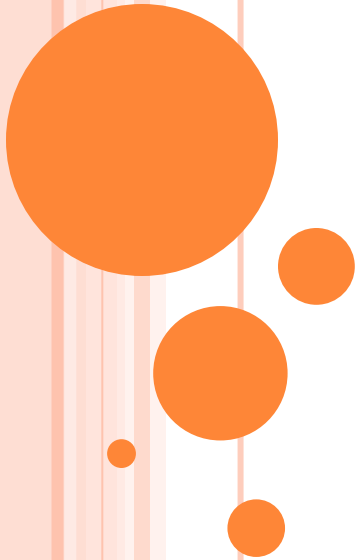


ENTREPRENEURSHIP DEVELOPMENT

Lecture - 04

Vision, Mission and Entrepreneurial Qualities (Contd.)



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Internal Locus of Control

- Entrepreneurs believe that they have the power over events in their lives.
- They believe that they can create their future as they envision.
- They do not believe so much in fate or blame outside forces for the outcome of their actions.
- They may be spirituals but their thoughts on future are similar to those of the agnostic.
- People with external locus of control tend to blame outside forces for all the failures and credit themselves for all the success.

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Prior Entrepreneurial Exposure

- Work experience in a start-up.
- Close association with business of friends or family.
- Corporate entrepreneurship.
- Profit-center head.
- Some experience of managing events.
- Borrowing a phrase from a statement by Donald Rumsfeld, US Defense Secretary “... *there are known knowns; there are things we know we know. We also know there are known unknowns; that is to say we know there are some things we do not know. But there are also unknown unknowns—the ones we don't know we don't know. ...*”

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Burning Desire for Learning: Knowledge-seeker

- Business operation requires knowledge of many domains.
- It may not be possible to be best in everything.
- But knowing more about many things is a clear advantage. One can have better perspective about many things and may lead better.
- Successful entrepreneurs have constant passion for learning.
- Obviously knowledge is pivotal for managing business and identifying opportunities.

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They Understand the Value of a Strong Peer Network

- In a competitive world, gaining success alone is a near impossible task.
- Contacts with business partners, financial partners, strategic resources, technology partners, peers entrepreneurs, investors are invaluable.
- At early stage of a technology start-ups one of the best assets is peer network with startups engaged in similar technologies.
- Effective nurturing of the relationship with people who can help can troubleshoot many hurdles.
- You are as good a leader as the people you keep company.

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They Try to Remain Surrounded by Great People

- It has been propounded by many great leaders that one can constantly evolve stronger if surrounded by great people.
- Surround themselves with great people, people with dreams and ambitions, whom they can look upon for constant inspiration.
- People with positive thinking and superior performer would inspire them to be so.
- You will push your boundary and achieve greater success.

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They are Tenacious

- **The tough competitive atmosphere is business demand unyielding, strong-willed and unfearful leaders.**
- **These leaders meticulously plan ahead, adjust themselves quickly to changing scenarios, adapt to market responses.**
- **Business at times has very high highs and very low lows. Expert entrepreneurs have the tenacity to absorb such shocks and capability to neutralize their impact on the organization.**

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They are Tolerant to Ambiguity

- **Entrepreneurs sets goals and are committed and are convicted to reach them. They also inspire others to follow them.**
- **But, they should be open to unexpected developments and information and make mid-course corrections that mitigates adversities or better exploits the advantages.**
- **The readiness and ability to face both at once, in the face of great uncertainty, is the tolerance for ambiguity that sets an entrepreneur apart from the rest.**

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Readiness to Accept Failure as an Option and Learn from Every Failure Acknowledge Mistakes and Learn from them

- Entrepreneurs are often successful because they tend to comprehend the best possible course of action to get over the worst scenario.
- However, they are mindful that things may not always manifest the best of ways and they are ready to accept failure.
- They take lessons from failure to become stronger, smarter and invincible.
- They do not sit back ruminating “what if”.
- Almost all successful entrepreneurs mature through learning from failures and mistakes.

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Ability to Sell

- Mark Cuban repeatedly emphasizes (in Shark Tank) that knowing how to sell is an absolutely essential part of being a successful business owner.
- Great founders have unique capacity to influence and persuade others. This ability is a natural outgrowth of the other foundational attributes.
- These persons are capable to influence others because they are first able to influence and persuade themselves. If you are unable or unwilling to keep your commitments you make to yourselves. you won't easily persuade others.

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They are Frugal in their Approach

- They recognize that there is always a lean way of doing things.
- Frugality leads to faster execution, better economy, lesser risks, higher success possibilities, higher financial upside.

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They are Reasonably Passionate and Know when to Pivot and not Driven by Emotion

- They are circumspect and act with determination and work passionately to achieve the goal.
- They continuously make assessment and have the capability to see the possible failure early on and pivot instead of persisting emotionally.
- Jack Ma was rejected in 30 job applications and many college admissions.
- Ma started business with determination. As a result, he could successfully launch Alibaba in 1999. In about 20 years, Alibaba is now valued nearly \$300 billion.

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They are Self-Motivated

- **Entrepreneurs do not wait for opportunities to find them.**
- **They go out into the world and create solutions that make people happy.**
- **They work tirelessly to evolve solutions to problems that confront them.**
- **They adapt to changes and carry their teams along, motivate them toward new goals and opportunities.**
- **The visions of successful entrepreneurs are more complete and not related to individual tasks and they aim to make a dent on the universe.**

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They are Systems Thinker

- A business is a system consisting of many small components and it itself is a component of larger systems. Systems thinking is understanding the interrelationships between all components.
- All components in a system interact, affect and promote each other in order for keeping a balanced progression. Disturbing one components can disrupt the whole system.
- Systems thinking is a holistic approach that focuses on how a system's constituent parts interrelate and how it works within the context of larger systems.

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A Few More Important Traits

- They are Independent and would do whatever it takes to succeed.
- They are the best spokesperson and promoter for their business.
- Relationship-BUILDER: They have high social intelligence and an ability to build relationships that aid their firm's growth.
- They have strong determination and battle their way through difficult obstacles.

Source <http://www.forbes.com/>

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A Few More Important Traits ... cont'd.

- They take calculated risk. They have good instincts when it comes to opportunity identification and understanding the risk-return perspective.
- They identify opportunities that are seemingly risky and achieve superior returns. Big rewards are associated with big risks.
- They are circumspective – they have a 360 degree view around the business and always assess their strengths, weaknesses, opportunities and threats (SWOT) with changing macro situation.

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Some Concluding Words

- They are disciplined and always set priorities. Their overarching strategies help them to reach the goals they set.
- They are self starter. Every successful entrepreneur are fully conscious of the fact that if something has to be initiated, it needs to be done by themselves.
- So, aspiring entrepreneurs need to adopt these traits and make them a part of their personality to achieve success.

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Conclusion:

- ☐ Expert entrepreneurs have dreams. They are confident and optimistic to manifest them. They are disciplined self starters. They are patient and they persevere. They are open to new ideas those cross their path.
- ☐ Success of a venture critically depends on many factors and entrepreneurial qualities are pivotal among them.
- ☐ It is important to note that many of these traits can be learnt.
- ☐ The founding team should preferably consist of more than one members.
- ☐ Ideally, members should possess complementary skills to balance the essential skill set.

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THANK YOU

