility, and answer for the bottom line)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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Source: Mentors, ventures and Plans (<http://mvp.cfee.org>)