

Shivaji University, Kolhapur
Sem-VI

vii) ENTREPRENEURSHIP DEVELOPMENT SKILL

Syllabus

Unit No: 1 Introduction to Entrepreneurship

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Unit No: 1

Introduction

Entrepreneurship can be currently regarded as part of a strategy to boost the economy. It can be undertaken as a challenging task, either internally within organizations, either externally, by the creation of new businesses that are sustainable in a market and in a complex economic environment. It is very essential in the scenario of unemployment due to large scale population. Entrepreneurship provides employment not only to entrepreneur but also to others. Entrepreneurs are not job seekers but also job providers to others. Entrepreneurship is defined as the creation of a new business venture. However, it is important to recognize entrepreneurship is much beyond that. Entrepreneurship is everywhere. In our daily lives, we use various products and services that are provided by businesses. These businesses were created because of entrepreneurs. Entrepreneurship not only initiates creation of new businesses in different industries, but also positively impacts economic development. Entrepreneurship plays a crucial role in economic development, is characterized by dynamic economic activity and has its own rewards for the entrepreneur as well as for the economy.

Meaning of Entrepreneur:

The entrepreneur is defined as someone who has the ability and desire to establish, administer and succeed in a startup venture along with risk entitled to it, to make profits. The best example of entrepreneurship is the starting of a new business venture. The entrepreneurs are often known as a source of new ideas or innovators, and bring new ideas in the market by replacing old with a new invention. It can be classified into small or home business to multinational companies. In economics, the profit that an entrepreneur makes is with a combination of land, natural resources, labour and capital. In a nutshell, anyone who has the will and determination to start a new company and deals with all the risks that go with it can become an Entrepreneur.

Entrepreneur refers to a person who conceives a creative idea and takes all the necessary steps required to convert the idea into reality, such as taking initiative to set up a new business enterprise by supplying sufficient capital, land, labour and all the essential resources to produce the product, he/she has in his/her mind and bearing all risks so as to gain profits in future.

Entrepreneur (Oxford Dictionary) – Person who undertakes, an enterprise with chances of profit or loss. Entrepreneur is a person who undertakes a business activity of which he has no background and faces considerable risks in the process. If either of the two elements, i.e., “no background” or “considerable risk” is missing in the venture, it is no entrepreneurship

The qualities of an entrepreneur are:

The company formed by an entrepreneur is usually a startup enterprise, which can be understood as the live manifestation of his/her idea. So, an entrepreneur is:

1. A **beginner** in the market, who has something new to offer to society and starts right from scratch to establish and run the enterprise.
2. An **innovator**, who has a thought-provoking idea or concept in his/her mind, that has the capability to lead the marketplace.
3. A **developer**, who develops a business model, to give shape to the idea.
4. A **leader**, who provides guidance and support to his/her men, to work in a specific direction or change the same (if required) so as to achieve the target.
5. An **in-charge** who is accountable and responsible for the success or failure of the venture, for the decisions made by him/her.
6. A **promoter**, who takes all the relevant steps to turn the dream into reality.
7. A **forecaster**, who foresees, future opportunities and threats which can affect the venture, positively or negatively.
8. A **risk-taker**, who has the ability to anticipate the risk in the future moves, and take the risk, if they are beneficial to the enterprise.

Entrepreneur



Person

Entrepreneurship



Process or Philosophy

Enterprise



Object

Dissecting the word we get

Entre – Enter Pre – Before Neur – Nerve Centre

Entrepreneurship can also be described as a creative and innovative response to the environment. Many industry observers have debated on the origin of entrepreneurship. The fact to note here is that most scholars who debate the origin of entrepreneurship are either Economists or Historians.

The common forum accepts that the concept of 'Entrepreneur' is derived from the French concept *entreprendre*, which matches closely with the English concept of business conduct; in this sense – “to undertake”. From the business point of view, to undertake simply means to start a business. The entrepreneurship theory has been changing throughout several decades of business growth and has received numerous definitions and characteristics from different scholars, who believe that some qualities are common among most entrepreneurs. Entrepreneurship's foundations are based on economics and other such disciplines such as History, Politics, Education, Culture, Experience, and Networking.

Schumpeter (Joseph Alois Schumpeter, who was an Austrian-born American Economist and Political Scientist) told that the coming together of various disparate theories forms a generalized set of entrepreneurship skills and guidelines. He then listed the characteristics of entrepreneurs as given below:

- Risk-Bearers
- Coordinators and organizers
- Gap-Fillers

Concept of Entrepreneurship

The origin of the word 'entrepreneurship' is 'rooted in the Latin language, from the words *prehendere* and *apprehensione*. Entrepreneurship can be understood as a individual or Collective system and internal or external to the organizational structure, developing something new, from conception of ideas to the creation of a business

The concept of applied entrepreneurship argues that an entrepreneurial firm focuses on innovation, is open to risk and proactive in relation to its competitors. Entrepreneurship has grow as a concept, and in the level of importance placed on the development and sustainability of the economy.

Entrepreneur (Oxford Dictionary) – Person who undertakes an enterprise with chances of profit or loss. (As I have understood, Entrepreneur is a person who undertakes a business activity of which he has no background and faces considerable risks in the process. If either of the two elements, i.e., “no background” or “considerable risk” is missing in the venture, it is no entrepreneurship).

Enterprise (Oxford Dictionary) – Bold Undertaking Entrepreneur – (New Encyclopaedia Britannica) – An individual who bears the risk of operating business in the face of uncertainty about the future conditions.

Common Meaning – one who starts his own, new and small business

Entrepreneurship – It is a philosophy or process through which an entrepreneur seeks innovation and employment

There are many meanings of the term ‘entrepreneurship’. After attentively discussing all the available ones, we can conclude that entrepreneurship is a system of operating business in which opportunities existing within the scope of a market are exploited. Self-employment necessitates that any available opportunities within the economic system should be utilized in the creation and functioning of new organizations. A potential entrepreneur should show the interest to seek out investment opportunities in the market, so that they can run the enterprise successfully based on the identifiable opportunities. Thus, going through the above responsibilities of an entrepreneur, the term ‘entrepreneurship’ has been finally defined as a function which covers multiple functions such as:

- Building organizations.
- Providing self-employment
- Utilization of available resources
- Innovation applied to the novel concept
- Bringing together multiple factors of production in a tangible manner.
- Identifying and exploiting business opportunities within the available market.

Entrepreneurship Theories

1600 – French verb – Entreprendre – to undertake.

1700 – Person bearing Risk or Profit in a fixed price contract (Risk)

1725 – Richard Cantillon – Person bearing risks is different from Capital Supplier (Risk)

1803 – J. B. Say – Shifts economic resources out from an area of lower to higher productivity & greater yields (Value Addition)

1934 – Joseph Schumpeter – Innovator and develops untried technology (Productivity & Innovation)

1961 – David McClelland – Highly motivated, energetic, moderate risk taker (Need for achievement)

1964 – Peter Drucker – Searches for change, responds to it & exploits as opportunity (Opportunity Focused)

1980 – Karl Vesper – Behaviour Perceptions– Economists, Psychologists, Businessmen, Politicians (Environment)

1983 – Gifford Pinchot – Intrapreneur

1985 – Robert Hisrich – Creating something different with value, devoting time & effort, assuming risks (FPS); results– rewards and satisfaction (Leadership & Vision)

Please note that key word in Entrepreneurship is RISK. Any venture where risk is mitigated due to any reason does not qualify to be called entrepreneurship. Entrepreneurs are people who create new business activity in the economy and bear considerable business risk in the process. This is often done by starting new companies. But they can also create new business activity by introducing a new product or creating a new market

Entrepreneurship is the process of identifying an opportunity and turning it into a venture. An entrepreneur is a person who undertakes risk to start a business of his/her own. Entrepreneurship is a skill or an ability to act on ideas and build on opportunities and an entrepreneur is the one who always searches for change, responds to it and exploits it as an opportunity. Entrepreneurship development is the process of strengthening the skills and knowledge of budding and existing entrepreneurs by handholding them during their entrepreneurial journey. It involves enabling entrepreneurs through structured training and institution-building programs, which empowers them to run their business effectively and efficiently. These programs are concerned with the study of entrepreneurial behavior, dynamics of business planning and set-up and growth and development of the business.

Objectives of Entrepreneurship Development

The main aim of entrepreneurship development is to enlarge the base of entrepreneurs, encourage overall entrepreneurial activity and catalyze the pace at which new ventures are created. Some of the core objectives of entrepreneurship development include:

Assisting entrepreneurs in undergoing the process of entrepreneurship.

- Handholding budding entrepreneurs to recognize and design unique business opportunities. Helping aspiring entrepreneurs start and grow dynamic businesses that provide high
- value add. Developing the motivational needs of entrepreneurs.

- Training entrepreneurs to develop the required skills and gain knowledge for running
- and managing a new business. Supporting entrepreneur in creating effective business plans.
- Providing incubation and acceleration to new ideas.
- Aiding in the availability of technology or raw material.
- Ensuring the infrastructure is adequate for entrepreneurial activities.
- Providing financial assistance from banks and other financial institutions.
- Creating a business environment and ecosystem that is suitable for entrepreneurship.
- Implementing norms, rules and policies for establishment of new enterprises in the dynamic economy.

Providing incentives, tax benefits and subsidies to new enterprises. •

Encouraging research and development across industries. •

Phases of Entrepreneurship Development

The process of entrepreneurship development is divided into three phases which are as follows:

Stimulatory phase: This phase involves generating interest and awareness among potential entrepreneurs. It is done by orienting them towards the meaning, process, benefits and practice of entrepreneurship. It is called stimulatory phase because it includes activities which stimulate the individual's need, interest and motivation for being an entrepreneur.

Support phase: This phase is all about supporting the new ventures in their establishment by mentoring, incubating, financing and advising the entrepreneurs. This includes providing support across various activities such as registration of enterprises; designing the right business model; development of the product prototype; arrangement of finance, land, shed and power; offering management consultancy services, and marketing support; guidance for selecting plant and machinery; and getting approvals and licenses etc.

Sustenance phase: In this phase, entrepreneurship development is focused on helping enterprises to grow after they have been established. It helps in continuous and efficient functioning of enterprises within a society. It includes activities such as modernization, diversification, expansion, getting additional finance, and research and development support to help an enterprise survive, develop and grow.

Challenges of Entrepreneurship Development

- Lack of continued motivation

- Lack of formal education
- Lack of availability of finance
- Technical knowledge
- Managerial skills
- Availability of resources and infrastructure
- Awareness about entrepreneurship schemes
- Regulatory framework
- Market linkages

Entrepreneur	Entrepreneurship
Person	Process
Organiser	Organisation
Innovator	Innovation
Risk- bearer	Risk-bearing
Motivator	Motivation
Creator	Creation
Visualiser	Vision
Leader	Leadership
Imitator	Imitation

Role of Entrepreneurship

1. **Capital Formation:** Entrepreneurship leads to value addition and creation of wealth, because entrepreneurs promote capital formation by mobilising the idle savings of public.
2. **Employment Generation:** Entrepreneurship provides immediate large-scale employment to the unemployed which is a chronic problem of underdeveloped nations. With the setting up. of more and more units by entrepreneurs, both on small and large- scale numerous job opportunities are created for others.
3. **Balanced Regional Development:** Entrepreneurship helps to remove regional disparities through setting up of industries in less developed and backward areas. Setting up of more industries lead to more development of backward regions and thereby promotes balanced

regional development. **Wealth Creation and Distribution:** Entrepreneurship stimulates equitable redistribution of wealth and income in the interest of the country to more people and geographic areas, thus giving benefit to larger sections of the society.

4. **Industrialization and Development:** Entrepreneurs act as catalytic agent for change which results in chain reaction. Once an enterprise is established, the process of industrialisation is set in motion. This unit will generate demand for various types of units required by it and there will be so many other units which require the output of this unit. This leads to overall economic development of an area due to increase in demand and setting up of more and more units.
5. **In Rewards of Entrepreneurship Creation of organisations:** Entrepreneurship results into creation of organisations when entrepreneurs assemble and coordinate physical, human and financial resources and direct them towards achievement of objectives through managerial skills.
6. **Development of managerial capabilities:** The biggest significance of entrepreneurship lies in the fact that it helps in identifying and developing managerial capabilities of entrepreneurs. An entrepreneur studies a problem, identifies its alternatives, compares the alternatives in terms of cost and benefits implications, and finally chooses the best alternative.
7. **Improving standards of living:** By creating productive organisations, entrepreneurship helps in making a wide variety of goods and services available to the society which results into higher standards of living for the people.
8. **Means of economic development:** Entrepreneurship involves creation and use of innovative ideas, maximisation of output from given resources, development of managerial skills, etc., and all these factors are so essential for the economic development of a country.

THE ENTREPRENEURIAL MINDSET

Entrepreneurial mindset refers to a specific state of mind which orientates human conduct towards entrepreneurial activities and outcomes. Individuals with entrepreneurial mindsets are often drawn to opportunities, innovation and new value creation. Characteristics include the ability to take calculated risks and accept the realities of change and uncertainty. The traditional career path is an anachronism. Statistics show 40 to 50 percent of students entering college in

2016 will be self-employed or will freelance at some point in their careers, according to a study commissioned by Intuit. The economy, students' desires and the world's expectations of students are all very different than what I faced when I graduated college. There is no better way to prepare students for the world of the 21st century, whether they aspire to work for a large company, start their own business, go into academia or devote themselves to public service than through cultivating their skills in entrepreneurship. When we teach entrepreneurship, the emphasis is on developing skills, not starting businesses. Of course we support and encourage those students who are passionate about launching the next Facebook, and there are many resources at MSU to help them. Rather the goal is about developing the inter-disciplinary skills that lead to the development of an —entrepreneurial mindset. To me the term embodies a set of cross-functional life and professional skills that describe someone who is innovative, resourceful and creates value. The entrepreneurial mindset can be applied in many contexts. It applies to employees in large, hierarchical entities, and it applies to community organizers, academics, inventors, doctors, lawyers, politicians, musicians and public servants. In no way is it unique to startup companies, and the skills that are developed are relevant to everyone. Our premise is that learning the entrepreneurial mindset is a critically valuable 21st century skill. Those who learn it well will have outsized success in their careers — no matter what they choose to do — because by definition they become resourceful and adaptable. Entrepreneurism must be practiced to be learned. It is experiential. Just as you can't learn to swim at the library, you can't learn what entrepreneurship is about unless you have experienced it. We are putting programs in place now to add an experiential dimension to our entrepreneurship and innovation curriculum. And for those students who aspire to start their own business, there is no better time to do it than while they are in college since the cost of doing so goes up an order of magnitude the minute they lose their full-time student status. On campus students have access to facilities (like our ideation center, The Hive), an incubator (The Hatch), mentors, support and funding. Building a business is hard and most fail. But that's not the point. The point is that in the trying, students develop skills that pay handsome dividends long into their careers — decades in my case. The justification is in the experience, not in the outcome.

Meaning of Enterprise:

Organization or enterprise means to plan a business, to start it and run it. It means bring the factors of production together, assign each its proper tasks and pay them remuneration when

the work is done. It implies not only running the business, but also take risk of loss due to uncertainty.

Enterprise (Oxford Dictionary) – Bold Undertaking Entrepreneur – (New Encyclopedia Britannica) – An individual who bears the risk of operating business in the face of uncertainty about the future conditions. In short Enterprise means one who starts his own, new and small business and takes risk of uncertainty of business results.

Characteristics of Entrepreneurship:

Not all entrepreneurs are successful; there are definite characteristics that make entrepreneurship successful. A few of them are mentioned below:

1. **Ability to take a risk-** Starting any new venture involves a considerable amount of failure risk. Therefore, an entrepreneur needs to be courageous and able to evaluate and take risks, which is an essential part of being an entrepreneur.
2. **Innovation-** It should be highly innovative to generate new ideas, start a company and earn profits out of it. Change can be the launching of a new product that is new to the market or a process that does the same thing but in a more efficient and economical way.
3. **Visionary and Leadership quality-** To be successful, the entrepreneur should have a clear vision of his new venture. However, to turn the idea into reality, a lot of resources and employees are required. Here, leadership quality is paramount because leaders impart and guide their employees towards the right path of success.
4. **Open-Minded-** In a business, every circumstance can be an opportunity and used for the benefit of a company. For example, Paytm recognised the gravity of demonetization and acknowledged the need for online transactions would be more, so it utilised the situation and expanded massively during this time.
5. **Flexible-** An entrepreneur should be flexible and open to change according to the situation. To be on the top, a businessperson should be equipped to embrace change in a product and service, as and when needed.
6. **Know your Product-** A company owner should know the product offerings and also be aware of the latest trend in the market. It is essential to know if the available product or service meets the demands of the current market, or whether it is time to tweak it a little. Being able to be accountable and then alter as needed is a vital part of entrepreneurship.

Entrepreneurial traits

1. Passionate Strong and barely controllable emotion

You need to be driven by a clear sense of purpose and passion. Typically, that passion comes from one of two sources: the topic of the business, or the game of business-building itself. Why do you need passion? Simply because you're likely to be working too hard, for too long, for too little pay with no guarantee that it'll work out... so you need to be motivated by something intrinsic and not money-related.

2. Resilient

If you're going to build a startup, you'll need a spirit of determination coupled with a high pain tolerance. You'll need to be willing and able to learn from your mistakes – to get knocked down repeatedly, get up, dust yourself off, and move forward with renewed motivation. People will constantly tell you your baby's ugly, that your business won't work. Now, you should listen carefully and be open to constructive criticism. But after a while, having the door slammed in your face repeatedly can be withering, and the best entrepreneurs learn to feed off the negativity and actually gain strength from it.

3. Self-Possessed

You need a strong sense of self. You can't be threatened by being surrounded by talented, driven people. To truly succeed, you'll need the self-confidence to surround yourself with people "who don't look like you"... that is, people with skills, background and domain knowledge that complement your own.

4. Decisive

You'll need to develop a comfort-level with uncertainty and ambiguity. Entrepreneurs gather as much information as they can in a short period of time, and then MOVE, MOVE, MOVE!! The attitude is that it's not going to be perfect... We only have 9% or so of the data from which to base our decision... but if we wait to have all the information, we'll never get moving... and be mired in indecision. (Big organizations are really good at this – the mired thing – saying, We don't have enough information, so let's continue to study... form a committee or a task force)

5. Fearless

On the sliding scale from "risk-averse" to "risk-seeking," it shouldn't surprise anyone that entrepreneurs tend to be closer to the latter. But you don't need to be a nut-case, the sort who bungee-jumps without a helmet. Smart entrepreneurs develop an intuitive ability to sniff out and

mitigate startup business risk. But you know you're going to fall down, and feel comfortable with that fact and that you're going to learn from your failures and adjust as you go.

6. Financially Prepared

You'll need the right personal financial profile to make the leap. This doesn't mean that only the rich can be entrepreneurs. But unless and until you've got the personal financial 'runway' (ability to go without a steady paycheck and subsidized benefits) of at least 18 to 24 months (ideally longer), you might hold off on quitting your day job. Consider launching the startup as a side-business if that's possible, while continuing to work the 8-to-5 shift to cover the bills. Or approach your boss about going part-time. Then, once your business generating cash flow, you can dial back on your hours, or submit your resignation and go full-time with your startup.

7. Flexible

I challenge you to find an entrepreneur running a startup four or more years old where that business doesn't differ dramatically from the vision sketched out in their original business plan. The point is that the folks who stay on their feet are the ones who stay flexible and adjust to new information and changing circumstances.

8. Zoom Lens-Equipped

You may not start out with a fool-proof gyroscope, but to survive as an entrepreneur, you'll need that strong sense of perspective. How to maintain simple, clear focus. How to be at peace with, and learn from, a failure. Understanding that not all battles are worth winning, and when to walk away. Knowing that most in your startup aren't as entrepreneurial as you – that this may be a very cool job for them, but it's still a job. Knowing when to go home and give your loved ones a hug. And check your ego at the door: you shouldn't be too proud to make coffee for the team, empty the waste baskets, or do the bank runs. When to go for a run. Can you 'pan out' to see a compelling big vision for your business, then 'zoom in' and focus on near-term startup goals? Successful entrepreneurs can facilely move back and forth between these two views. They're able to articulate the big picture, while simultaneously managing and executing to the 'zoom-in' picture.

9. Able to Sell

Whether you're a born extrovert or introvert, as a founder/CEO, you'll find yourself always selling. You'll be selling your vision to prospective partners and funding sources. You'll be selling prospective recruits on why they should quit their day jobs and join this startup they've

never heard of. You'll be selling your products and services (yes, you'll probably be personally closing at least the first few sales). You'll be selling your employees on why they should remain calm and stay with the ship when the seas inevitably get rough.

10. Balanced

You may not start out with a fool-proof gyroscope, but to survive as an entrepreneur, you'll need that strong sense of perspective. How to maintain simple, clear focus. How to be at peace with, and learn from, a failure. Understanding that not all battles are worth winning, and when to walk away. Knowing that most in your startup aren't as entrepreneurial as you – that this may be a very cool job for them, but it's still a job. Knowing when to go home and give your loved ones a hug. When to go for a run.

Unit No: 2

Introduction

Entrepreneurship is the process of running a business using a new idea or in a different way, which ultimately helps the buyer or the customer. The new ideas in a business can be in the form of a unique product or service. A different way of doing business makes an entrepreneur different. A traditional business person runs his venture like most others. Whereas an entrepreneur uses unique ways of doing business by reaching out to the customers through marketing and advertising, new ideas or new ways to meet customer needs or running the operations in a more efficient way. In this module, the focus is on helping you to understand what are the different values and attitudes of an entrepreneur which makes them successful.

If you are considering becoming an entrepreneur, there are several essential skill sets that you can develop to increase your entrepreneurial success. Hard skills—like technical and financial skills can be extremely important to managing a business. Additionally, soft skills—like communication and leadership skills—can also ensure you develop as an entrepreneur. In this article, we will explore what entrepreneurial skills are, how to develop them and how to highlight your entrepreneurial skills on your resume, in a cover letter and during an interview.

What are entrepreneurial skills?

Entrepreneurial skills can encompass a broad range of various skill sets like technical skills, leadership and business management skills and creative thinking. Because entrepreneurial skills can be applied to many different job roles and industries, developing your entrepreneurial skills can mean developing several types of skill sets. For instance, to be a successful business owner, you may need to develop your business management skills. To build and maintain successful project teams you might need to improve your leadership and communication skills.

Entrepreneurship is ‘an individual’s ability to turn ideas into action. It includes creativity, innovation and risk-taking, as well as the ability to plan and manage projects in order to achieve objectives’

1. It is seen as vital to promoting innovation, competitiveness and economic growth.

2. Fostering entrepreneurial spirit supports the creation of new firms and business growth. However, entrepreneurship skills also provide benefits regardless of whether a person sees their future as starting a business
3. They can be used across people's personal and working lives
4. As they encompass 'creativity, initiative, tenacity, teamwork, understanding of risk, and a sense of responsibility'
5. What constitutes entrepreneurship skills has been the subject of much discussion. Unlike other important economic skills, entrepreneurial skills are not related to a specific occupation, discipline or qualification. However, the greater emphasis on entrepreneurship education and developing entrepreneurial skills has brought more analysis and agreement of entrepreneurial abilities and competencies.

The OECD has identified three main groups of skills required by entrepreneurs:

- Technical – communication, environment monitoring, problem solving, technology implementation and use, interpersonal, organisational skills.
- Business management – planning and goal setting, decision making, human resources management, marketing, finance, accounting, customer relations, quality control, negotiation, business launch, growth management, compliance with regulations skills.
- Personal entrepreneurial – self-control and discipline, risk management, innovation, persistence, leadership, change management, network building, and strategic thinking.

Entrepreneurship is the process of creating something different with value by devoting the necessary time and effort, assuming the accompanying financial, psychic, social risks and receiving the resulting rewards of monetary and personal satisfaction and independence. Word "Entrepreneur" stems from French Verb Entreprendre – means between; taker or go between. New Definition involves four aspects – (a) The creation process (b) Devotion of time and efforts (c) Assumption of risks (d) Rewards of independence, satisfaction, money.

Examples of entrepreneurial skills

Entrepreneurial skills can encompass a large range of both soft and hard skills. Because of the many business roles entrepreneurs may take on, they may also develop a variety of different skill sets to accommodate the growth of their businesses and brands. Developing the following skill sets can also help you develop your entrepreneurial skills.

- Business management skills

- Teamwork and leadership skills
- Communication and listening
- Customer service skills
- Financial skills
- Analytical and problem-solving skills
- Critical thinking skills
- Strategic thinking and planning skills
- Technical skills
- Time management and organizational skills
- Branding, marketing and networking skills

1. Business management skills

Successful entrepreneurs will most often rely on their business skills to manage and run a business or brand. Developing your business management skills can mean building up your ability to multitask, delegate responsibilities to subordinates and making decisions regarding the health and profitability of your business. Business management skills, such as communication, problem-solving and decision-making, are abilities that will help you become more successful in your career. They equip job seekers with skills that improve their likelihood of being hired and employees with skills to be more productive in the workplace.

Employers seek to hire job applicants with business management skills because they have a broad knowledge of the various business disciplines, such as accounting, marketing, insurance, finance, administration, management science and human resource management. Job applicants with business management skills can oversee the operations of many different departments in a company because they have a good understanding of how each function. Business managers also observe market trends and advise their companies on how to respond to remain competitive.

Examples of business management skills

Many business management skills will help you impress employers when you are searching for a job. Here are a few that are especially important for becoming a productive and effective employee:

Communication

Communication is a crucial skill to have when seeking a business management job. You should be able to communicate clearly and efficiently to employees, peers, bosses, clients, business

owners, media and suppliers. Both verbal and written communication skills are vital for internal and external communication, such as during negotiations and in meetings with clients or coworkers.

There are many ways to practice good communication skills. You should be respectful when speaking to others, be patient and listen when you are spoken to, use body language and be clear and concise.

Leadership

Business managers are leaders by profession. If you are applying for a business management position, you should know the leadership responsibilities that may be required of you. Business managers handle multiple issues in their companies every day and keeping track of them can be challenging for one person. However, a business manager's leadership skills can help them efficiently complete their tasks.

Leadership skills help teach you when to address issues yourself and when to delegate authority and responsibilities to subordinates. Delegation allows for the company's business continuity in the short and long-term. It also boosts employees' morale, as they feel like a part of the team when placed in decision-making roles.

Business managers with leadership skills also understand the need to train and coach their employees periodically to boost their skills. It has been found that companies investing in employees' training typically have high staff retention. Leadership skills also enable business managers to know how to tactfully and positively give constructive criticism to their employees.

Budget management

If you are being hired as a business manager, it will be your responsibility to handle your company's internal spending with care. As a business manager, ensure employees stick to the budget when using the company's money to accomplish their assigned tasks. You should know how to plan budgets and have knowledge of financial software that tracks how money is spent in the company.

Business managers can authorize extra spending to hire outside consultants if the company's goals are not met within a certain timeframe. Successfully managing the company budget will ensure that goods and services are delivered to clients are on time.

Motivation

To be an effective business manager, you must be a motivator and boost staff morale. Motivated employees feel like valued members of the team. The following are practical ways you can motivate employees in your new business manager position:

- Interact with employees socially to understand their needs and personalities. This will teach you how to specifically motivate each person.
- Provide employees with career advancement opportunities within the company and challenge them to try out a variety of jobs to build up new skills.
Recognize employees' achievements by thanking and rewarding them. You can recognize them publicly to other employees in team meetings and internal newsletters.
Assign challenging tasks to employees to sharpen their problem-solving and critical thinking skills.
- Set high standards of career excellence and encourage employees to reach them by working harder and increasing their knowledge.

How to improve business management skills

As a job seeker in a competitive and growing market, it is vital to improving your business management skills to adapt to growth. The best way to do that is by assessing which of your skills need strengthening and working on them in the following ways:

1. Pursue education

There are many learning opportunities available that can help improve your business management skills, such as pursuing a certificate, degree or master's program. Today, higher education learning institutions offer online and offline courses in business management skills. You can study these courses on a short- or long-term basis depending on which business management skills you want to improve and how much time you have.

2. Attend workshops or training sessions

Online and offline workshops and training sessions offer you opportunities to grow your business management skills in a short period of time. Such programs can last from a few hours to a week. These workshops and training sessions are tailored to tackle specific topics on business management skills due to time constraints.

3. Mentorship

When you are applying for jobs, it's helpful to seek individuals from within your field who are experienced and adept in the business management skills you want to improve. Such mentors can

offer you insights on business management based on the experience they have accumulated over the years while working in competitive business environments.

4. Practice

Find opportunities in your life to practice the business management skills that you have learned. For example, you can practice communicating more productively on your friends, family or coworkers. It's helpful to ask for constructive feedback to ensure you are successfully improving your skills. Also, it may be beneficial to take on unfamiliar roles and responsibilities in your workplace to practice some business management skills you want to strengthen.

Business management skills in the workplace

In the workplace, there are several ways you can apply business management skills to be a more productive and effective employee:

Be organized

As a business manager, your organizational skills ensure that the company's business goals are met. Being organized will help you prepare a plan to track company projects and which employees are overseeing them. This allows you to easily follow up with specific employees if you need to know a project's progress. Such organizational skills will also help you gauge your employees' productivity to make sure everyone is performing their essential job tasks efficiently.

Plan and prioritize

Time is an asset to a company, and as a business manager, you make sure that all deadlines are met. You should ensure that the company's most vital tasks are accomplished first in the shortest time possible. As a business manager, communicate clearly to employees which tasks to prioritize so that immediate goals are met.

Be open to ideas

Within any company, it is important to be open and approachable to employees offering operational suggestions. This openness can create an innovative environment and introduce better business processes. These new processes may positively impact the company's productivity, improve service delivery and lower operational costs.

Address conflicts quickly

For a company to meet its goals, harmony among employees is important. When conflicts arise, as a business manager, address them quickly before they affect team collaboration and productivity. You can address workplace conflicts by meeting with the employees involved and

hearing their sides of the story. To positively resolve conflicts, you should be fair to all sides and remain calm during the process. During the conclusion of the conflict resolution meeting, encourage the employees to apologize if necessary and communicate more effectively in the future.

How to highlight business management skills

To have a higher chance of impressing employers during the job application process, it is important to show them how your business management skills can be an asset to their companies. You can do this with your resume, cover letter and during an interview. For each of the three stages, here is how you can positively portray your business management skills:

2. Teamwork and leadership skills

Becoming a successful entrepreneur can also mean taking on leadership roles and working as part of a team? Being a business owner means you will most likely act as both a supervisor and as part of a team, and you will need to rely on effective leadership skills to help motivate your team. Regardless of your role, you need to be able to work well with others and convey your teamwork skills to hiring managers, recruiters, and prospective employers. Scan any job listing, and you'll see that even ads that seek "self-starters" also inevitably use the phrase "team player." Those who have teamwork skills like communication and a positive attitude can help a team be more productive. A good team isn't build in a fortnight. I still remember the days when my company was in the initial stages of its inception. Those were the times when I myself use to work tirelessly to get positive results. As my company took off the first flight to success, we started growing and hiring people. During all those years, I worked with a number of fresh graduates and dynamic professionals who were quite dedicated and supportive. We even started making great profits which led to overall growth and development of the company. Results, profits, figures etc., of course excited me, but I found that for my employees it was nothing more than a 9 to 6 job. I found that every employee in the company had skills, talents, and everything needed for a particular job role. They were best as individuals, but nowhere as a team. Since I could foresee the amount of work coming in for our company, I had a desire to build a team and not just hire and fire people. I wanted to achieve something bigger and I knew it wasn't possible without a team. This was the time I started working on team building and collaboration, rather than simply hunting for talent every now and then. I nurtured my employees with enthusiasm and motivation. I appreciated the good in them and worked with them to help them overcome their

shortcomings. I wanted a team where everyone would work to uplift each other and work together even in a challenging situation. Here's a quick brief of my untiring efforts and ways with which I could foster a healthy collaboration in my office. The following points will give you a deep insight about how I could inculcate **leadership skills**, build a strong team and how we made it to more than 85,000 happy customers within the first few years of our business.

"Want to become a leader who gets things done?"

1. Shift the Paradigm from Individual to Team



Happy employees lead to satisfied customers. If you keep your employees happy at work and make them feel valued you will reap the benefits in the form of happy customers. Also, this will boost your customer retention rate.

But, this is possible only if you shift your focus from individual accomplishments to team success. This is the first thing I did, I shifted my focus from solely individual gains to collective success. That's the point I started building up a collaborated team.

Tip: The most important part of team collaboration is defining roles and responsibilities within the team. This will promote purposeful collaboration where resources are dedicated to a common goal.

2. Build a Creative Atmosphere

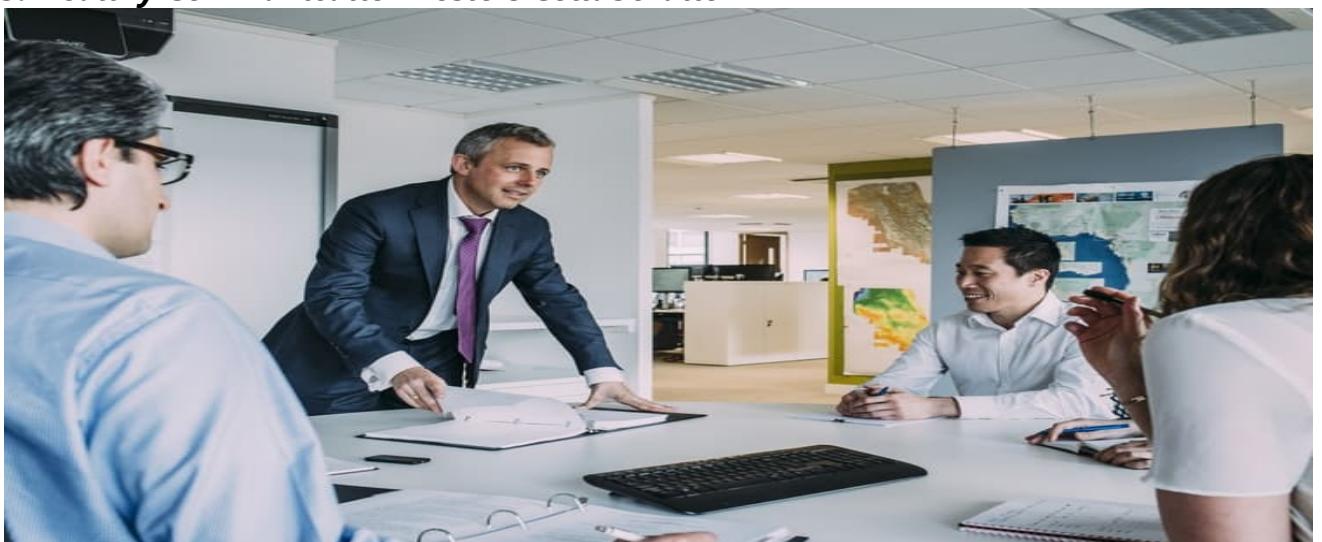


Many business owners have the notion that a tough and strict office environment is the only way to get the work done from the employees. But this is not the real case.

Yes, you can get results by creating work pressure over employees, but you definitely can't build a strong team with that. For fostering team collaboration, you will have to build a creative atmosphere in your office which gives your team members a good opportunity to make the best of their skills and abilities. A creative atmosphere also imparts a sense of personal growth and learning amongst your team.

Tip: Leadership trainings are a great way to nurture a 'Can Do' attitude in your employees. Such trainings are a great way for skill and character development in your employees.

3. Healthy Communication Fosters Collaboration



One of the most important **leadership qualities** is to be able to involve your employees while setting quarterly goals, planning a team lunch or designing a new company policy.

Facilitate a smooth communication bridge between the employees and the company. In fact, at times it has been seen that when people work together as a team, they find better ways to handle a project or goals. A collaborated team can overcome even the biggest hurdles.

Tip: Encourage employee participation in every meeting, plan group activities, and interactive sessions for fostering collaboration. If your team size is too large, prefer using online collaboration tools like ProofHub to make sure everyone has a say.

4. Work Together, Celebrate Together



Recall the school days when birthday celebrations and picnics fostered friendships and build bondings which study hours could never do. The same applies here as well. Team lunches, random weekend celebrations, and get togethers can build strong bonding among the employees.

Tip: Make celebrations a part of your workplace. Even celebrating successful completion of a project will keep them motivated and bonded with each other.

5. Keep your Employees Stress-Free



It is obvious that deadlines and big goals will lead to stress and anxiety in your employees. Flexible work policies and organizing parties would not alone be able to beat that. Meetings, project goals, and personal goals create a lot of clutter in the minds of everyone including your employees. Just as we need dental and physical hygiene, so do we need mental hygiene.

Motivation lectures or goodie words have a temporary effect on the mind. If you really want to help your employees combat stress then meditation is the real key. Spare a few minutes during office hours for a group meditation session. This will not just kick off stress but will lead to sharpening of intellect thereby improving overall productivity of the employee.

Tip: You can play some soulful music or a short guided meditation and ask everyone to sit with eyes closed and be with the instructions. Alternatively, you can also plan some aerobic or chair yoga activity at your workplace.

Years of education and experience has taught me one of the most important **team leader skills** i.e. a human resource if nurtured and trained can create miracles and achieve the impossible. It doesn't matter whether you have hired someone from a top institute in the country or from an average college.

All that matters is the efforts you put in to collaborate them as a team which will eventually take your business to the pinnacle of success. As the famous quote by Michael Jordan goes as, "Talent wins games, but teamwork and intelligence wins championships".

3. Communication and listening

Business owners and entrepreneurs should also develop effective communication skills. From active listening to discussions during meetings, being able to communicate effectively can help you work with others to build your business. Likewise, effective communication can also translate to how you promote awareness of your brand. For instance, effective and clear messages through emails, content marketing, social media and other advertising methods can positively influence how you reach your target market.

Active listening is an essential mentoring skill. One of the most common mistakes mentors can make is confusing *hearing* and *listening*. *Hearing* is merely noting that someone is speaking. *Listening*, however, is making sense of what is heard and requires the individual to constantly pay attention, interpret, and remember what is heard. *Hearing* is passive; *listening* is active. The passive listener is much like a tape recorder. If the speaker is providing a clear message, the listener will probably get most of what is said. For mentors, this is not enough. They must be

active listeners. Active listening requires the listener to hear the words and identify the feelings associated with the words. Mentors should be able to understand the speaker from his or her point of view.

There are four essential requirements for active listening:

- Intensity
- Empathy
- Acceptance
- Willingness to take responsibility for completeness

An active listener concentrates on what the speaker is saying. The human brain is capable of handling a speaking rate six times that of the average speaker. Thus, the listener must focus on the speaker. Tuning out distractions will increase listening ability (Robbins, 1991).

Suggestions for Improving Active Listening Skills

1. Make Eye Contact: Lack of eye contact may be interpreted as disinterest or disapproval. Making eye contact with the speaker focuses attention, reduces the chance of distraction, and is encouraging to the speaker.

2. Exhibit Affirmative Nods and Appropriate Facial Expressions: The effective listener shows signs of being interested in what is said through nonverbal signs. Together with good eye contact, non-verbal expressions convey active listening.

3. Avoid Distracting Actions or Gestures: Do not look at other people, play with pens or pencils, shuffle papers, or the like. These activities make the speaker feel like the listener is not interested in what is being said.

4. Ask Questions: Questioning helps ensure clarification of what the speaker is saying, facilitates understanding, and lets the speaker know that the listener is engaged.

5. Paraphrase: Paraphrasing means restating what the individual has said in different words. This technique allows the listener to verify that the message was received correctly.

6. Avoid Interrupting the Speaker: Allow the speaker to complete his or her thought before responding, and do not anticipate what he/she will say.

7. Do Not Talk Too Much: Talking is easier than listening intently to someone else. An active listener recognizes that it is impossible to talk and listen acutely at the same time.

Top 10 Most In-Demand Soft Skills

(Based on % of members with skill who were hired into a new job)

1	Communication	57.9%
2	Organization	56.5%
3	Teamwork	56.4%
4	Always Punctual	55.9%
5	Critical Thinking	55.8%
6	Social Skills	55.8%
7	Creativity	55.0%
8	Interpersonal Communication	55.0%
9	Adaptability	54.9%
10	Friendly Personality	54.6%

11 Benefits of Good Employee Communication in the Workplace



1. Employee Engagement

Ragan's research on employee engagement shows that leadership communication is the top internal communication factor that statistically correlates to how engaged employees are.



2. Email Overload

On average, corporate worker spends 25% of the workday on various email-related tasks. However, many emails we receive are not relevant to us at all.



3. Communication Silos

Too much irrelevant content often results in information silos. Meaning, information that is actually important to an employee can easily get lost.



4. Interdepartmental Communications

Without a proper communications strategy, it is very hard to keep an effective interdepartmental communication within organizations.



5. Employee Productivity

4 in 5 employees believe that effective internal business communications helps their job performance. However, an average employee spends 2.5 hours every day searching for information needed.



6. Remote Employees

Coordinating across time zones, information silos and overcoming language and cultural barriers are just a few communication challenges remote teams face.



7. Employee Turnover

Employers have to make sure to keep their employees informed about what's relevant to their jobs as better informed employees stay longer with companies.



8. Knowledge Sharing

One of the main goals companies are trying to achieve by investing in internal communications is to improve knowledge sharing among employees.



9. Employee Advocacy

When employers know how to communicate with their employees effectively, they are much more successful in making their employees brand ambassadors.



10. Company Culture

A proper employee communications strategy is crucial for building a better company culture. Companies that communicate in a transparent and open way enjoy a much healthier work atmosphere.



11. Customer Satisfaction and Retention

Better employee communication positively influences employee satisfaction, motivation and engagement which all have a direct impact on customer satisfaction and loyalty.



@besmarp



info@smarp.com



www.smarp.com

- **7% of communication** is verbal, **38%** is the tone and inflection and a staggering **55%** is body language ([Smarp](#))
- **Over 80% of Americans** think that employee communication is a key factor in creating trust with their employers ([Slideshare](#))
- **81% of recruiters** identify interpersonal skills as important ([mba.com](#))
- However, **more than 60% of employers** say that applicants are not demonstrating sufficient communication and interpersonal skills to be considered for jobs ([Business Time](#))
- **57% of recruiters** say interpersonal skills will grow in demand over the next five years ([mba.com](#))
- **98% of top salespeople** identify relationships as the most important factor in generating new business ([Salesforce](#))
- **More than 90% of employees** would rather hear bad news than no news ([Jostle](#))
- **69%** list strong communication skills as a reason they are confident in hiring graduates from business school ([mba.com](#))
- According to the National Association of Colleges and Employers, **73.4% of employers** want a candidate with strong written communication skills ([Inc.](#))
- Companies lose on average **\$62.4 million per year** because of inadequate communication to and between employees ([SHRM](#))
- **57% of employees** report not being given clear directions ([HR Technologist](#))
- **69% of managers** are not comfortable communicating with employees ([HR Technologist](#))
- **Only 19% of organizations** say they are “very effective” at developing leaders ([Infopro Learning](#))
- **82% of employees** don’t trust their boss to tell the truth ([Forbes](#))
- **85% of employees** say they’re most motivated when management offers regular updates on company news ([Trade Press Services](#))
- **70% of all organizational communication** emanates through the grapevine ([Chron](#))
- **63% of millennials** feel their leadership skills are not being developed ([HRPA](#))
- **56% of employees** believe managers need to adapt their skills to manage a remote workforce ([PowWowNow](#))
- **77% of employers** say that soft skills are just as important as hard skills ([Smarp](#))

- **41% of leaders** are not able to gather appropriate information quickly. As a consequence, **40%** are not able to make timely and deliberate decisions ([PwC](#))
- **69% of managers** fail to organize communication with their employees ([Rallyware](#))
- **37% of managers** are uncomfortable having to give direct feedback about their employees' performance if they think the employee might respond negatively to the feedback ([Harvard Business Review](#))
- Communicating well is the one critical skill that **91%** of 1,000 employees in a recent Interact/Harris Poll said their leaders lack ([Inc.](#))
- **Around a quarter** of employees think email is a major productivity killer ([Bluesource](#))
- Employees feel a communication divide could have serious business implications, including low staff morale (**61%**), confusion for the company's clients or customers (**60%**), and loss of business (**31%**) ([HR Magazine](#))
- **74% of workers** would like their company to let them **work from home** more frequently as a result of COVID-19 ([Robert Half](#))
- **28 % of employees** report poor communication as the primary cause of failing to deliver a project within its original time frame, according to a survey by the Computing Technology Industry Association ([Bluesource](#))

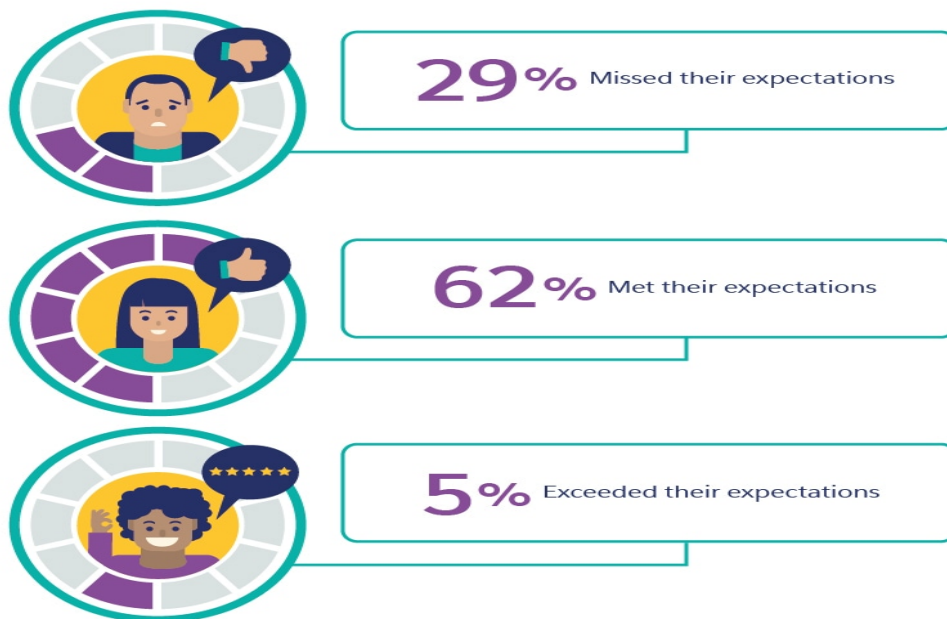
4. Customer service skills

No matter the industry you venture into as an entrepreneur, you may still need to develop effective customer service skills. From talking with potential clients to discussing opening partnerships, effective customer service skills can help you connect with your customer base and ensure your brand is providing the products or services your market needs.

Customer service skills are exactly what the phrase suggests: the skills required to provide a service to your customers. Customer service is an essential part—some would say the most important part—of delivering customer satisfaction.

There is a world of difference between good and bad customer service. Good customer service—whether before, during or after a sale—results in happy customers, or even, if you have done particularly well, delighted ones. This often translates into good reviews, word-of-mouth

recommendations to other people, and repeat custom.



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29% Deliver the promised value at the right price



22% Make it easy to do business on- and off-line



21% Recognize them as individuals who deserve personalized service



19% Provide products and services that meet their needs



9% Make it easy to find information about products and services



33% Efficiency
Answers questions or handles transactions quickly



29% Empowered
Handles requests without transfers or escalations



17% Courteous
Is polite and cordial in addressing customers



14% Human
Connects with customers personally and shows empathy



7% Consultative
Gives relevant information about products and experiences

5. Financial skills

Owning a business can also mean taking care of the financial aspects of your organization. You can develop financial skills by learning from a financial planner, reading financial guidebooks and using financial software to help you organize and keep track of the financial processes in your business.

Accounting and finance professionals can find career opportunities in many different industries. Whether you're applying to be a CFO, financial analyst, financial planner, or investment counselor, you'll find that these positions have certain functions and terminologies in common.

The finance industry can be both financially rewarding and personally satisfying because, in certain positions, you get to spend your time helping people. Like many other fields, you will have to apply yourself and work hard to succeed in this kind of demanding career, but the potential for success is worth it.

To get into the field and land any of these positions, you will need at least a bachelor's degree, although you have a few choices of majors that qualify. There are degree programs in finance, accounting, and economics. Finance skills are hard and soft skills that are used by those who work in the finance industry, including accountants, financial analysts, chief financial officers, underwriters, finance managers and more.

It is important to note that each profession has its own individual skill requirements, but there are still several skills that are needed regardless of position or experience level. Finance skills are important to uphold financial practices and maintain financial stability within a business.

How to improve your finance skills

There are several ways to improve your finance skills. The following section will review a few of these methods you can utilize to your benefit.

1. Identify your weak areas.

The first step to improving your finance skills is to identify areas in which you need more practice. If you are not comfortable with using computer software programs to complete data entry for your company's finances, consider focusing on working toward a mastery of this skill. Once you feel confident in the use of computer programs within your finance job, you can look to other areas that you find challenging.

2. Apply finance skills to your daily life.

Consider applying finance skills that are useful to the business world to your daily life. You can set weekly or monthly budgets, keep track of expenses by entering them into spreadsheets and conduct assessments on your future financial stability based on your current spending habits. By improving your finance skills in this way, you could be better prepared for a finance position within a company.

3. Earn industry certifications.

Whether you are pursuing an entry-level role or have been working in the finance industry for a significant amount of time, industry certifications are a unique way to improve particular finance skills and can also serve as a great resume enhancer.

You can earn certifications through several organizations, including the financial management association. This organization offers certification in financial planning, analysis, accounting, underwriting and a variety of other finance-related specialties that can be obtained at each experience level.

Finance skills in the workplace

The following section reviews the importance of financial skills and how they can contribute to the workplace.

Implement a structured company budget

Depending on your job position, you may be responsible for creating and monitoring a department or company-wide budget. You should use your financial planning, budgeting and decision-making skills to divide available funds to important tasks and company supplies.

Coordinate with coworkers about financial decisions

You might work in a role that requires you to analyze financial data and meet with coworkers to discuss the meaning of that data. You should be able to use persuasive and decision-making skills to help guide the conversation toward an appropriate solution.

Identify potential risks to financial stability

Use your analytical skills and knowledge of risk management tactics to actively search for and identify risks to your company's finances. Depending on your position within the company, you may have to consult with other company officials to determine a plan of action.

6 Analytical and problem-solving skills

Successful entrepreneurs may also have exceptional analytical and problem-solving skills. This is because there can be many aspects of building a brand or business that can require difficult

decisions, finding solutions to obstacles and using creative thinking to develop plans and strategies that will help you achieve your business goals.

In most career fields, analytical skills are important to help organisations solve problems from multiple angles. These skills can be analysing and organising data or studying patterns and making decisions. Having these abilities can increase your chances of getting selected and advancing in your career. In this article, we explore analytical thinking skills with examples and tips on how you can improve them.

What are analytical skills?

Analytical skills are those that help you visualise a problem's complexity, process and organise it, solve it, make projections and generate new ideas. Analytical thinking involves using existing information to accurately assess situations and provide insight about how different factors interact. As a result, analytical skills are highly focused on cause and effect and predicting the impact of possible solutions. Employers and hiring managers are interested in your analytical skills because they are critical for developing and strategising the company's operations.

Here are some of the most important analytical skills that you can use in the workplace:

- **Attention to detail:** Being able to notice all of the specific aspects and features of a project, pick up on social cues and notice subtle patterns helps you gather the data you need to think analytically.
- **Research:** Determining what information is relevant and recognising quality sources for data through research is the basis for performing an accurate analysis.
- **Data mining:** Looking at large sets of data and finding patterns through data mining, also known as knowledge discovery, can enable you to make analytical projections about future situations.
- **Data analysis:** Data analysis involves using the information you discovered data mining and transforming it into models, tables and other visual representations that help others understand and interpret complex trends.
- **Theorising:** Creating a hypothesis and developing theories about what causes an issue can guide your research and provide a point of reference for your analytical thinking.
- **Diagnostics:** Diagnosing the cause of a problem and clearly defining it brings shape and meaning to analytical discussions, making it a key step in developing an analysis.

- **Organising:** Dividing information into categories allows you to easily access the most relevant information and create convenient processes for analysing information based on a logical organisation structure.
- **Evaluating:** Determining the quality, success and other attributes of a project or situation helps you draw accurate conclusions to guide decision-making and increase self-awareness.
- **Problem-solving:** Solving problems quickly and confidently is a practical analytical skill that applies all of the information you gathered to real-world situations that could be improved.
- **Forecasting:** Making predictions about future success and possible challenges allows you to extend your analysis and develop guidelines for managing risks.
- **Decision making:** Deciding on a course of action takes confidence in your analysis and the ability to move from theoretical discussions to strategic actions.

Why is it important to have good analytical skills?

Analytical skills are considered to be transferrable to multiple positions because they indicate a mindset and a way of thinking that prioritises the unique factors of different situations. Highly developed analytical skills are a requirement in different professions and industries, so you can use them in multiple sectors. These can be marketing research analysts, management executives, budget planners, financial managers, economists, insurance underwriters, stocks market analysts and any other career path that involves working with data.

Analytical skills are also beneficial when navigating the interpersonal aspect of a career. Employers want people with strong analytical skills to develop their company culture and learn how to navigate negotiations, evaluations, trainings and team-building exercises based on their experience. If you have expertise in analytical reasoning, you often have better chances of career growth than your peers because you have the ability to identify opportunities for professional growth and develop a plan for utilising your potential.

Three types of analytical skills with examples

Although analytical skills can be applied to any industry, some professions use certain types of analytical skills more than others. For example, skills for marketing, sales or advertising will be different from those for insurance, budget planning, medicine or administration. Here are three analytical skills with examples to illustrate their importance:

Critical thinking

Critical thinking helps you make informed decisions on a situation based on information from a data set. It also balances risks and priorities to propose a reasonable solution, making constant assessments to adjust priorities. To have an analytical approach, you need to apply critical thinking.

Example: Suggesting a solution for a website's underperforming landing page requires critical thinking in various aspects. These include assessing the page's historical data, layout, keywords and backlinks. With critical analysis, you will be able to organise the data, breakages or distortions appearing in the patterns found. Your critical thinking skills allow you to verify that your assessment is accurate and unbiased to produce the best possible result. After this, you can create an action plan that improves the page's visibility and accessibility to bring sales and traffic.

Information and research analysis

Research is essential for any analysis. It allows you to collect relevant information from credible sources or in-field data collection studies. If the data is well-researched, you will have more accurate results or projections for an analysis. You can make interpretations based on the volume of data available, where you source your information and other factors.

Example: A good stock analyst can analyse a company's stock by reviewing their annual reports. For this, you will need to compare and examine their 10-15 years of performance and financial data. After assessing the information, you should be able to make accurate future projections about financial performance based on past records.

Here are some fields for which information and research analysis skills are necessary.

- Policy analysis
- Business analysis
- Credit and cost analysis
- Financial analysis
- Return on Investment (ROI)

Data analysis

If you are skilled with mathematics, you would likely make a good data scientist or data analyst. Your ability to visualise numbers and convert them to ideas and mathematical relations should make you competitive in the job market.

Example: A data scientist working with an e-commerce company scans large data sets before they draw some evidence. This evidence can be about the number of users of a particular product, a service, travel destination or other items marketed by the company.

If paying attention to details, the data specialist can break up the user data to country, state, region and city locations. This also includes age groups and gender. Such large data studies can present the data scientist with a backdrop to make future projections. They can even use it to target online advertising for a selected audience.

Tips to improve your analytical skills

Apart from having innate analytical capabilities, you can also acquire them with training and practice. You can do this by challenging your analytical reasoning abilities.

You could try out some of the following strategies to improve your analytical skills:

- Read frequently to learn new knowledge.
- Train your brain with different exercises.
- Develop patience to listen and observe.
- Make notes of important events.
- Take note of your mistakes and plan not to repeat them.
- Never feel shy to ask questions.
- Regularly test yourself to do a self-evaluation.

When employers talk about problem-solving skills, they are often referring to the ability to handle difficult or unexpected situations in the workplace as well as complex business challenges. Organizations rely on people who can assess both kinds of situations and calmly identify solutions. Problem-solving skills are traits that enable you to do that. While problem-solving skills are valued by employers, they are also highly useful in other areas of life like relationship building and day-to-day decision making.

What are problem-solving skills?

Problem-solving skills help you determine the source of a problem and find an effective solution. Although problem solving is often identified as its own separate skill, there are other related skills that contribute to this ability.

Some key problem-solving skills include:

Active listening

Analysis

Research

Creativity

Communication

Dependability

Decision making

Team-building

Problem-solving skills are important in every career at every level. As a result, effective problem solving may also require industry or job-specific technical skills. For example, a registered nurse will need active listening and communication skills when interacting with patients but will also need effective technical knowledge related to diseases and medications. In many cases, a nurse will need to know when to consult a doctor regarding a patient's medical needs as part of the solution.

How to improve your problem-solving skills

There are several methods you can use to improve your problem-solving skills. Whether you are searching for a job or currently working, improving your problem-solving skills and associated abilities will help make you a strong candidate and employee.

Acquire more technical knowledge in your field

Depending on your industry, it may be easier to solve problems if you have strong working technical knowledge. You can more technical knowledge through additional coursework, training or practice.

Seek out opportunities to problem solve

By putting yourself into new situations, you are more likely to be exposed to opportunities to problem solve. You may find there are opportunities to volunteer for new projects in your current role, on another team or outside the workplace for another organization.

Do practice problems

Practice and role-play can be useful tools when learning to develop your problem-solving skills. You can find professional practice books for your industry and problem-solving scenarios online. Practice how you might solve those problems and determine if your potential solutions are viable.

For example, in customer service you might find a scenario like, "How would you handle an angry customer?" or "How do you respond when a customer asks for a refund?" Practicing how

you might handle these or other scenarios common in your industry can help you call upon solutions quickly when they arise on the job.

Observe how others problem solve

You may have colleagues who are skilled problem solvers. Observing how those colleagues solve problems can help you improve your own skills. If possible, ask one of your more experienced colleagues if you can observe their techniques. Asking relevant questions can be helpful in applying them in your own career.

7. Critical thinking skills

Critical thinking skills, like analytical skills, can be necessary for developing your overall entrepreneurial skills. Being able to look at problems, situations, projects and operations from different perspectives can help in decision-making and problem solving. Critical thinking skills can also be necessary for strategic planning and evaluating the approaches you're using to make changes or improve your business strategies as needed. Critical thinking is the intellectually disciplined process of actively and skillfully conceptualizing, applying, analyzing, synthesizing, and/or evaluating information gathered from, or generated by, observation, experience, reflection, reasoning, or communication, as a guide to belief and action.”

Critical thinking is the opposite of regular, everyday thinking.

Moment to moment, most thinking happens automatically. When you think critically, you *deliberately* employ any of the above intellectual tools to reach more accurate conclusions than your brain automatically would (more on this in a bit).

Even if you want to be a better critical thinker, it's hard to improve upon something you can't define. Critical thinking is the analysis of an issue or situation and the facts, data or evidence related to it. Ideally, critical thinking is to be done objectively—meaning without influence from personal feelings, opinions or biases—and it focuses solely on factual information.

Critical thinking is a skill that allows you to make logical and informed decisions to the best of your ability. For example, a child who has not yet developed such skills might believe the Tooth Fairy left money under their pillow based on stories their parents told them. A critical thinker, however, can quickly conclude that the existence of such a thing is probably unlikely—even if there are a few bucks under their pillow.

6 Crucial critical thinking skills (and how you can improve them)

While there's no universal standard for what skills are included in the critical thinking process, we've boiled it down to the following six. Focusing on these can put you on the path to becoming an exceptional critical thinker.

1. Identification

The first step in the critical thinking process is to identify the situation or problem as well as the factors that may influence it. Once you have a clear picture of the situation and the people, groups or factors that may be influenced, you can then begin to dive deeper into an issue and its potential solutions.

How to improve: When facing any new situation, question or scenario, stop to take a mental inventory of the state of affairs and ask the following questions:

Who is doing what?

What seems to be the reason for this happening?

What are the end results, and how could they change?

2. Research

When comparing arguments about an issue, independent research ability is key. Arguments are meant to be persuasive—that means the facts and figures presented in their favor might be lacking in context or come from questionable sources. The best way to combat this is independent verification; find the source of the information and evaluate.

How to improve: It can be helpful to develop an eye for unsourced claims. Does the person posing the argument offer where they got this information from? If you ask or try to find it yourself and there's no clear answer, that should be considered a red flag. It's also important to know that not all sources are equally valid—take the time to learn the difference between popular and scholarly articles.

3. Identifying biases

This skill can be exceedingly difficult, as even the smartest among us can fail to recognize biases. Strong critical thinkers do their best to evaluate information objectively. Think of yourself as a judge in that you want to evaluate the claims of both sides of an argument, but you'll also need to keep in mind the biases each side may possess.

It is equally important—and arguably more difficult—to learn how to set aside your own personal biases that may cloud your judgement. “Have the courage to debate and argue with your

own thoughts and assumptions,” Potrafka encourages. “This is essential for learning to see things from different viewpoints.”

How to improve: “Challenge yourself to identify the evidence that forms your beliefs, and assess whether or not your sources are credible,” offers Ruth Wilson, director of development at Brightmont Academy.

First and foremost, you must be aware that bias exists. When evaluating information or an argument, ask yourself the following:

Who does this benefit?

Does the source of this information appear to have an agenda?

Is the source overlooking, ignoring or leaving out information that doesn’t support its beliefs or claims?

Is this source using unnecessary language to sway an audience’s perception of a fact?

4. Inference

The ability to infer and draw conclusions based on the information presented to you is another important skill for mastering critical thinking. Information doesn’t always come with a summary that spells out what it means. You’ll often need to assess the information given and draw conclusions based upon raw data.

The ability to infer allows you to extrapolate and discover potential outcomes when assessing a scenario. It is also important to note that not all inferences will be correct. For example, if you read that someone weighs 260 pounds, you might infer they are overweight or unhealthy. Other data points like height and body composition, however, may alter that conclusion.

How to improve: An inference is an educated guess, and your ability to infer correctly can be polished by making a conscious effort to gather as much information as possible before jumping to conclusions. When faced with a new scenario or situation to evaluate, first try skimming for clues—things like headlines, images and prominently featured statistics—and then make a point to ask yourself what you think is going on.

5. Determining relevance

One of the most challenging parts of thinking critically during a challenging scenario is figuring out what information is the most important for your consideration. In many scenarios, you’ll be presented with information that may seem important, but it may pan out to be only a minor data point to consider.

How to improve: The best way to get better at determining relevance is by establishing a clear direction in what you're trying to figure out. Are you tasked with finding a solution? Should you be identifying a trend? If you figure out your end goal, you can use this to inform your judgement of what is relevant.

Even with a clear objective, however, it can still be difficult to determine what information is truly relevant. One strategy for combating this is to make a physical list of data points ranked in order of relevance. When you parse it out this way, you'll likely end up with a list that includes a couple of obviously relevant pieces of information at the top of your list, in addition to some points at the bottom that you can likely disregard. From there, you can narrow your focus on the less clear-cut topics that reside in the middle of your list for further evaluation.

6. Curiosity

It's incredibly easy to sit back and take everything presented to you at face value, but that can also be also a recipe for disaster when faced with a scenario that requires critical thinking. It's true that we're all naturally curious—just ask any parent who has faced an onslaught of “Why?” questions from their child. As we get older, it can be easier to get in the habit of keeping that impulse to ask questions at bay. But that's not a winning approach for critical thinking.

How to improve: While it might seem like a curious mind is just something you're born with, you can still train yourself to foster that curiosity productively. All it takes is a conscious effort to ask open-ended questions about the things you see in your everyday life, and you can then invest the time to follow up on these questions.

8. Strategic thinking and planning skills

Critical thinking skills can also translate into strategic thinking skills. Entrepreneurs who have built brands and businesses most likely applied their strategic planning skills to develop strategies for growing and developing their businesses. To be successful as an entrepreneur, it takes planning and being able to think strategically can allow you to find ways to beat out your competition grow your market reach or implement effective strategies to reach your goals.

In its simplest form, strategic thinking is an ability to plan for the future. It's the capacity to prepare strategies and conjure ideas that will both cope with changing environments and consider the various challenges that lie ahead. Candidates that possess strategic thinking skills will be seen as top talent, and it's a quality that makes many managers, directors and executives the successful leaders they are. Here's our advice on becoming a powerful strategic thinker.

4 key qualities of strategic thinkers

Bring to your mind a professional leader you admire. Have you chosen them because of their innovation, intelligence or ability to engage audiences? Or maybe you like their capacity to critique process and procedure while still being receptive to feedback and change? If your model leader possesses any of the above qualities, they're a strategic thinker. Here are four qualities that all strategic thinkers possess, and continue to work on throughout their lives:

They're always learning

Strategic thinking skills are developed by committing to constant learning and self-improvement. Whether it's learning from their own experiences, the experiences of others, books, presentations, networks, conferences or junior colleagues, strategic thinkers don't dismiss any potential sources of education.

They always seek advice from others

In the spirit of being able to prepare for the future and make constant improvements, strategic thinkers welcome feedback and advice from others. They test ideas and concepts and ensure that criticisms are examined and incorporated where relevant. This process makes their plans and strategies as robust and steadfast as possible.

They're not afraid to take risks

Great strategic thinkers understand that professional excellence doesn't always emerge from a cookie-cutter approach. After careful consideration, they take risks on new ideas, innovative solutions and unique pitches, prepared for both success and failure, and always willing to learn from their mistakes.

They never forget organisational purpose

whether a business builds intuitive websites for clients or sells diverse share portfolios, strategic thinkers will never neglect their purpose or people. If the strategic thinking and planning doesn't revolve around these two key elements, it has failed to be strategic at all.

Improving your strategic thinking skills

It should be clear by now that strategic thinking is immensely valuable for progressing your career, but that it also has wide application in your personal life. It's a skill that enables you to plan and apply reason to many challenges that you face, always seeking the best and most effective solution. So how do you get it? Start working on these areas to enhance your strategic thinking skills, no matter what role or industry you're in.

Be proactive

Understanding that strategic thinking is all about being prepared for the future, take initiative and do things before you're asked to, or you need to respond reactively. Did you obtain extra copies of a board report in anticipation of those who have not provided an RSVP? Have you been backing up all the departments key files onto an additional source in case of system crash? If so, you tick the proactive box, and keep up the good work.

Understand counter arguments

It would be rare for a strategic thinker to believe that their ideas, and their ideas alone, were always right. Developing an understanding and appreciation of opposing ideas, opinions, arguments or positions will develop your strategic thinking skills by creating an understanding of the whole picture. The more you explore alternative arguments, the easier you'll find seeing projects and ideas holistically will become.

Constantly optimise

No matter what project or piece of work you're tasked with, always look for ways to optimise and improve what you produce. Strategic thinking is all about being able to recast strategy and reset direction; being adaptable and ambitious simultaneously. Make sure everything you work on, from a social media report, to a team presentation, to a market research paper generates maximum value.

Keep up-to-date with news and trends

Join networks, read widely, engage with employees from different teams in your organisation and look for clues of upcoming trends and concepts everywhere you can. Understand how your role works not just in the context of your workplace, but more broadly in businesses across Australia, or even globally. Seek out mentors and experts who can share their own experiences and tips for keeping on top of the most important and current ideas relevant to you.

Strategic thinking is an ability to envisage new solutions to old problems, and to constantly reinvent your point of view in a way that is unique, and benefits the purpose of your organisation. It's a key skill required if you have any intention of climbing the corporate ladder, so start work on your strategic thinking skills today.

9. Technical skills

Because of the availability of software programs for financial analysis, planning, marketing and other business processes, it can be extremely beneficial to develop your technical skills.

Entrepreneurs with efficient technological skills can use software and other digital approaches for managing projects, tracking sales and revenue and measuring the performance of business growth.

Technical skills are qualities acquired by using and gaining expertise in performing physical or digital tasks. There are many different kinds of technical skills. Traditionally, people working in mathematics, computer science, mechanics and information technology have used many technical skills. Today, however, many more industries rely on employees with technical knowledge. For example, retail and food service workers often need to know how to use point-of-sale (POS) software.

Some specific examples of technical skills might include:

Programming languages

Common operating systems

Software proficiency

Technical writing

Project management

Data analysis

Technical skills vary widely between industry and job type. For computer programmers, knowledge of various coding languages is considered a technical skill. Customer service representatives may need technical skills relating to customer management and telephone systems. Teachers might need technical skills related to instructional technologies and software applications ranging from student behaviour monitoring to grading.

Technical skills are important because nearly every job relies on different tools, programmes and processes. If you have sought after technical knowledge and skills common in your industry, you'll be a more competitive candidate. For example, while a carpenter may have a positive demeanour and excellent customer service skills (these are good examples of "soft skills"), his skilful handling of tools and heavy machinery will be crucial to his technical and practical success.

What skills are employers looking for?

When employers post jobs, they often include lists of both "required" and "desired" technical skills. "Required" skills are often considered a prerequisite to performing the job successfully upon hire. For example, if you're applying to be a chef, you may be required to possess basic

cooking skills. While some companies can provide on-the-job training, others may need to hire an experienced chef who will only need to be trained on new recipes.

When an employer lists “desired” skills, they are indicating that while there are some competencies they would like to see on a resume, they may be open to hiring someone without that experience. Employers are often willing to help new hires acquire desired skills on the job, if necessary. This may be common for positions with a high turnover rate or those that have specialised tools or programmes difficult to gain experience in prior to employment.

How to improve your technical skills

If you’re changing industries or positions, you may need to consider improving on or acquiring new abilities. There are several steps you can take to improve your technical skills.

1. Enrol in courses for different skills

Most technical skills can be learned through a dedicated training programme or class. Depending on the type of skill, you may be able to learn that skill taking one or more courses either online or in person.

2. Use a self-study training programme

There’s a chance you may be able to acquire different skills through self-study programmes.

That could include “how-to” books, self-paced online lessons or free training materials available from the different sources.

3. Learn from a professional

You may be able to locate a professional who already possesses the technical skills you want. If so, that individual may be able to help teach you the skills you’re looking for either for free or for compensation.

4. Learn on the job

Some employers may be able to provide on-the-job training. If you do not have certain technical skills an employer desires, make it known that you are eager to learn whatever skills are necessary to effectively perform the job.

10. Time management and organizational skills

Time management and organization are also important skills for entrepreneurs to have. Strategies that can help develop these skill sets include breaking down tasks into manageable to-do lists and setting deadlines and achievable objectives for yourself and for your team. Additionally, you might implement technology to help keep business files organized or employ an office assistant

to help you keep paperwork, business records and customer files organized. Time management is the method of planning and balancing your time between different activities. Good time management helps you to complete a given task in a specific time frame amidst challenges and tight schedules. When you manage your schedule and deadlines, strong time management skills help you better your reputation and move ahead in the workplace. If you want to excel in life, you have to respect the importance of time and find a way to manage it efficiently. Time management skills help you systematically organise your tasks and accomplish them by their deadline. For example, if you are looking for a job, you need to devote time to updating your resume, searching for job openings, researching good companies for openings, applying and preparing for interviews. Setting aside some specific time daily for the job-related tasks can help you in getting the right job. For example, managing your time properly can give you more time to read job postings thoroughly and finding the ones that best suit your needs.

Proper time management allows you to be creative and proactive with your goals. With a well-defined time frame for each workplace task, you can ensure you're contributing to the company in a reliable way.

How to improve your time management skills

With limited time at your disposal and numerous tasks to accomplish in your professional and personal life, time management is a challenging task. Whether you're an executive or a job aspirant, better time management skills can not only help you become a better employee but also a strong candidate while applying for new opportunities. Some ways to improve your time management skills are given below:

1. Prepare a schedule and follow it strictly

Organise your days and weeks well in advance. There might be unforeseen circumstances, so take into account the kinds of challenges that may arise in your work and budget time around your tasks and responsibilities. Spend some days tracking everything you do. This will help you identify recurring tasks, which you can include in your schedule.

2. Set some boundaries for yourself

If you want to accomplish tasks on time without any distraction, you need to inform your team and family members about your limitations and when you aren't available. Be sure to communicate your limits in a polite, direct manner. Make it clear to everybody which hours of the day you prefer not to be disturbed at all, except in case of an emergency. During these times,

set your phone to do-not-disturb and close any chatting applications on your computer to help you focus exclusively on the task at hand.

3. Fix deadlines

When you have a task, set a realistic deadline and strictly follow it. The deadline should be a few days before the delivery date whenever possible so that you can review the tasks and implement corrective measures. Keep an eye on the progress of the work and provide timely feedback to ensure that the project is not deviating from its course.

4. Set long- and short-term goals

Set at least one long-term goal that you wish to achieve. These goals give an idea of what direction you want your life to go in. However, every long-term goal needs related short-term goals as well, as they keep you on track and motivate you to realise your long-term goals. For example, if your objective is to get a promotion within six months, you need to set the short-term goal of improving certain skill sets related to the new position. Your goals should follow the SMART goal strategy to be Specific, Measurable, Achievable, Relevant and Time-based.

5. Manage your calendar effectively

A calendar is one of the most important tools to manage your time, productivity and effectiveness. A calendar allows you to stay caught up on your appointments while giving you a physical space to plan what you need to do first and when, why your involvement is required and what you can complete at a later date. You might consider reserving certain brackets of time regularly for meetings or important tasks.

6. Prioritise your assignments

Prioritisation is one of the cornerstones of productivity as it can help with everything from time management to work-life balance. You can practise prioritisation by including tasks in one master list then breaking it down by daily goals, weekly goals and monthly goals. One way to help you prioritise your schedule is to separate time-bound and important tasks:

11. Branding, marketing and networking skills

Entrepreneurs may spend the majority of their time marketing and networking with other professionals to promote and grow their brands. Being able to implement successful branding and marketing strategies can be an essential aspect of becoming an entrepreneur. You might take a free online course to get started with branding and marketing basics, and you can also meet with other entrepreneurs to help grow your network.

Networking refers to the ability of exchanging ideas and information with groups as well as individuals that have shared interests, such that long-term relationships are developed for mutual benefit.

In simple words, networking skills are the ability to make contacts through a process that is two-way. Simply filling out your address book with the names and numbers of some influential people is not enough.

It is more of a habit that needs to be developed within as well as outside work environment because whether it's your search for employment, or wish to successfully grow in your career; networking skills serve as the catalyst.

How to improve networking skills

Knowing that networking is the fuel that accelerates success, you can improve your networking skills in the following way:

Interact face-to-face. With the increasing use of internet and social media, many deem it appropriate to use these as a good way to keep in touch. The reality, however, is that you need to get off that computer of yours and make real time, face-to-face interactions.

Keep in mind your destination. Focusing on the bigger picture is important but what is even more important is setting smaller and attainable goals which feed the larger, overarching goals but help you measure success while you are on your way to it. You must set goals that are directly related to your networking efforts. For example, aiming to get 3 business cards at a particular industry event can be a networking goal.

Work on your mindset. Forget the purpose of developing the relationships while you're networking. Don't treat anyone like a business contact. Rather, treat them as your friends and this will make things go a lot smoother during your interactions, without you being distracted by the thoughts of end results that you wish to achieve.

As you develop these skill sets, you can increase the successes you see as an entrepreneur.

ENTREPRENEURIAL IMAGINATION AND CREATIVITY

Imagination, also called the faculty of imagining, is the creative ability to form images, ideas, and sensations in the mind without direct input from the senses, such as seeing or hearing. Imagination helps make knowledge applicable in solving problems and is fundamental to integrating experience and the learning process. A basic training for imagination is listening to storytelling (narrative), in which the exactness of the chosen words is the fundamental factor to

"evoke worlds". Creative entrepreneurship - is the practice of setting up a business – or setting yourself up as self employed - in one of the creative industries. The focus of the creative entrepreneur differs from that of the typical business entrepreneur or, indeed, the social entrepreneur in that s/he is concerned first and foremost with the creation and exploitation of creative or intellectual capital. Essentially, creative entrepreneurs are investors in talent – their own or other people's. The most renowned creative entrepreneurs have combined creative flair with entrepreneurial ability to build multimillion-dollar business empires. Since the mid 20th century, commentators have observed the move towards a knowledge economy or information society where the old rules of manufacturing-based business no longer apply, or at very least need to be reconsidered (Machlup 1962; Drucker, 1969; Lyotard, 1984). But the creative sector, an intrinsic part of the knowledge economy, has received relatively little attention. In recent years, due to significant economic growth in the sector (prior to the 2008/9 downturn), there has been a surge of interest in the creative industries, and the issue of creative entrepreneurship has been pushed to the fore. In parallel with (and no doubt partially motivated by) general enthusiasm from policy makers and support agencies, creative entrepreneurship has grown as an academic discipline, Creative entrepreneurship courses are becoming widely available, and seem increasingly popular with students.

Specific Skills Creative entrepreneurs need to master specific skills: an understanding of intellectual property is essential, combined with the ability to manage cash flow, key talent and the creative process effectively. Howkins (2001) lists 11 rules for successful creative entrepreneurs. These rules include: invent yourself, priorities ideas over data, be nomadic, learn endlessly and, most importantly, Howkins goes on to observe that, despite lack of recognition from economists and politicians, and traditional lack of support from society (although this is changing), creative entrepreneurs tend to be bright and to value their independence above all else. The freedom to manage their own time and abilities compensates for the unpredictable nature of their working environment, and irregularity of their income: These people instinctively think for themselves, instinctively network, and instinctively keep several balls in the air at once. They are the shock troops not only for new ideas about our culture but for new ideas about working in it.

The Innovation and Entrepreneurship: The Innovation and Entrepreneurship Group (I&E Group) is the largest of four research groups at Imperial College Business School and is globally leading in its field. It is an interdisciplinary team of academics, led by Professor David Gann, linking Imperial College Business School with the faculties of

Engineering, Natural Sciences and Medicine within Imperial College London, as well with numerous external academic institutions and industrial leaders. At the heart of the Group is the Innovation Studies Centre (ISC) funded for ten years by the Engineering and Physical Sciences Research Council (EPSRC), to conduct research on the innovation process, from knowledge creation to commercialization. The ISC was established in 2003 and encompasses the core research themes of the Group - Open and Distributed Innovation, Business Model Innovation, Systems, Services and Design, and Diffusion of Innovation. The Centre collaborates with internationally leading academic institutions in the UK and overseas and works with world class firms such as GSK, IBM, Arup, Laing O'Rourke, CSC and BP, disseminating its findings widely. The I&E Group has two additional research themes, Strategic Entrepreneurship and Inclusive Innovation, not funded by the central EPSRC grant. As well as the core research projects, the Group has also attracted funding to establish a number of related Centres to carry out research into association innovation and entrepreneurship subjects. Finally the Group runs an extensive events and conference programme to disseminate the work of the Group to the widest possible audience.

Types of innovation:

Open and Distributed Innovation Led by Professor Ammon Salter. The purpose of this theme is to develop new knowledge and inform practice about open and distributed innovation. Developing and commercializing an innovation requires the coordination and integration of knowledge from many different sources and networks. Increasingly, innovators rely on external knowledge to complement and enrich their own expertise.

Business Model Innovation Led by Dr Markus Perkmann, the research explores various questions regarding such business model innovation. What enables organizations to devise new business models and what are the sources, and consequences, of business model innovation? Current work focuses specifically on the low-carbon energy sector, which provides an ideal setting to investigate the ways organizations' experiment with new ways of deploying energy technologies, as well as generating and consuming energy.

Systems, Services and Design Led by Dr Andrew Davies, this Theme examines the design, integration and operation of complex systems, particularly in the infrastructure industries (e.g. energy, water, roads and urban environments). Increasingly, organizations' are providing

systems and services as 'smart' integrated solutions to improve long-term operational performance and sustainability of outcomes.

Diffusion of Innovation Led by Professor Erkkö Autio, Diffusion of Innovation conducts research on innovation and technology commercialization strategies in platform and ecosystem contexts. The Theme also undertakes research on determinants of new venture growth in technology-intensive business sectors

Strategic Entrepreneurship Led by Professor Bart Clarysse The content of this theme is in development. **Inclusive Innovation Led by Professor Gerry George**. The content of this theme is in development.

How to improve entrepreneurial skills

There can be many different methods that you can use to develop your entrepreneurial skills. You might take a class, attend a seminar or participate in a networking workshop. You might also consider the following steps to help you improve your skill set.

1. Take a course.
2. Attend events and workshops.
3. Seek out experienced mentors.
4. Build your leadership skills.
5. Learn how to manage finances.

1. Take a course

One highly effective method to improving your skill set as an entrepreneur is to take a course on business, marketing, financial planning or another management aspect of developing your own brand. Taking a business course, for example, can help you develop the business management skills necessary to achieve success as an entrepreneur.

2. Attend events and workshops

You might also attend entrepreneurial workshops and networking events. Many of these types of events may have experienced business owners and entrepreneurs speaking about business and networking topics. Aside from the direct benefit of learning, you can also gain valuable contacts, talk with experienced brand owners and speakers and get insight into your business.

3. Seek out experienced mentors

Much like asking questions in a class, seeking out mentors can also be highly beneficial to developing your entrepreneurial skills. You might shadow a brand owner for a day to observe

how they manage their business, or you might meet with a professional group once a week to discuss how you are implementing various skills and resources to build your brand. Oftentimes, experienced and successful entrepreneurs are more than happy to help mentor you and offer their professional advice.

4. Build your leadership skills

You might seek out opportunities to be the team leader or manager to help you practice these skills. As you perform in leadership roles, you might ask for feedback from teammates and other colleagues to help you further develop your management and leadership skills.

5. Learn how to manage finances

Another key aspect of owning your own business is that you will most likely be managing your business's finances. You can usually employ a financial planner for assistance, however, it can be to your advantage to learn about the financial processes that take place within a business.

Entrepreneurial skills in the workplace

As you develop your entrepreneurial skill set, you can practice applying your skills in the workplace by:

- Finding leadership opportunities such as managing specific projects or teams, and requesting feedback on your performance as team leader to help you improve these skills
- Helping coworkers organize and manage their time by helping them develop strategies that keep them organized and on task
- Learning new skills that can transfer to owning your own business-like financial analysis, budgeting or networking skills
- Learning from your supervisors by observing the approaches they use to manage teams, make decisions and collaborate with other managers

There are all sorts of ways that you might practice applying and developing your entrepreneurial skills, and these tips can be a helpful place to start.

How to highlight entrepreneurial skills

You might also consider highlighting your entrepreneurial skills as you look for other employment opportunities. The following information illustrates how you might showcase your skills on your resume, in a cover letter and during an interview.

Entrepreneurial skills on a resume

You might consider highlighting your technical skills, management and leadership skills and other entrepreneurial skills that can show employers your professionalism and your motivation to succeed.

Entrepreneurial skills in a cover letter

You might use your cover letter to illustrate how your skills have helped you achieve success in past roles. For instance, if your management skills helped build an effective team, you might mention it in your cover letter.

Entrepreneurial skills during an interview

Consider discussing your strengths and how they helped you complete different tasks and projects. You might also highlight your entrepreneurial skills by offering insight into how you manage and build a network of like-minded professionals. This can show the interviewer that you are motivated to help build their business.

Interpersonal Skills and Entrepreneurship

As an entrepreneur, you'll likely have to work closely with others – so it's essential that you are able to build good relationships with your team, customers, suppliers, shareholders, investors, and other stakeholders.

Some people are more gifted in this area than others, but you can learn and improve these skills. The types of interpersonal skills you'll need include:

Leadership and motivation: Can you lead and motivate others to follow you and deliver your vision? And are you able to delegate work to other people? As an entrepreneur, you'll have to depend on others to get beyond the early stages of your business – there's just too much to do by yourself!

Communication skills: Are you skilled in all types of communication? You need to be able to communicate well to sell your vision of the future to a wide variety of audiences, including investors, potential clients and team members.

Listening: Do you hear what others are telling you? Your ability to listen and absorb information and opinions can make or break you as an entrepreneur. Make sure that you're skilled at active listening and empathic listening.

Personal relationships: Do you have good "people skills"? Are you self-aware, able to regulate your emotions, and respond positively to feedback or criticism? Our article on Emotional Intelligence offers a range of strategies for developing these crucial attributes.

Negotiation: Are you a good negotiator? Not only do you need to negotiate favorable prices, but you will also need to resolve differences between people in a positive, mutually beneficial way.

Ethics: Do you deal with people based on respect, integrity, fairness, and trust? Can you lead ethically? You'll find it difficult to build a happy, productive business if you deal with staff, customers or suppliers in a shabby way.

Critical and Creative Thinking Skills for Entrepreneurs

As an entrepreneur, you need to come up with fresh ideas, and make good decisions about opportunities and potential projects.

Many people think that you're either born creative or you're not. But creativity is a skill that you can develop, and there are many tools available to inspire you.

Creative thinking: Are you able to see situations from a variety of perspectives to generate original ideas? Tools like the Reframing Matrix can help you do this.

Problem solving: You'll need sound strategies for solving business problems that will inevitably arise. Tools such as Cause & Effect Analysis, the 5 Whys technique, and CATWOE are a good place to start. You'll find many more in our Problem-solving section.)

Recognizing opportunities: Do you recognize opportunities when they present themselves? Can you spot a trend? And are you able to create a workable plan to take advantage of the opportunities you identify?

Creative Thinking

Entrepreneurs are known for thinking outside the box. Anyone can start an online business or a storefront; it takes Jeff Bezos to conceive of Amazon.com, incorporate drone delivery and streamed media, and supply nearly any item consumers can think of.

Entrepreneurs see things differently. They are not afraid to try solutions that most people either fail to consider or are too afraid to try.

- Innovation
- Emotional Intelligence
- Ability to Understand Root Problems
- Identify Causes
- Brainstorming
- Technology
- Thinking Outside the Box

- Building a Team

Leadership

Entrepreneurs often have an evangelistic quality along with strong leadership skills. They have great ideas and are skilled at getting buy-in from investors and employees.

If you're applying for a role that requires an entrepreneurial spirit, provide examples of times you got staff on board with a plan that was a tough sell.

- Persuasion
- Sales
- Tenacity
- Perseverance
- Collaboration
- Initiative
- Confidence
- Competitive

Risk-Taking

Entrepreneurs often seem more comfortable with risk than are other business leaders. Taking risks can lead to tremendous failures but also to stunning successes. Entrepreneurs are willing to live without a steady paycheck and make short-term sacrifices for a long-term payoff. That said, the risks that entrepreneurs take are calculated and aren't simply done for the thrill.

- Risk Management
- Pro Forma Statements
- Sales Forecasts
- Break-Even Analysis
- Experimentation
- Ongoing Improvement
- Self-Efficacy
- Growth Mindset
- Negotiation
- Analytical
- Stress Tolerance

Strong Work Ethic

Being an entrepreneur may seem flashy and exciting. But a lot of long hours are required to launch something. To be successful, entrepreneurs must execute. You'll often hear stories of entrepreneurs who begin their workday well before sunrise or send middle-of-the-night emails. Entrepreneurs are relentless when it comes to completing projects and following through on the work required to turn ideas and plans into sellable products.

- Building Business Plans
- Consistency
- Diligence
- Project Management
- Focus
- Goal-Oriented
- Results-Oriented
- Work Independently

- **Books**

- • Robert Hisrich and Michael Peters, Entrepreneurship, Tata Mc Graw– Hill
- • Vasant Desai, Entrepreneurship
- • Marc J Dollinger, Entrepreneurship – Strategies and Resources, Pearson Education
- [Business Development Skills: Definition and Examples](#)

Entrepreneurship Development Skill

MULTIPLE CHOICE QUESTIONS

Question No: 1 Which of the following shows the process of creating something new?

- a) Business model
- b) Modeling
- c) Creative flexibility
- d) Innovation

Question No: 2 Which one of the following gives suggestions for new product and also help to market new products?

- a) Existing products and services
- b) Federal government
- c) Distribution Channels
- d) Consumers

Question No: 3 Which of the following is used by entrepreneurs to acquire experience in an international market before making a major commitment?

- a) Merger
- b) Minority Interest
- c) Joint venture
- d) Majority interest

Question No:4 GATT is established in 1947, under:

- a) German leadership
- b) U.S. leadership
- c) French leadership
- d) U.K. leadership

Question No: 5 The entrepreneur was distinguished from capital provider in:

- a) Middle ages

- b) 17th century
- c) 18th century
- d) 19th and 20th century

Question No: 6 A person who managed large project was termed as the entrepreneur in the _____.

- a) Earliest period
- b) Middle ages
- c) 17th century
- d) 19th and 20th century

Question No: 7 What is the process by which individuals pursue opportunities without regard to resources they currently control?

- a) Startup management
- b) Entrepreneurship
- c) Financial analysis
- d) Feasibility planning

Question No: 8 Having less than 50 percent of equity share in an international venture is called:

- a) Joint Venture
- b) Majority interest
- c) Minority interest
- d) Exporting

Question No: 9 Having more than 50% ownership position that provides the entrepreneur with managerial control is called:

- a) Joint venture
- b) Majority interest
- c) Horizontal merger
- d) Diversified activity merger

Question No: 10 – Which one of the following is the process of entrepreneurs developing new products that over time make current products obsolete?

- a) New business model
- b) Anatomization
- c) None of the given options
- d) Creative destruction

Question No: 11 Which of the following factors is the most important in forcing U.S companies to focus on new product development and increased productivity?

- a) Entrepreneurship
- b) Hyper competition
- c) Governmental laws
- d) Organizational culture

Question No: 12 Which of the following is alternatively called corporate venturing?

- a) Entrepreneurship
- b) Intrapreneurship
- c) Act of stating a new venture
- d) Offering new products by an existing company

Question No: 13 Individuals influencing an entrepreneur's career choice and style are known as which of the following?

- a) Moral-support network
- b) Role model
- c) Professional support network
- d) Support system

Question No: 14 The activity which occurs when the new venture is started is called:

- a) Motivation
- b) Business skills

- c) Departure point
- d) Goal orientation

Question No: 15 The level at which an individual is viewed by society is called:

- a) Financial status
- b) Qualification
- c) Social status
- d) Achievement

Question No: 16 Which one of the following is an important source of idea generation due to their familiarity with the needs of market?

- a) Existing products and services
- b) Distribution channels
- c) Federal government
- d) Consumers

Question No: 17 Members of distribution channels are excellent sources for new ideas because:

- a) They earn a handsome profit from new business
- b) They are familiar with the needs of the market
- c) They do not bother if entrepreneur bears a loss
- d) They have well-developed sales force

Question No: 18 Which one of the following is the most important characteristic of a successful business website?

- a) Innovation
- b) Speed
- c) Graphics
- d) Products

Question No: 19 Which one of the following is the next stage to the Concept Stage of Product Planning and Development Process?

- a) Idea Stage
- b) Product Planning Stage
- c) Product Development Stage
- d) Test Marketing Stage

Question No: 20 SBA stands for:

- a) Small business accountants
- b) Small business administration
- c) Small business adequacy
- d) Small business advisors

Question No: 21 Why should an entrepreneur do a feasibility study for starting a new venture ?

- a) To identify possible sources of funds
- b) To see if there are possible barriers to success
- c) To estimate the expected sales
- d) To explore potential customers

Question No: 22 Information regarding all of the following is related to operations, EXCEPT:

- a) Location
- b) Promotion
- c) Raw materials
- d) Labor skills

Question No:23 A performance and credit rating scheme has been launched by the MSME Ministry to assess creditworthiness and capabilities of industries in the sector. What is it called?

- (a) Performance and Credit Rating Scheme
- (b) Zero Defect Zero Effect Certification
- (c) Performance and Economy Rating Scheme

(d) None of the above

Question No: 24 A Micro Enterprise is an enterprise where investment in plant and machinery does not exceed (According to MSMED Act, 2006):

(a) Rs. 15 Lakh

(b) Rs. 20 Lakh

(c) Rs. 25 Lakh

(d) Rs. 30 Lakh

Question No: 25 EDP (Entrepreneurship Development Programmes) is required to help:

(a) Existing entrepreneurs

(b) First generation entrepreneurs

(c) Future generations entrepreneurs

(d) None of the above

Question No: 26 A corporate manager who starts a new initiative for their company which entails setting up a new distinct business unit and board of directors can be regarded as?

(a) Ecopreneur

(b) Technopreneur

(c) Intrapreneur

(d) Social Entrepreneur

Question No: 27 A women entrepreneur is supposed to have a minimum financial interest in share capital of entrepreneur's enterprise:

(a) 35 per cent

(b) 51 per cent

(c) 25 per cent

(d) None of the above

Question No: 28 Family business always interested to handover the change of his business to:

(a) Indian Administration Officers

- (b) Professional Managers
- (c) Next generation
- (d) None of the above

Question No: 29 A corporate manager who starts a new initiative for their company which entails setting up a new distinct business unit and board of directors can be regarded as?

- (a) Ecopreneur
- (b) Technopreneur
- (c) Intrapreneur
- (d) Social Entrepreneur

Question No: 30 Venture capital is concerned with:

- (a) New project having potential for higher profit
- (b) New project of high technology
- (c) New project having high risk
- (d) All the above.

Question No: 31 Where individual skills are collectively integrated into a group, this is known as:-

- A. Collective entrepreneurship
- B. Intrapreneurship
- C. Team entrepreneurship
- D. Dual innovation
- E. None of the above

Question No: 32 Which of the following is not considered a typical characteristics of entrepreneurs?

- A. Ability to seize opportunities
- B. Persistent C. Optimistic
- D. The desire to be a winner

E. None of the above

Question No: 33. Which of the following is NOT a characteristic of a typical entrepreneur?

A. Confidence in his/her ability to succeed

B. Value of money over achievement

C. Desire for immediate feedback

D. A future orientation

E. None

Answer Key: 1(d), 2(c), 3(b), 4(b), 5(c), 7(b), 8(c), 9(b), 10(d), 11(b), 12(b), 13(b), 14(c), 15(c), 16(b), 17(b), 18(b), 19(c), 20(b), 21(b), 22(c), 23(a), 24(c), 25(b), 26(c), 27(c), 28(c), 29(c), 30(a)

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