Welcome to



Entrepreneurship Development

COURSE

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PART 1.INTRODUCTION

APPLIED METHODOLOGY–ADULT LEARNING

- Power point presentations
- Interactive plenary discussions
- Group discussions and presentations
- Individual and group competitions
- Assignments on practical demonstration of entrepreneurial capabilities
- Inspirational movies & Energizers
- Creativity exercise & demonstrations
- Practical games
- Brainstorming Questions

Principles of Adult Learning

WE LEARN BEST:

- From what we do
- With methods which build upon and make use of our experience & also fm total shift .
- With Learning Experience that are organised around Life problems rather than subject topics
- When we want to learn
- In an informal environment

General Objective

To develop the capacity of the participants in terms of entrepreneurial personal competencies, leadership and management qualities so that they can create a better future in their lives, visions and businesses.

Introduction Question

1. What expectations do you have about what you are going to get out of this course?



Introduction Question

2. Draw any picture of an animal which you think can represent your qualities.



PART 2. ENTREPRENEURSHIP

The Art and Science Of Wealth and Value Creation

ENTREPRENEURSHIP

A.SPECIFIC OBJECTIVES

- To create/escalate passion in the participants for all the promises of life
- To indicate to the participants the inner and outer resources that set the stage for creating a better future
- To inspire the participants for creativity, innovation and excellence

ENTERPRENERSHIP

SPECIFIC OBJECTIVES Contd…

- Acquaint and encourage participants to practice Personal Entrepreneurial Competencies(PEC)
- Refresh the participants with the ‘know how of’ business idea generation and selection
- Refresh them with Business Plan Development
- Enhance their business communication and Marketing skill

ENTREPRENEURSHIP

B.OUTCOME

- Dissatisfaction on the present state
- Vision for a possible better future
- Commitment / plan for changing and developing oneself further
- Start to practice creativity
- Passion for excellence
- Enhanced appetite for improving thier business
- Increased understanding on how to get the idea for a new business and how to plan for it

QUOTES

“We cannot solve our current problems with the same thinking that created them”

Albert Einstein


Personal Development
Self-Awareness
Self-Knowledge
Identity
Talents
Potential
Human Capital
Quality of Life
Dreams
Aspirations

2.1 Personal Change and Development

A. Goals

B. Growth directions

C. Principles of personal change

A. Goals



- To grow to the full realization of who we are as a person
- To garner enough capacity to be able to attain our dreams
- To be able to have greater role in creating a better world (family, organization, community, nation etc)
- To better position oneself to best respond to the changes of times and the demands of the globalized world.

B. Growth Directions



- Healthy Self - concept
- Vision
- Integrity

Healthy Self- concept
self- esteem, self-worth and self-confidence

- Internal freedom to be who we are
- Having a high claim
- Understanding the value and opportunity of being a human being
- Cultivating one's uniqueness

Vision: Shaping the future according to an internal picture of a possible better future

- The power of focus
- Motivation and inspiration
- Opening the seal of our potential
- Generating inner strength
- Tapping opportunities, resources, time etc

QUOTES

**THE FUTURE IS NOT A PLACE
TO WHICH WE ARE GOING,
IT IS A PLACE WE ARE CREATING.
THE PATHS TO THE FUTURE ARE NOT
FOUND, BUT MADE AND
THE ACTIVITY OF MAKING THEM CHANGES
BOTH THE MAKER AND THE DESTINATION.
(John Schaar)**

Identifying one's Vision

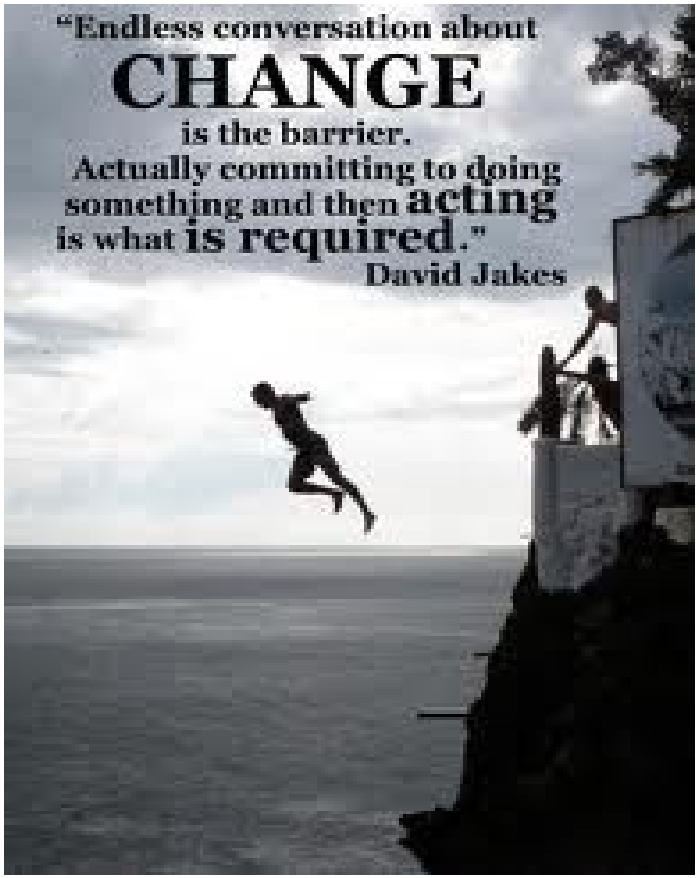
- Look above – God and His eternal purpose
- Look inside – Deep desire, talent, gifts
- Look back – Experience, background
- Look around – Opportunities, difficulties
- Look ahead – what is the trend?, where are things going?

Integrity

living consistently based on principles that anchor on moral values

- Moral excellence
- Internal harmony
- Generating trust

C. Principles of Change



- Belief system / attitude

  Rescription Process

  (Thought-feeling-attitude-action-habit-character /personality)-destiny)
- Discipline

Cont. ed

- Belief system / attitude

- Controls every part of our life

The examples of the elephant, the fish, and the dog

Cont. ed

- Re-scription process

- The right idea
- Repetition
- Reinforcement

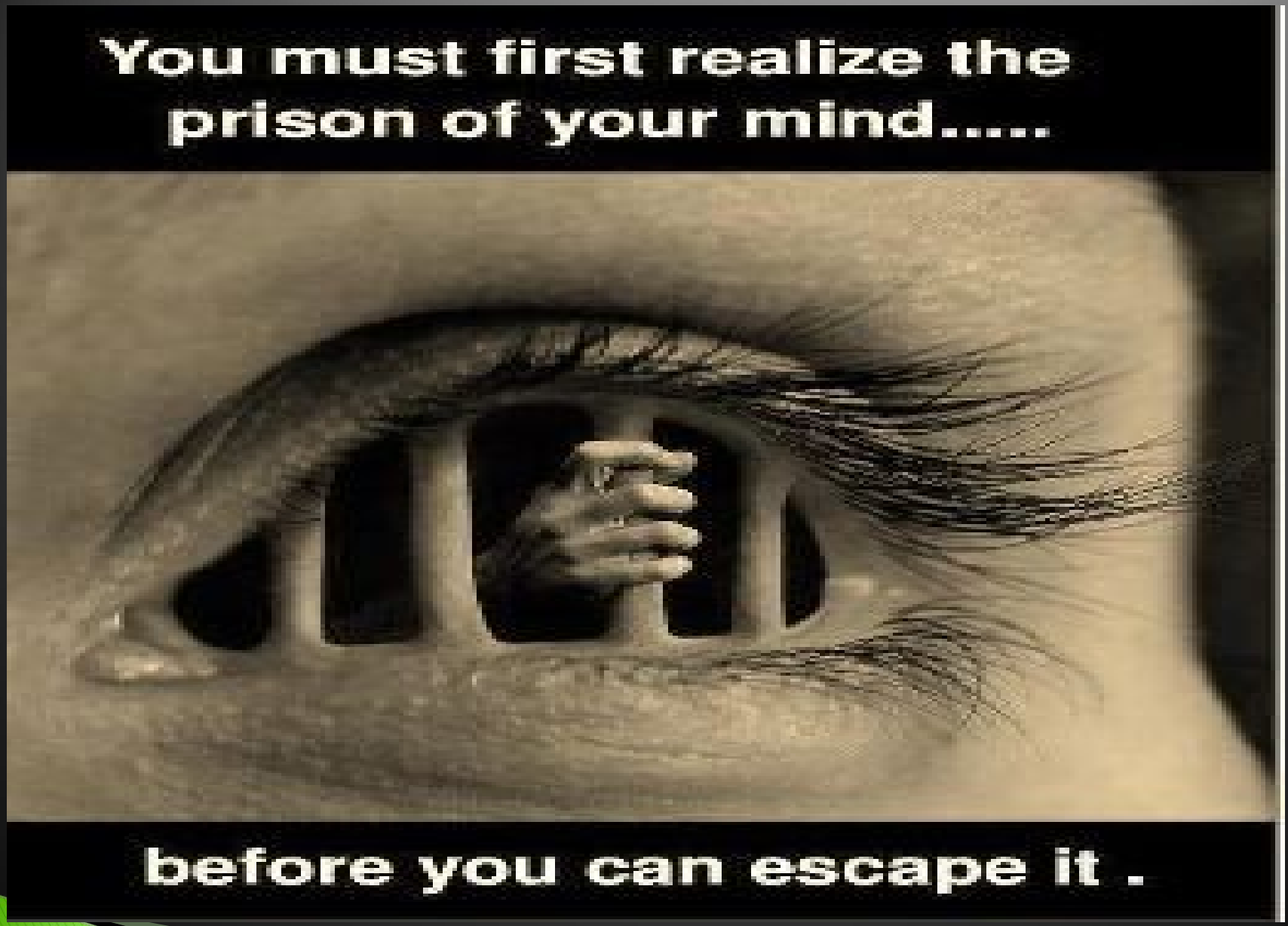
- Discipline

The ability to take consistent action in the required time and magnitude

- Breaking inertia

- State management

-Pain/pleasure analysis


You must first realize the
prison of your mind.....
before you can escape it .

Compare and contrast

The 2nd and the 3rd
The 1st and the 4th

Freedom

FROM WITH IN



2.2 The Concept of Entrepreneurship and Entrepreneurial Qualities

A. The Concept of Entrepreneurship

B. Entrepreneurial Qualities

A. The Concept of Entrepreneurship

Assumptions

- The enrichment of society essentially depends on human resources, their productivity and innovation

- Creating enterprising behavior and competencies in life ,in general, can make a difference in the life of a person and in a society

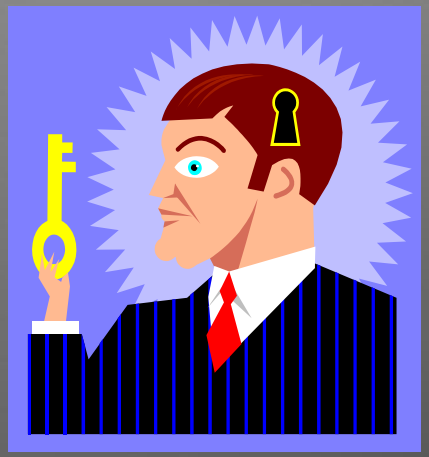


‘BIG THINGS HAPPEN WHEN A LOT OF PEOPLE DO SMALL THINGS DIFFERENTLY’

(JOHN THEOBALD)

WHAT ENTREPRENEURS SEE

- OBJECTIVES
- FIRST STEPS
- OPPORTUNITIES



WHAT OTHERS SEE

- CHAOS OR CONFUSION
- VICIOUS CIRCLES
- PROBLEMS



B. Entrepreneurship Qualities

- Definition – personal character, capabilities and attribute that most entrepreneurs possess
- Set of qualities that determine the success of entrepreneurs which are identified through researches
- P.E.C. – Personal Entrepreneurial Competencies

Ten Personal Entrepreneurial Competencies (PECs)

PECs are categorized in to three clusters:

- **Achievement Cluster**
- **Planning Cluster**
- **Power Cluster**

Achievement Cluster

1. Opportunity Seeking
2. Risk Taking
3. Demand for Efficiency and Quality
4. Persistence
5. Commitment to Work Contract

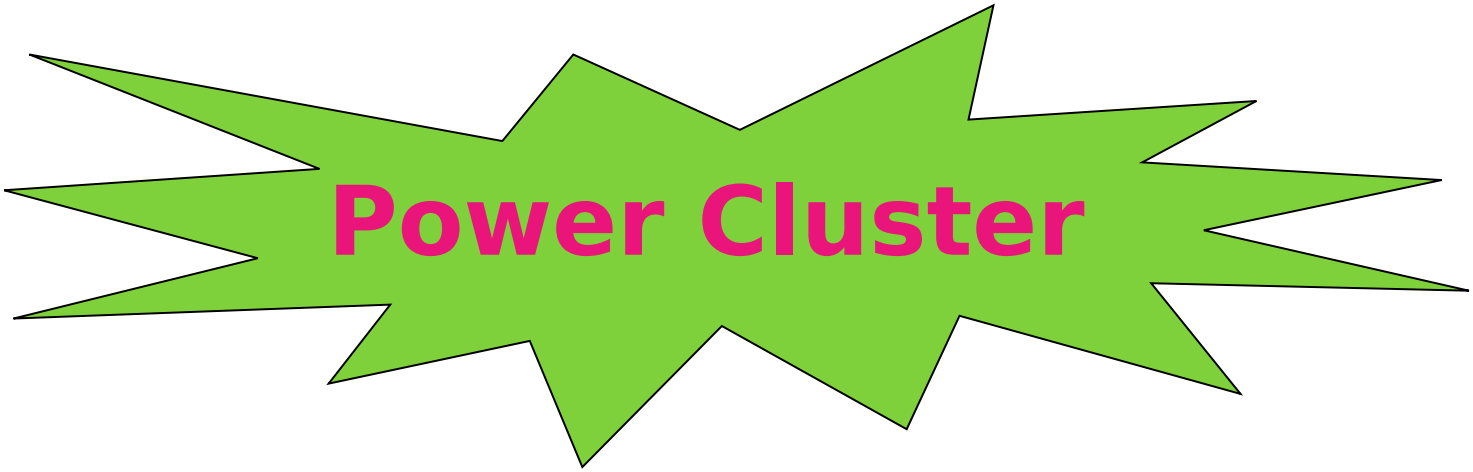
Flip Chart 1.5

Planning Cluster

6. Information Seeking
7. Goal Setting
8. Systematic Planning and Monitoring

Flip Chart

1.6



9. Persuasion & Networking

10. Independence & Self Confidence

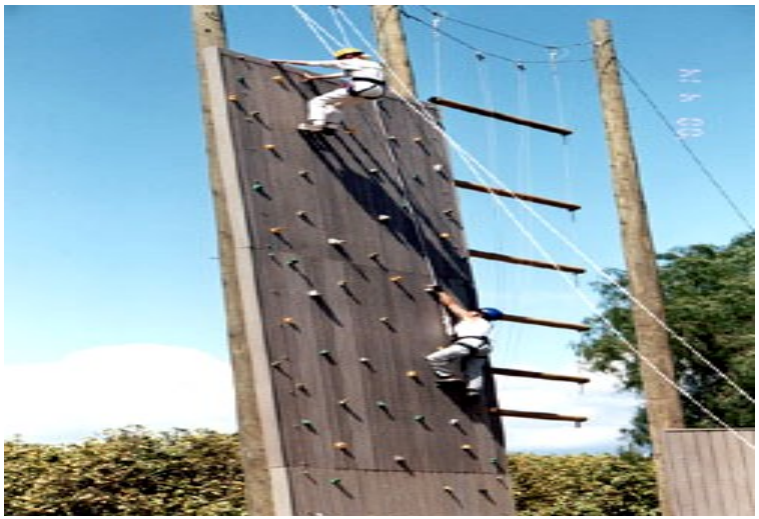
Flip Chart 1.7

1.OPPORTUNITY SEEKING/CREATIVE THINKING



- Initiate things before asked or forced by events
- Seizes opportunities to start a business, obtain finance, equipment, land, assistance etc.
- Continuously moves into new frontiers

2.RISK TAKING





- Deliberately calculates risks and evaluates alternatives
- Takes action to reduce risks and control outcomes
- Faces challenges and moderate risks

QUOTES

"Nothing ventured, nothing gained"

"Calculated risk is quite different from being rash. "

- ***George S. Patton***

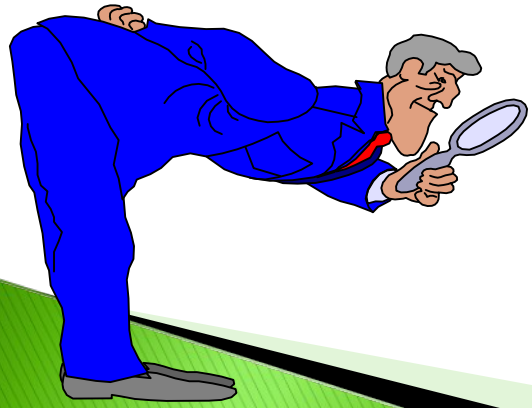
"Fortune sides with him who dares "

- ***Virgil***

Flip Chart 2.6

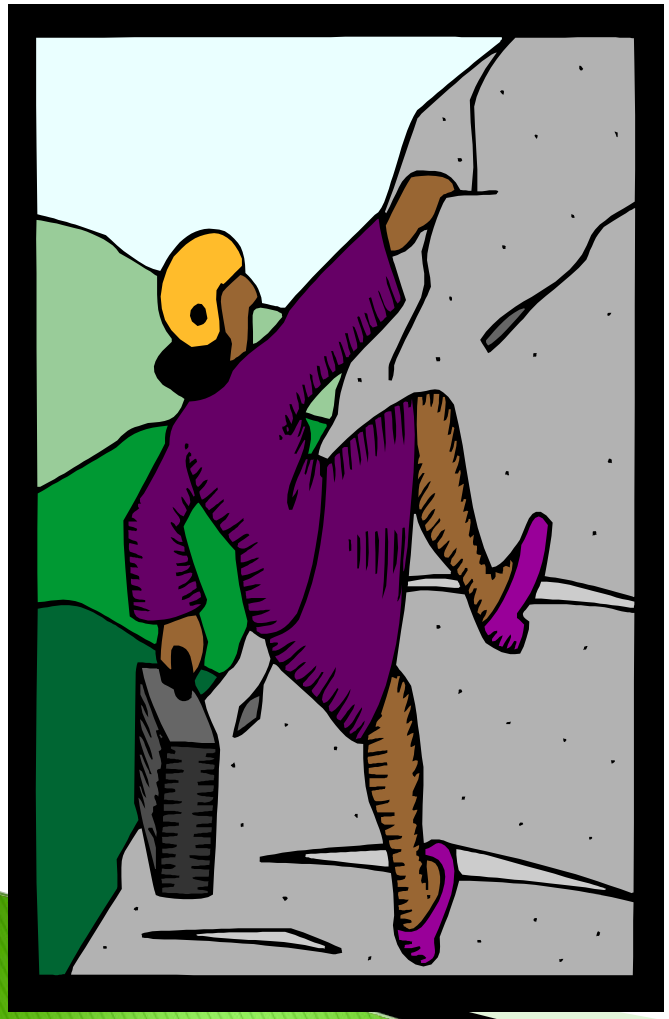
3. Demand for efficiency and quality





- Finds ways to do things better ,faster and cheaper
- Acts to do things that meet or exceed standards of excellence
- Develops ways / procedures that ensure the required quality

4. Persistence



- Takes action in the face of a significant obstacle
- Takes insistent actions or switches between alternatives to attain goal
- Takes personal responsibility and demonstrate proactive stance

5. Commitment to the work contract

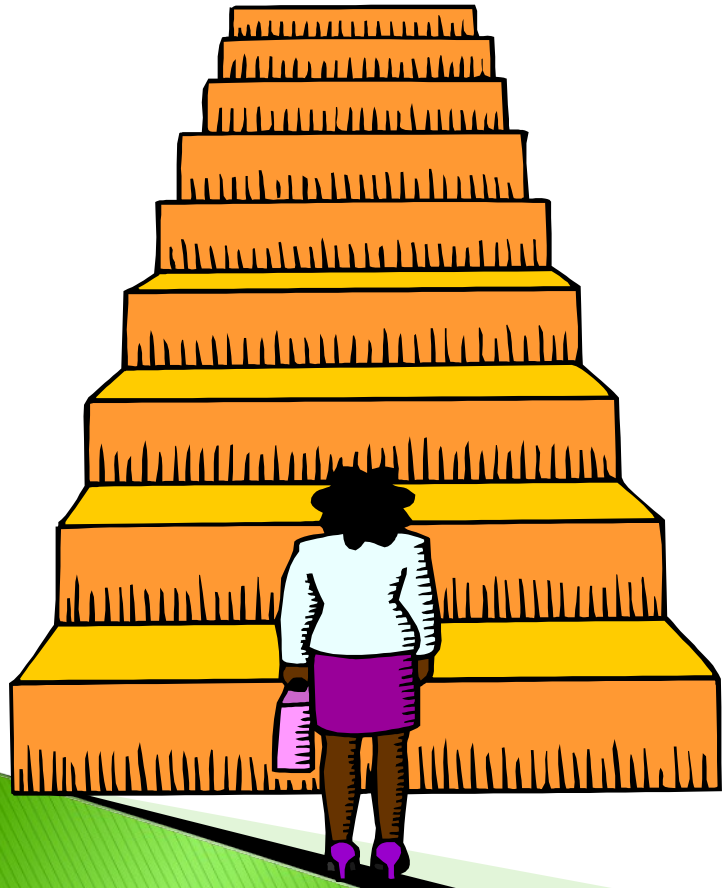


- Makes a personal sacrifice or go to an extra mile to complete a job (honors his/her word)
- Does ‘low level’ jobs to get a job done
- Strives to keep customers satisfied and places long term goodwill over short term gain

6. Information seeking

- Seeks information from clients, suppliers, competitors and other sources
- Does research on how to provide a product or service
- Seeks the advice of experts

7. GOAL SETTING



- Sets personally meaningful and challenging goals/objectives
- Articulates clear and specific long range goals
- Sets SMART short term objectives

8. Systematic planning and monitoring



- Plans by breaking large tasks into small steps with deadline
- Evaluates performance, receive feedbacks and change accordingly
- Keeps neat financial records and utilizes them for business decisions

POWER



9. Persuasion and networking



- Uses deliberate strategies to influence or persuade others
- Uses key people to accomplish objectives
- Acts to develop and maintain business contacts

10. Independence and self-confidence



- Looks for freedom and autonomy from control of others/ curtailing rules
- Sticks with own judgment
- Expresses confidence to accomplish ‘difficult tasks’

2.3 Business Idea Generation and Selection

A. **Business Idea Generation**

- How do we get an idea to start a business

B. **Business Idea Selection**

- How do we select the best and viable business idea/s out of the list of ideas

A. Business Idea Generation

- A profitable business idea is sitting under your nose
- Opportunities and possibilities are always out there
- Concrete thinking versus creative thinking

Tools for Idea Generation

- **Brain teasers** – opening up and stimulating creative thinking
- **Brainstorming**
- **Environmental scanning**
- **Trigger**

Brain teasers

- Opening up and stimulating creative thinking
- Challenging the mind to think creatively and differently

Exercises

Brainstorming

Brainstorming

- May be done individually or in groups
- Limit group size to 8–10
- Clearly state topic or problem

Ground Rules

- Avoid criticizing ideas
- Don't censor any ideas
- Suspend judgments
- Write down ALL ideas
- Keep ideas flowing
- Tag on, improve, modify and build on other ideas
- Think freely, wild ideas okay
- Establish a time limit, i.e., 10 minutes
- Enforce the rules

Clarify and Conclude Session

- Combine identical ideas
- Discuss ideas
- Select ideas for further investigation

Brainstorming Exercise

Environmental scanning

- Recognizing business opportunities after scanning the training room/area environment
- Identifying groups with common denominator and their respective needs
- Identifying resources that help meet the needs

Environmental scanning exercise (Competition)

Trigger

- Triggering reflex to cite any product or service related to a given word
- Prepare lists of trigger words or use already prepared ones
- Resources common in an area can be an ideal trigger word

B.Business idea selection

The Funnel model

a. Macro screening

b. Micro screening

c. SWOT Analysis

a. Macro screening

- First selection/ filtering
- Use the following basic criteria :-

Is there sufficient demand?

Own capabilities ?

Own sufficient financial resource?

(at least 20 %)

Are there many similar project in the area?

b. Micro screening

- Stricter viability test

- Pre – step criteria :

Availability of appropriate market

Access to raw material

Availability of technology

Micro screening parameters

- Solvent demand
- Availability of qualified personnel
- Availability of technology equipment
- Availability of raw material
- Competitors
- Critical success factor

Micro screening table

Project	Sol. DD.	Qlfd. Prsnl.	Tchnlgy	Raw mater- ial	Total	Comp- titors	Corre-cted Total	Critical Success factor
	(+)	(+)	(+)	(+)	(=)	(-)	(=)	

c. SWOT Analysis

- The last exercise of refining a business idea
- The finding of the analysis gives concrete ground for undertaking market studies

SWOT Analysis Framework

Strengths	weaknesses
Opportunities	Threats

2.4 Business Plan Development

Proposed small business project

The only thing missing is the actual business itself at this level

Executive Summary

(Introduction to the business plan)

- Brief summery of what's being proposed

Description of the business & products/services

- Type of business
- Principal products
- Unique features

Market

- Customers
- Competitors
- Pricing
- Suppliers/Materials
- Advertising/marketing

Ownership and Management

- Owner/s
- Share rate
- Manager/s

Capital Requirement



- Setup Capital Requirement
  - Equipments
  - Rent and improvement
  - Advertisement
  - Stock
  - Supplies/ consumables
  - Cash

Financial Data

Breakeven Analysis

- **A Point at Which Revenue is Equal to Expenses (No Loss or Gain)**

BEP (unit) **= FC/CM**

Where BEP = Break even Point

FC= Fixed cost

CM = Contribution margin

SP = Unit selling price

VB = variable cost per unit

BEP (birr) = BEP (unit) x SP

Sales Forecast

- Estimated Monthly Sales (1st Year)
- Estimated Yearly sales for (2ed & 3 ed years)
- Considering
  - Capacity
  - High and Low Seasons
  - Existing Market Trend

Forecast Profit and Loss Statement

- Sales (Cash + Credit)
- Cost of Goods Sold (-)
- Income/Loss from Operations(=)
- Expenses (-)
- Net Income/Loss(=)

Forecast Cash Flow Statement

- **Payment**
  - **Cash Purchase**
  - **Loan Repayment**
  - **Lending**
  - **Pre payments**
  - **Dividend/Withdrawals**
  - **Taxes**
- **Receipt**
  - **Cash Sales**
  - **Investment**
  - **Collection of Receivables**
  - **Receipts in Advance**
  - **loan**

Example

Live example from the participants

Outline

- Executive Summary
- Description of the Business and & Services
- Market
  - Customers
  - Competitors
  - Pricing
  - Marketing
- Ownership and Management
- Capital Requirement
- Financial Data
  - Breakeven Analysis
  - Sales Forecast
  - Forecast Profit and Loss Statement
  - Forecast Cash Flow Statement

QUOTES

‘BIG THINGS HAPPEN WHEN A LOT OF PEOPLE DO SMALL THINGS DIFFERENTLY’

(JOHN THEOBALD)



PART 3
LEADERSHIP

3.1: Concept of Leadership

- Leadership is a process by which a person influences others to accomplish an objective and directs the organization in a way that makes it more cohesive and coherent.
- Leadership can be defined as speaking, listening and acting in a way that mobilizes self and others to take effective action to realize visions, possibilities and dreams.
- Leaders are concerned with the future -a future that requires effort, intention, patience, imagination, humility and one that will not arise without intentional human activity.

3.2: Leadership Styles and Skills

1. The bureaucratic leader

- Is very structured and follows the procedures
- Has no space to explore new ways to solve problems
- usually slow paced and ensure adherence to the ladders stated by the Company.
- Leaders ensure that all the steps have been followed prior to sending it to the next level of authority.

2. The charismatic

- leads by infusing energy and eagerness into their team members.

- This type of leader has to be committed to the organization for the organization to run.

3. The autocratic leader

- Is given the power to make decisions alone, having total authority.
- This leadership style is good for employees that need close supervision to perform certain tasks.

4. The democratic leader

- listens to the team's ideas and studies them, but will make the final decision.
- .

5. The laissez-faire ("let do“)

- gives no continuous feedback or supervision because the employees are highly experienced and need little supervision to obtain the expected outcome.
- On the other hand, this type of style is also associated with leaders that don’t lead at all, failing in supervising team members, resulting in lack of control and higher costs, bad service or failure to meet deadlines.

6. The people-oriented leader)

- is the one who, in order to comply with effectiveness and efficiency, supports, trains and develops his personnel,
- increasing job satisfaction and genuine interest to do a good job.

7. The task-oriented leader

- focuses on the job, and concentrates on the specific tasks assigned to each employee to reach goal accomplishment.

- This leadership style suffers the same motivation issues as autocratic leadership, showing no involvement in the teams needs.

8. The servant leader

- facilitates goal accomplishment by giving its team members what they need in order to be productive.

- This leader is an instrument employees use to reach the goal rather than an commanding voice that moves to change.

9. The Transaction leader

- Is given power to perform certain tasks and reward or punish for the team’s performance.

- It gives the opportunity to the manager to lead the group and the group agrees to follow his lead to accomplish a predetermined goal in exchange for something else.

10. The Transformation Leader

- Motivates its team to be effective and efficient.
- Communication is the base for goal achievement focusing the group in the final desired outcome or goal attainment.

11. The Environment Leader

- Is the one who nurtures group or organizational environment to affect the emotional and psychological perception of an individual's place in that group or organization.

- An understanding and application of group psychology and dynamics is essential for this style to be effective.

3.3:Qualities of a Leader

Leadership Qualities

According to Samson Itoje

Leadership qualities are qualities that characterize effective leadership

What are these qualities?

1. Humbleness
2. Decisiveness
3. Selflessness and self sacrificing
4. Empathetic
5. Disciplined
6. Good communicator
7. Fair and unprejudiced

Group Work

Critically evaluate and develop the top five leadership qualities that you need to develop/practice to effectively contribute in your professional environment?

Ten Essential Characteristics of a Leader

These characteristics are critical to personal leadership development

1. **Listening**

   It is the ability to listen receptively. Listening with regular periods of reflections are essential to the growth of a servant leader.

2. **Empathy**

- The ability to strive to understand and empathize.
- Drawing out the speaker and getting information in a supportive helpful way.

3. **Healing**

The potential for healing one's self and others from emotional hurt and broken spirits

4. Awareness

A willingness to understand issues involving ethics and value to view situations from a more integrated and holistic positions

5. Persuasion

A reliance on persuasion rather than using one's positional authority in making decisions within an organization.

6. Conceptualization

- To seek to nurture the ability to dream great dreams
- The ability to look at a problem beyond the day-to-day reality.

7. Foresight

- Related to conceptualization.
- The ability to foresee the likely outcome of a situation.
- To understand the lessons from the past, the realistic of the present and the likelihood of the consequences of the decision for the future

8. Stewardship

Holding something in trust for others.

9. Commitment to the Growth of People

To acknowledge and nurture the intrinsic value of people beyond their tangible contribution

10. Building Community

To seek to identify some means for building community among those who work in a given institutions

NOTES & QUOTES

“Let each of us do our part . Then, there will be no work undone and no person to blame” Mulu Solomon

“ I am the wealthiest person in the world, because I have the heart to love people” Mulu Solomon

“Doing things in the same way and expecting change is insanity “ Albert Einstein

Let us create our future and live happily with our society. Let us serve our society by being creative and by changing our attitudes positively. - Mulu’s Message

THANK YOU!!!!

