



What Is This Module About

If you were to start your own business, who would be your most important worker? Whether you make your own business or work for a business, your most important worker will always be yourself. Your knowledge, skills and attitudes will greatly affect the chances for success of your business.

Did you ever think that you could also be your worst worker? Each of us have our own weaknesses that can stop our business from becoming successful. Probably, we may have the desire to put up our own business but we are scared of talking to people, scared of taking risks, scared of trying new things. People are often scared about what they do not know. Setting up a business can also be scary if we do not know what we are doing.

Before you set-up your business, it is important to look at yourself and see what strengths and weaknesses you have. Only by becoming honest and sensitive to yourself can you begin to plan for your business.

You will also have to make other considerations regarding the products or services you will offer.

This module is about knowing your capabilities. It is about looking more closely at yourself, others, and the community around you to come up with good money-making projects.

This module is divided into two lessons:

Lesson 1 – *Getting Started*

Lesson 2 – *Making Your Business Work*



What Will You Learn From This Module?

After this module, you should be able to:

- ◆ identify your priorities, interests and skills
- ◆ utilize your priorities, interests and skills in thinking of a business venture
- ◆ analyze your community for business opportunities; and
- ◆ demonstrate skill in making your business work .



Let's See What You Already Know

Answer the following questions below. This will determine how much you know about the topics in this module.

1. Match the interest, skill or opportunity in column A with the possible business idea on column B. Write your answer on the boxes provided before each item on column A.

_____ 1. there are plenty of fish in the area	a. drive a jeepney
_____ 2. know how to drive	b. service vehicle for students
_____ 3. have a big capacity vehicle that is not often used	c. become a fish vendor
_____ 4. know how to massage	d. offer reflexology services
_____ 5. people crane for pandesal	e. put-up a small bakery or bakeshop
2. If a store is selling hamburgers at ₱15.00 each. How much will you sell yours?
 - a. ₱16.00
 - b. ₱14.00
 - c. ₱17.00
 - d. ₱13.00
3. If a store is selling hamburgers, how will you compete with it?
 - a. offer hamburgers with free coke
 - b. offer the same hamburgers
 - c. offer three hamburgers at the same price
 - d. stop selling hamburgers
4. Which of the following is a good example of a sales target?
 - a. get ₱25,000 sales by selling fruits
 - b. sell fruits
 - c. sell ₱5,000 worth of comic books
 - d. get ₱10,000 by selling vegetables for one month

5. You can repair electrical appliances as well as other things in the house. What business venture can you go into?
- a. sell furniture
 - b. electric repair services
 - c. buy and sell electrical appliances
 - d. carpentry

Well, how was it? Do you think you fared well? Compare your answers with those found in the *Answer Key* on pages 29 .

If all your answers are correct, very good! This shows that you already know much about the topics in this module. You may still study the module to review what you already know. Who knows, you might learn a few more new things as well.

If you got a low score, don't feel bad. This shows that this module is for you. It will help you understand some important concepts that you can apply in your daily life. If you study this module carefully, you will learn the answers to all the items in the test and lot a more! Are you ready?

You may go to the next page to begin Lesson 1.

Getting Started

Starting a business requires some study or research. Before you look into other factors, you have to look into yourself first. What do you want? What interests you most? If you have the interest, you surely have a motivation. This will contribute in making your business a successful one.

This lesson will help you:

- ◆ identify your priorities interests and skills
- ◆ utilize your priorities, interests and skills in thinking of a business venture.



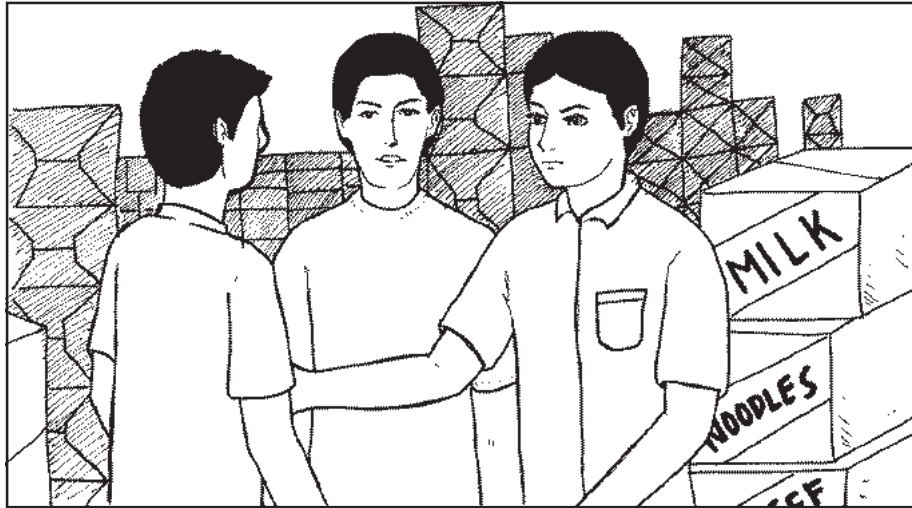
Let's Read

Read and analyze the following situations.

1. Arturo used to work for a vulcanizing shop in Bulacan. Arturo wisely saved while he was still working. Arturo has now recently married and wants to spend more time with his wife. He wants to save to purchase their very own house.



2. Randy is 23 years old. Randy wants to secure his future and wants to fix his finances first before getting married and having a family. He went to Bulacan and Quezon to get suppliers for the different items he will sell in his sari-sari store.



Each of these examples show different priorities and needs. Review the examples above and give your opinion on:

1. Who among the two will be less pressured to work?

2. Who among the two will need to earn a more steady amount of money?

Let's find out if your ideas are correct.

1. Randy is less pressured to work because he is still single. He has no family to take care of.
2. Arturo, on the other hand will need a more steady source of income because he has a family to take care of.

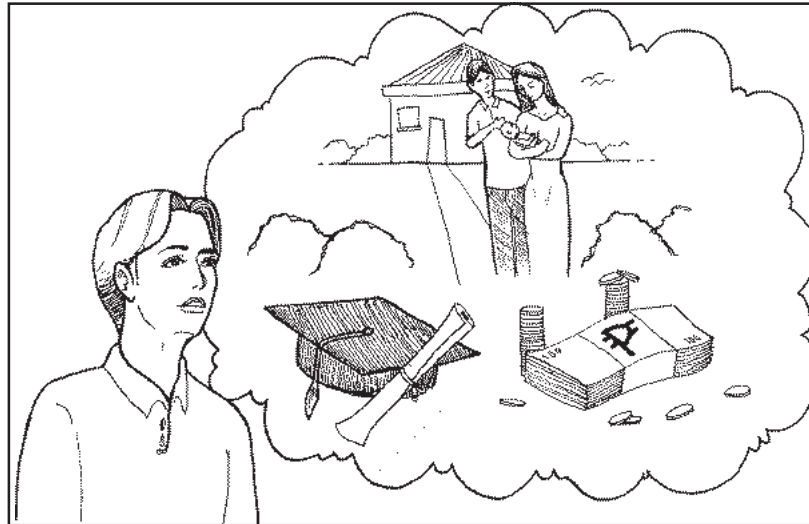
The situations above only tells you that we may have different priorities, depending on the situation we are into. Read on to find out how priorities are important in determining the kind of business you should get into.



Let's Learn

Business and Your Priorities

People have different priorities. *Priorities* are different things or activities that are important to us and need urgent attention. What are your priorities? You may want to spend more time with your family, learn new skills or earn more money. All these are priorities. People do not have the same priorities. Some priorities may be more important to you than to others.



You may want to make your business successful, but spending time with your family is more important. You may want to make your business successful, but your studies may be more important. You may want to make your own business, but you may need to have a more steady source of income. You may decide after all that making your business successful is your top priority.

You must look very closely at your priorities. Since your business will also take your time and your effort to make it successful, it is very important that you see how important your business is to you. By looking more closely at your goals and reasons for starting your business, you can make a better decision if a certain business will “fit” your needs and reasons.



Let's Try This

1. Write some of your personal goals on the spaces provided below.

2. Now write how these personal goals can affect your decisions in putting up a business.

Look at the sample answers below.

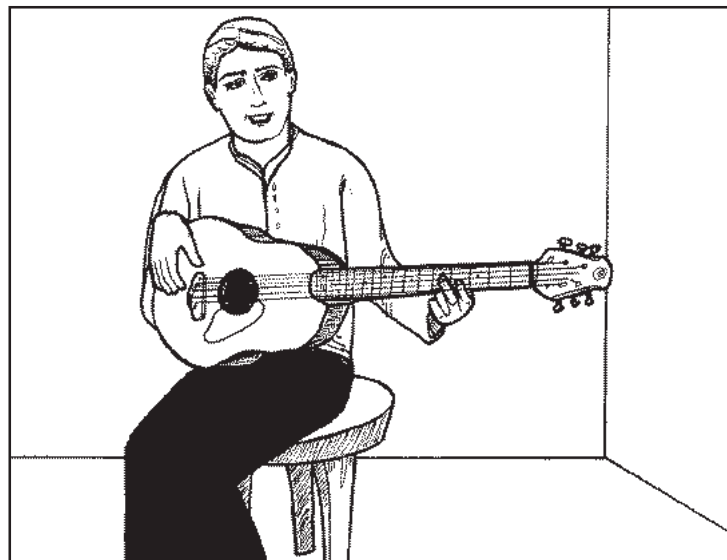
1. My priorities are:
- ◆ to save money for the future
 - ◆ to help my family financially
 - ◆ to have a career I can be proud of
2. Since I want to save money and help my family financially, putting up a business may help me achieve these priorities. My business can likewise be the career I can be proud of.



Let's Try This

In the checklist below, put a check mark (✓) on the item that best describes your interests.

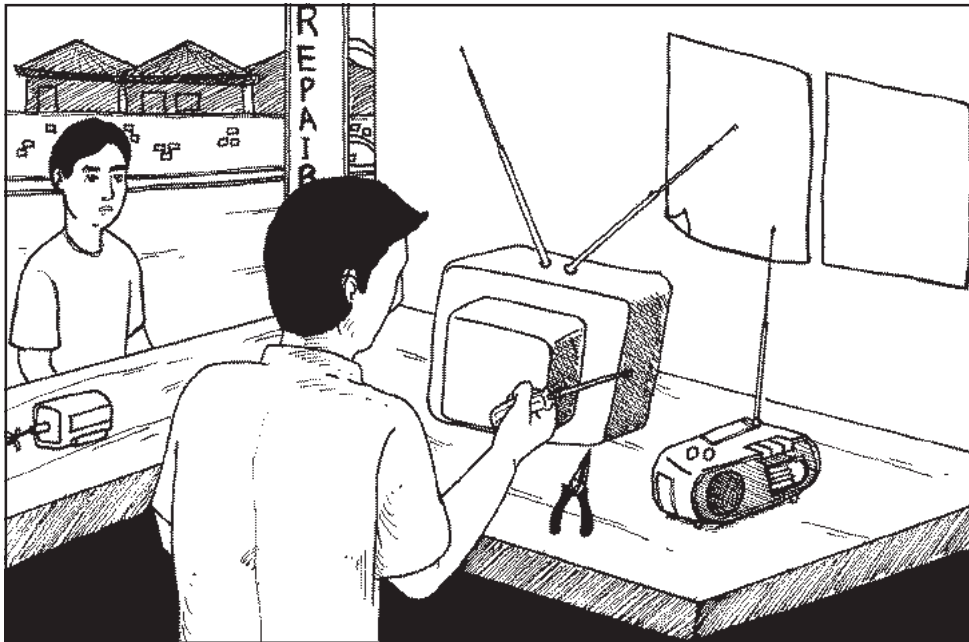
- ◆ I like to engage in activities that involve the use of my hands and materials to create works of art or other products. *Examples:* playing musical instruments, dancing and painting, cooking.



- ◆ I like to engage in activities that involve interaction with other people. I also like activities that involve leadership and persuading people. *Examples:* organizing fund raising campaigns, supervising people, acting as a spokesperson for a group



- ◆ I like to engage in activities that involve the precise and orderly, use of objects, tools, machines and animals such as agricultural, electrical, manual, physical and mechanical activities. *Examples:* repairing and refinishing furniture, repairing appliances or motor vehicles



Take note of your interests. You see, your interests is likely to affect the kind of business that you choose.

Let's find out more. Read on.



Let's Learn

Business and your interests

People have different interests. Some people are more comfortable talking to people. Others would prefer to work silently and away from people. Some people can work for several hours and still be focused on the task to be accomplished. Some people like to work with more breaks. Some people prefer to just stay at home and be with their families.

Businesses and services are also very different from one another. One business may require you to talk with many people every day. Another business may need you to visit clients when they call for your services.

Examine yourself. What do you want to do?



- ◆ Do you like to engage in activities that involve the use of your hands and materials to create works of art or other products?

Perhaps you can put a business related to playing musical instruments, teaching, selling, dancing, painting.

- ◆ Do you like to engage in activities that involve interaction with other people. Do you like activities that involve leadership and persuading people?

Perhaps you can put up a store (be a manager) or a business that gives services to people.

- ◆ Do you like to engage in activities that involve the precise, and orderly use of objects, tools, machines and animals such as agricultural, electrical, manual, physical and mechanical activities?

- ◆ Perhaps you can put up an electrical shop or a furniture store (supervise furniture works).

Knowing your interest will give you the motivation not only to start a business but to persevere once you are already in the business world.



Let's Try This

What do you think are the businesses that will fit your interests? Write them in the space provided below.

Now, you know what your interests are and how they are related to putting up a business. Let's move on.



Let's Think About This

Aside from your interests, what other things about yourself should you consider in thinking of a business?

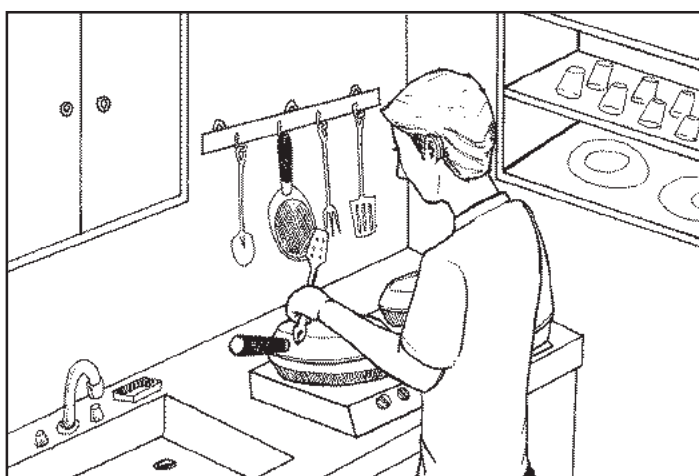
Aside from interests, you also need to consider your skills.



Let's Read

Read and analyze the situation below.

Joey is popular among his friends. He is popular not only because he is funny and talkative but also because he loves to cook. During weekends, he makes sure that he cooks lunch and dinner for his family. He's specialty is kare-kare and sweet and sour fish. When there are gatherings in their house, Joey prepares his favorite dishes.



Lisa, one of Joey's friends is about to celebrate her birthday. She wanted a small gathering. She asked Joey to cook kare-kare. She volunteered to pay Joey.



Let's Try This

1. What skills does Joey have?

2. Which of these skills can be used for a business?

3. What businesses can Joey make out of his skills?

Let's find out if your answers are correct.

1. Joey has a good interpersonal skill. He interacts well with people. Joey also has skills in cooking.
2. Both of Joey's skills can be used in business.
3. He can put up a canteen where he can sell the food that he cooks. This way he can use both his cooking and interpersonal skills.

Let's find out more about skills and how they are related to business.



Let's Learn

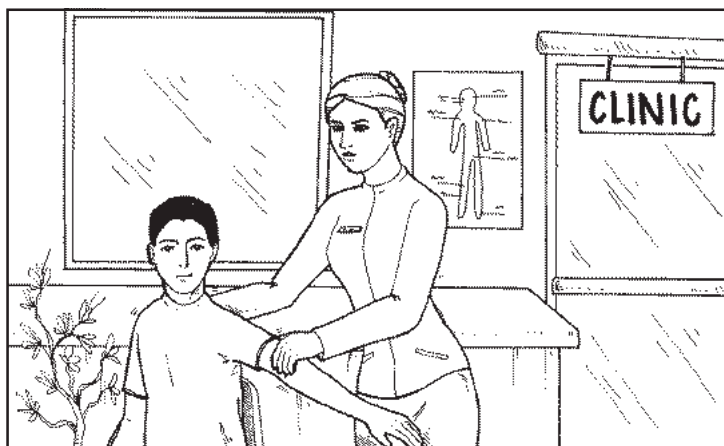
Business and your skills

Like most people who want to start a small business, you may have very little or no money to start the business with. However, by looking closely at your skills you may be able to start the business even with very little or no money. Here are some businesses where you can use your skills:

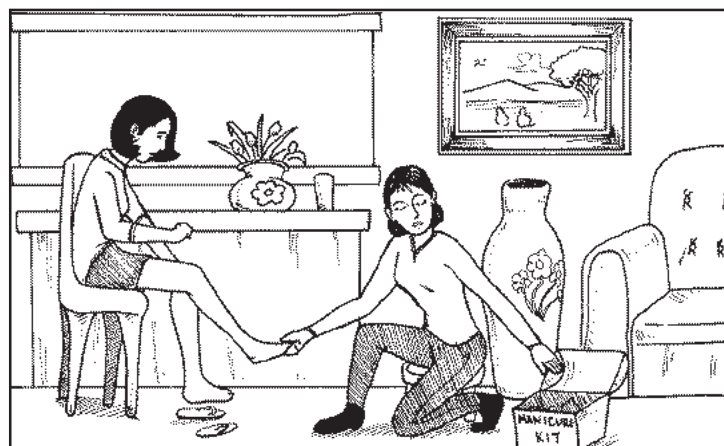
Individual Businesses

You can put up a small business with very little or no money by offering your services.

Reflexology or Massage. If you know how to give a good massage, you may want to consider offering a massage service. You might need to study a bit more to have a better understanding of the human body and you might want to practice first before offering your services professionally. This service pays well. Professional massagers can get ₱250-300 for giving one hour of home service massage.



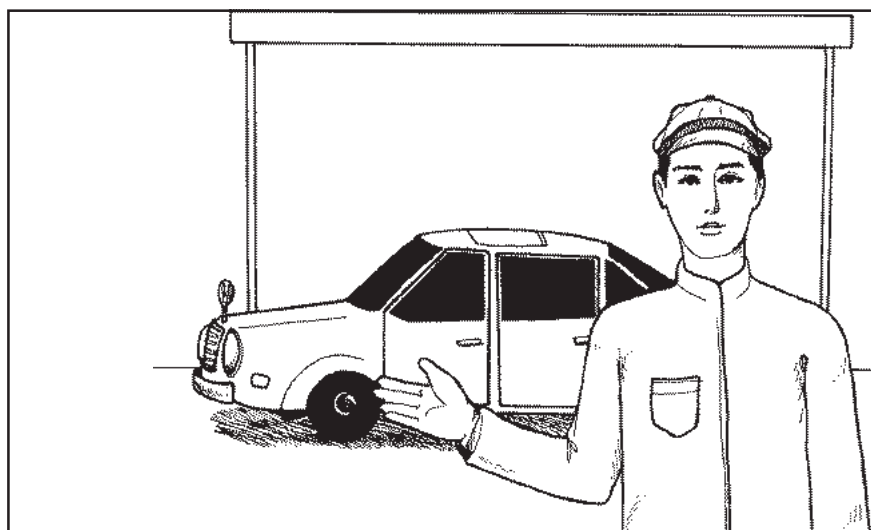
Manicure and Pedicure. If you are skilled in cutting and designing the nails of people, you may want to consider offering a manicure or pedicure service. You will need very little training to offer this service. This service can pay about ₱50-100 for either a manicure or pedicure.





Let's Read

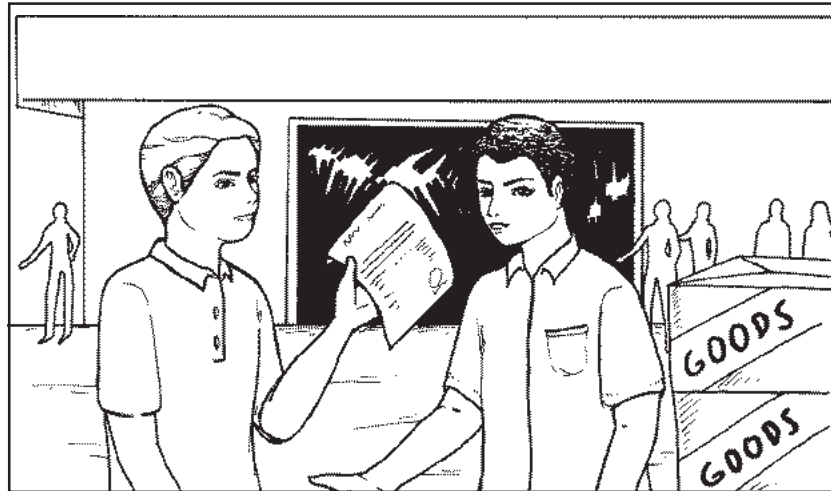
Driving. Do you have good driving skills? Drivers have many choices when it comes to driving. Depending on your skills and your experience, you can apply as a jeepney driver, a taxi driver, a family driver, a company driver. You might also want to try being a bus driver or truck driver, but you will need additional clearance from the Land Transportation Office (LTO). The pay for being a driver will depend on what you are driving (usually truck drivers and bus drivers get higher pay) and what service you are offering (usually company drivers and family drivers get more pay than jeepney drivers).



Laundry Work. Do you know how to wash clothes? Washing clothes does not need a lot of capital. However, this can be very tiring if you are accepting many clothes to wash. The payment for your services depend on the agreed price. Payment sometimes depends on the number of pieces or the weight of the clothes to be washed.



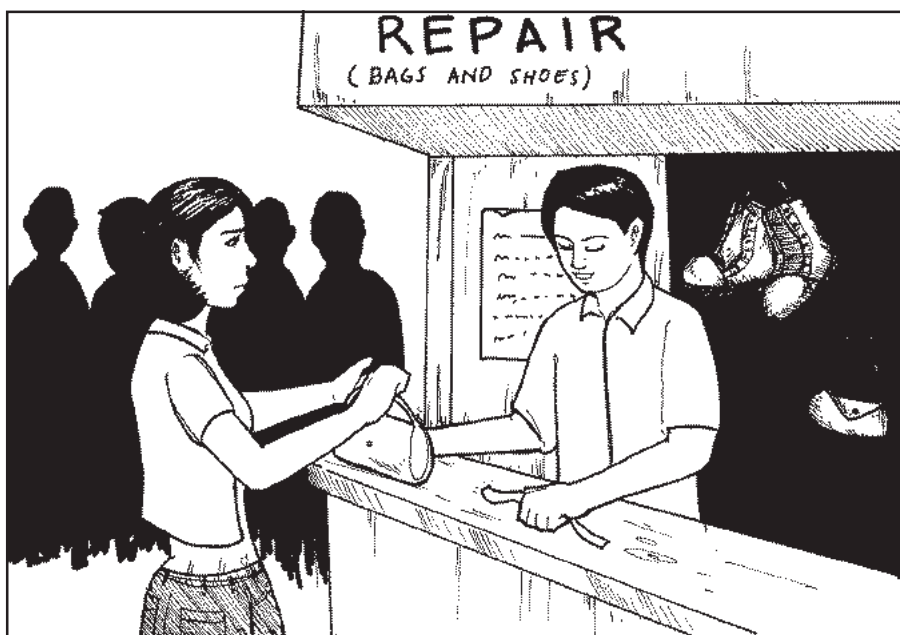
Buying and Selling. This service will require you always to know the buying and selling prices of different goods. This might be more suited to people who are business minded and possess good interpersonal skills . This service might require you also to do some traveling to places where goods are cheap. This might be a good business to start if you have some capital or if someone is willing to lend you capital.



Service Businesses

If you have a little money or some capital, you may want to put up a service business. Several examples are provided below.

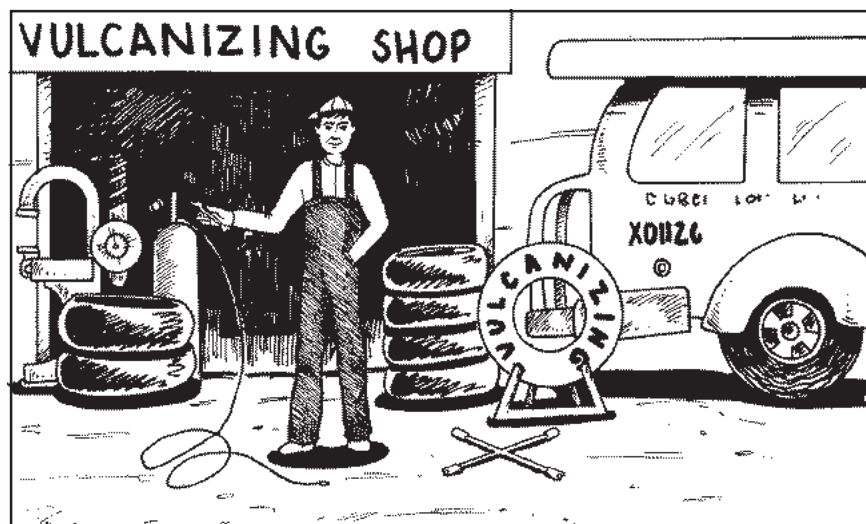
Bag/Shoe/Repair Shop. If you are good with fixing or repairing bags, shoes and other items, you may want to start a repair shop for these items. Payment for these items will depend on the extent of repair you have to do.



Laundry Center. If you have enough money to buy washing machines and other equipment, you may want to put up a laundry center. Payment will usually depend on how many kilos or pieces of clothing are to be washed.



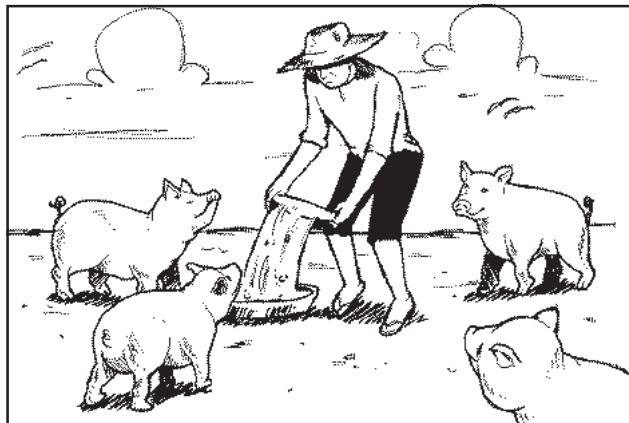
Vulcanizing. If you know how to fix tires and have money to buy the basic equipment (such as the air pumps) then you may want to start a vulcanizing shop. Business may not be so regular (customers only need to have their tires fixed once in a while) and customers may visit you even beyond regular working hours (such as at night).



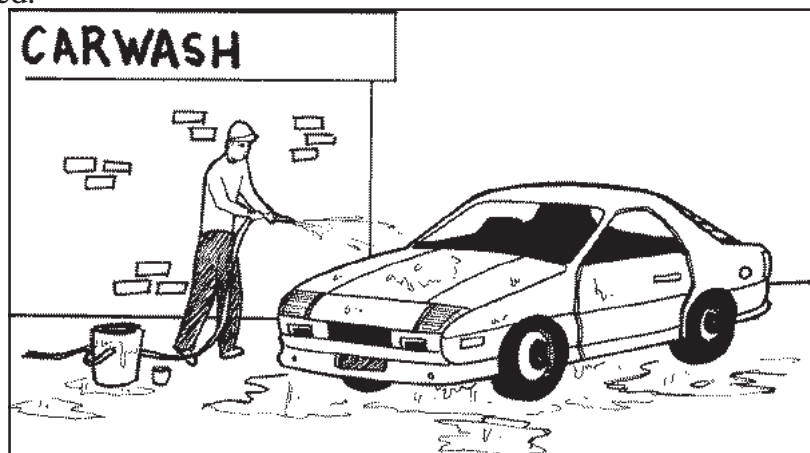
Carinderia. If you are good at cooking and like serving people good food, then you might want to start a small carinderia. You'll have to decide whether you are going to put-up a permanent or mobile carinderia (which means the store can be moved, such as carinderia in a pushcart, carinderia in a vehicle etc.). You'll need to buy cooking equipment and find a good place to put up the carinderia. You might need to make or buy a pushcart if the carinderia will be mobile. The good thing about a carinderia or any food-related business is that you will have many regular customers who will keep on coming back to you. Money from any food business is usually stable.



Animal Raising. If you are good at taking care of animals, then you might want to start an animal raising business. Some animals that you can raise are chickens, pigs, ducks, quails, and cows. One good practice is to buy the young animals, raise them, and then sell them back to the original owners. Another practice is to have the animals given to the animal raiser, the animal raiser takes care of the animals, and after the animal is sold, the animal raiser and the owner share the extra money they earned. This can be a very good business especially if you are raising many animals and have regular buyers.



Car Washing. This business can be easily put up with a hose, a pail, soap and water. Usually, even the car mats inside are cleaned. This business requires customers to pay around ₱30-₱60 depending on the quality of the service and the kind of equipment used.





Let's Remember

Do not forget the important points of this lesson.

- ◆ *Priorities* are different things or activities that are important to us and need urgent attention. You must look very closely at your priorities since your business will also take much of your time and your effort to make it successful.
- ◆ Knowing your interest will give you the motivation not only to start a business but to persevere once you are already in the business world.
- ◆ Looking closely at your skills may be able to help you to start a business with very little or no capital at all.



Let's See What You Have Learned

Answer the following questions. Write your answers on the spaces provided below.

1. What are your priorities?

2. What are your interests?

3. What are your skills?

4. What business best suits your priorities, interests and skills?

Show your answers to your Instructional Manager for feedback.

Making Your Business Work

There are many other possible sources of business ideas you can look at. Most of these ideas may come from looking at the businesses and services offered in the community. By looking closely at the things around you, you may be able to find a good business idea.

After this lesson, you should be able to:

- ◆ analyze your community for business opportunities; and
- ◆ demonstrate skill in making your business work .



Let's Think About This

Look around your community. What businesses are successful? What do you think made these businesses successful?

In this lesson, you will better understand what makes businesses successful. Read on.



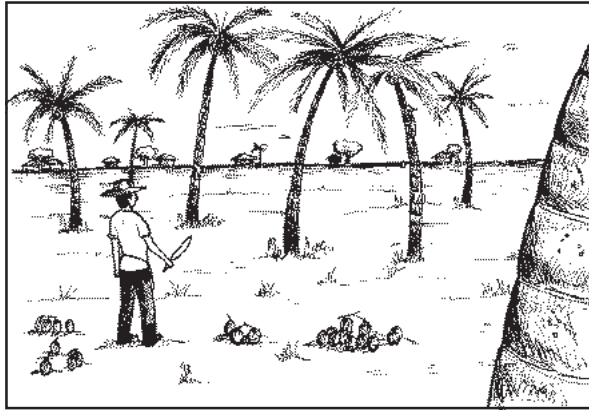
Let's Learn

Looking at your community for business opportunities

You can get good business ideas by looking around your community. You can start by looking at:

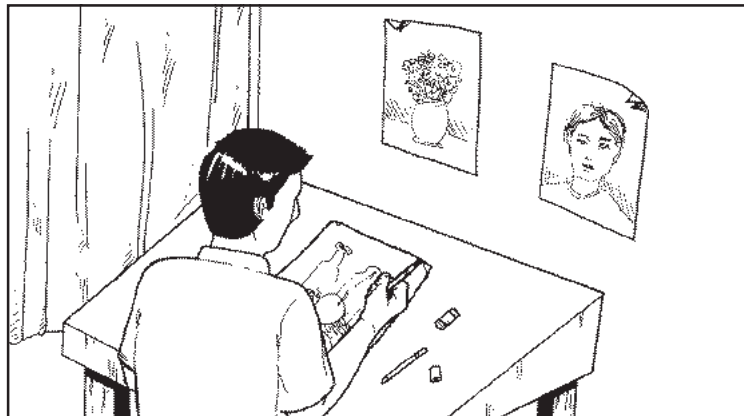
- ◆ *Products or Other Materials Available In Your Community*

Your community may have available resource materials that you can use for your business. For example, if there are many coconut trees in your community, a business related to this may be a good idea. You can sell products made out of coconut like coconut husks, walis tingting, fans, etc.



◆ *Skills Needed*

Some businesses need people who have special skills. You are a skilled person if you are able to do something very well. For example, if you draw very well, then drawing is your skill. If there are many good wood carvers in your area, then a business that requires this skill may be a good idea. You can make wood products such as keychains, souvenirs, and other wood items.



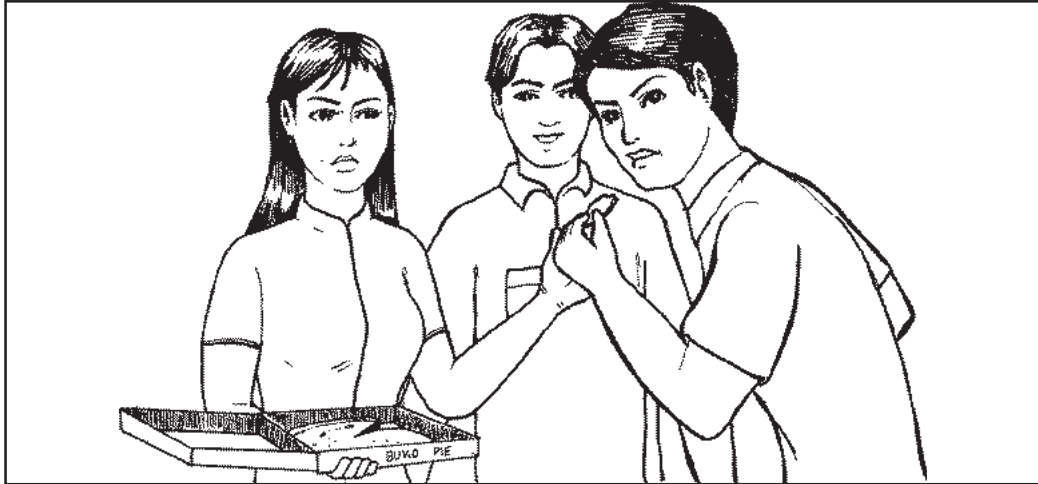
◆ *Needs of the Community*

A good business idea is to look at what the community needs. If there are very few or no businesses that serve the needs of a community, then this might be a very good business idea. For example, the jeepney station is far from your neighborhood so people walk long distances just to get to the station. You may want to get a pedicab and ferry people to the jeepney station.



◆ Quality of Existing Products

A product or service is of good quality if it makes people happy and contented after using them. If people are not happy with the products or services available in the market, then you can make a business that sells better products or services. For example, buko pies are popular in your community. However, people may not be happy because sometimes vendors sell hard buko pies. If people will be happy with softer buko pie, then it will be a good business to put up a store or bakery that sells soft buko pie.



Let's Try This

Look closely at your community. Then answer the following questions.

1. Are there any products abundantly available in your community? If yes, what are these?

2. Does the people in your community have special skills that stand out? If yes, what are these?

3. What do you think are the needs of your community that are yet to be addressed?

4. What products available in the community can you still improve on?

Look at the sample answer below.

1. We live in the city. There are no specific products that are abundantly available in our community.
2. Baking bread has become a tradition in our community. Bakeries abound in our neighborhood and many of these bakeries have been passed from generation to generation.
3. While there are many bakeries, our community is far from the marketplace. The community needs better access to wet and dry goods. There are very few stores that sell goods found in the marketplace.
4. Perhaps the quality of bread sold in many bakeries can still be improved on.

Take note of your answers. You will need them in evaluating your options for a business. After looking into your community which will be your pool of customers and resources, you should then look at other factors that will make your business work.



Let's Read

Read the situation below.

Jun believes that his interests, skills, and other sources of business ideas are opportunities and so he finally decided to start a barbecue stand. However, Jun wants to make sure that people will go to his barbecue stand. Jun observes what the other barbecue businesses are doing so that he can make his barbecue stand better than the others. Jun is wondering what kind of innovations he can employ to make his barbecue stand better than the rest.

If you were Jun, what would you do? Check if your answers are correct. Read the discussions on the next page.



Let's Learn

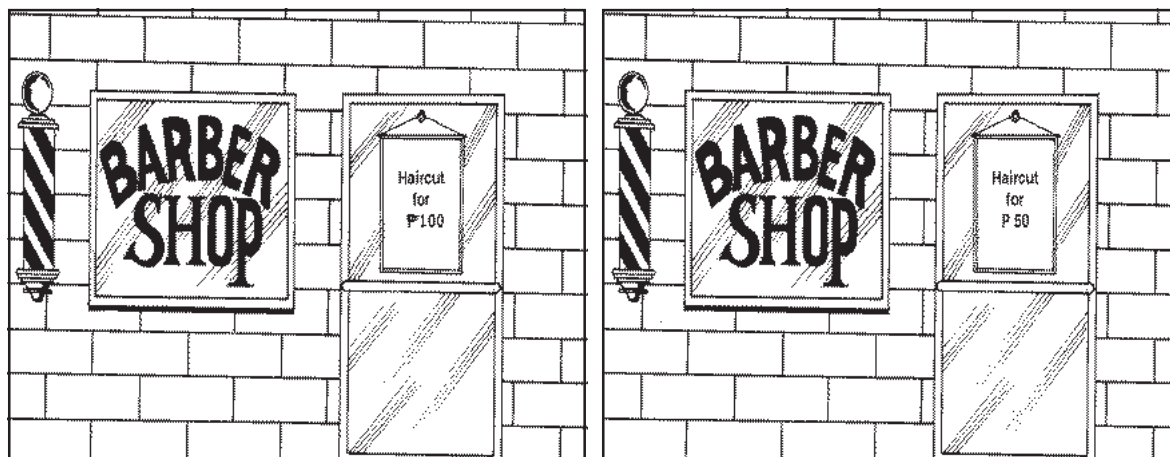
Making your business work

As new businesses are being established, existing businesses try to improve their products or services. Below are the 6 P's in marketing which can help business owners improve the quality of their products or services.

The five P's are:

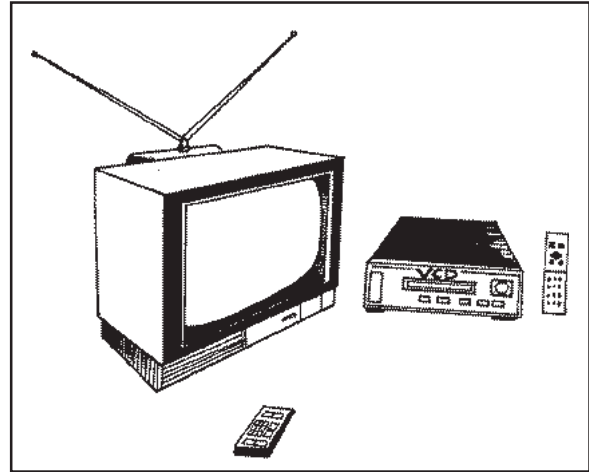
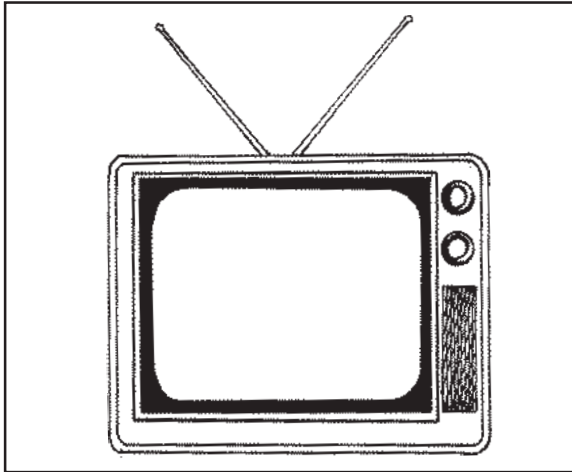
- ◆ Price
- ◆ Product
- ◆ Place
- ◆ Promotion
- ◆ Plan

The first P is **Price**. Price is how much you will ask people to pay for your product or service. Generally, if you give your product or service at a lower price, there is the possibility that people will go to your business more often. An example of two establishments with different prices are shown below study and analyze.



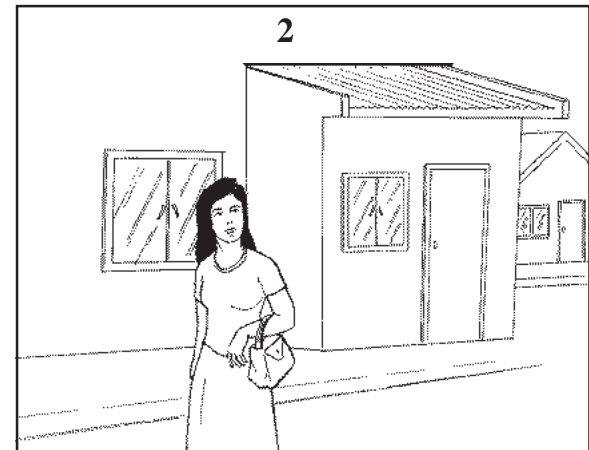
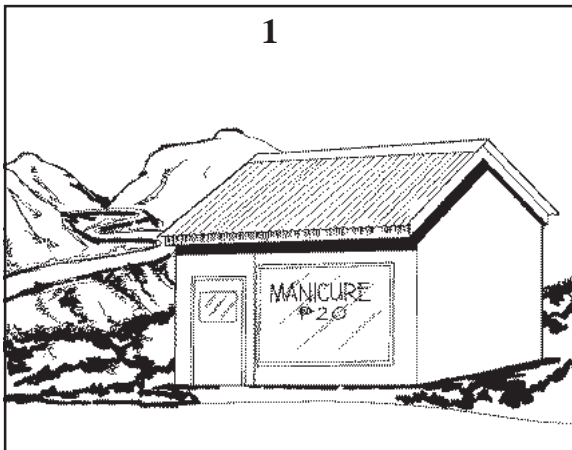
Which barbershop would you prefer? Both barbershops have good barbers, you would probably go to Barbershop 2, since the price is lower. As owner of the business you are the one who sets the price for your product or service. In giving prices, look at other businesses and find out how much customers pay for their products. As much as possible, you should not charge much more than what they charge. You should also look at how much people think your product or service is worth. If people think your product is worth ₱50, then charge ₱50, not ₱30. People prefer products which they feel it's worth the money they are paying.

The second P is **Product**. Product is what you will sell to the people. Generally, if your product is able to do more, people will often visit your business or patronize your product. An example is given on the next page.



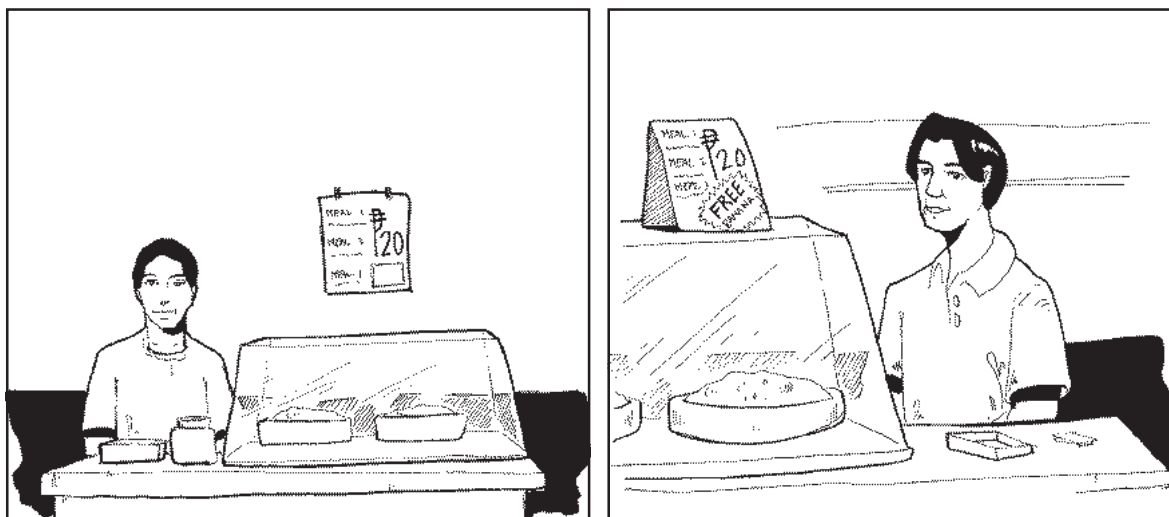
Which product would you buy? If both of the TVs are worth ₱7,000, but TV 2 is able to do more things for the same price, then people will probably want to buy TV 2.

The third P is **Place**. Place is where you will sell or deliver the product or service. Generally, if the location of your business is nearer to your customers, then they are more likely to come to you. An example is given below.



Where would you go to have your manicure? If both shops will ask you to pay the same Price, however shop number 2 is nearer your place and looks more presentable, where would you go? The manicurist in this example do home service also which is more convenient for the customer, at the same price. You will probably want to have your manicure from the manicurist who will go to your homes.

The fourth P is **Promotion**. Promotion is how you will attract customers. Stores have many promotions and strategies to gain more customers. Some stores give discounts. Some stores promote their products by having the buy one take one free. An example is given on the next page.



Which carinderia do you think will have more customers? Since Carinderia2 is using a promotion of giving one banana free, people will probably want to go to Carinderia 2.

The fifth P is **Plan**. Plan is how you will sell the products or services and how many products or services you want to sell. The plan is a combination of the first four P's and how many you want to sell at what time.

It is important to know how much of your product you want to sell so that you will know if you are doing good or bad in selling the product. Suppose you wanted to sell 5 sacks of rice a day and you sold only 3. You would know that you did not do so well that day and you would try harder to sell more the following day. An example is given below.

Plan A		Plan B	
Product:	Chicken	Product:	Chicken
Price:	₱80.00	Price:	₱80.00
Place:	Store in Caloocan	Place:	Store in Caloocan
Door-to-door selling Promotion:	₱5 discount when you buy 2 chickens	Promotion:	₱5 discount when you buy 2 chickens
Plan:	Sell to neighbors by going to their houses and selling through the Caloocan store with ₱5 discount when you buy 2 chickens	Plan:	Sell to neighbors through the Caloocan store with ₱5 discount when you buy 2 chickens
Target sales is:	₱200,000.	Target sales is:	₱200,000.

Which store do you think will sell more chickens? In general, if the Plan is better (because of one or a mix of the first five P's), then you will probably sell more. Since Plan A is willing to try more ways of selling the product (Plan A includes door-to-door selling), then it will have a better chance to meet its targets.



Let's Try This

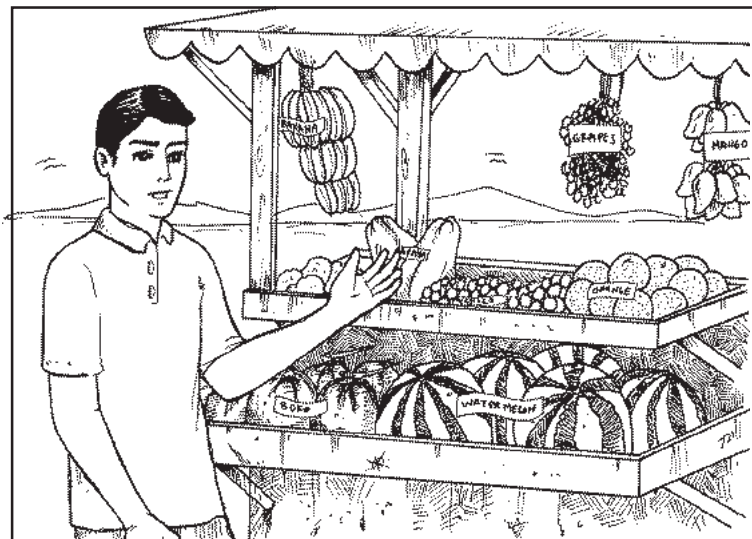
Let us assume that you are going to put up a beauty salon. What will be your Plan to attract customers?

Show your answers to your Instructional Manager for feedback.



Let's Think About This

Kiko was very excited since he had decided on what business he would put up and which of the five P's he should improve to make his business appear better than other businesses in the area. Kiko would be selling fruits in his community. Kiko wanted to sell a lot of fruits to make money. However, he didn't know exactly how much he should earn.



Why is it important for Kiko to decide how much he should earn?

We will find out the answer in the next discussions. Read on.



Let's Learn

Setting Sales Targets

Knowing how much you want to earn is a good guide for a business manager. Suppose Kiko did not set an amount for how much he should earn. How would he know that he was successful or not in his business. If Kiko set his sales target at ₱30,000 per month and he only got ₱25,000 for one month, then Kiko would know that he needs to work harder to meet his goal.

Without a goal, you will not know if you did well or not. Make sure that you put a time frame for your target (i.e. ₱25,000 in *one month*). If you do not put a time frame for your target, then you will not know if you gain or not for a given period of time.



Let's See What You Have Learned

Let's say you are going to put up a barbeque stand.

1. What will be your plan?

2. What will be your sales target?

Look at the sample answers on the next page

1. My Plan

Product: Barbeque with big chunks of meat

Price: ₱ 20.00 per stick

Place: In front of our house

Promotion: If the customers buy 2 barbeque, they will only pay ₱38.00 instead of ₱40.00

Plan: To sell at least 35 sticks of barbeque in a day.

2. My sales target is to sell 35 sticks per day which would amount to ₱700.00. Or a gross sales of 21,000 in a month.



Let's Remember

Do not forget the important points of this module.

- ◆ *Priorities* are different things or activities that are important to us and need urgent attention. You must look very closely at your priorities since your business will also take much of your time and your effort to make it successful.
- ◆ Knowing your interest will give you the motivation not only to start a business but to persevere once you are already in the business world.
- ◆ Enhancing your skills may help you start a business with very little or no capital at all.
- ◆ The five P's of marketing are:
 - Price – how much you sell your product or offer your service
 - Product – are the things or services you sell or offer
 - Place – the place where your business is located in relation to the customers
 - Promotion – what discounts, additional value can you offer the customers
 - Plan – are the things that you consider in putting-up your business. It includes the 4 other Ps like promotion, product, price and place.
- ◆ Sales target refers to what you want to earn at a given time.



What Have You Learned?

Answer the following questions. Write your answers on the spaces provided.

1. Based on your priorities, interests and skills, what would be the best business venture for you?

2. Based on your analysis of your community, what will be a good business venture for you?

3. Are your answers in numbers 1 and 2 the same? If yes, come up with a plan on how you will go about your business (include your sales target)? If no, choose which of the two would be a better business venture, then do the same.

Show your answers to your Instructional Manager for feedback.



Answer Key

A. Let's See What You Already Know (*pages 2–3*)

1.
 1. c
 2. a
 3. b
 4. d
 5. e
2. b, it should be only slight lower than the competitor
3. a, this is a good promotional strategy that will not be too costly for you
4. d, it sets a sales target at a given time
5. b, by doing this you are using your skills



References

- Lesikar, Raymund V. (1993). Basic Business Communication. Homewood, III. Irwin.
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- Whalen, Joel. (1996). I see what you mean: persuasive business communication. Thous Oaks, California sage.