Chapter 3
Entrepreneurs: Key Characteristics and Skills

Are All Entrepreneurs Alike?
While entrepreneurs have in common certain characteristics and skills, there is a wide range of individuality among them. In sports, some athletes do well because they love a sport and are trained to play it. They have developed their skills. Others are full of natural talent and require much less special training. Still others simply find their own successful approach to playing a sport even though they may not have been trained.

Entrepreneurs are the same way. Some receive formal training and skill development. Others have a natural flair for it. Still others break every rule or devise very unusual approaches, but still succeed. Which do you think would be your style?

While there is no recipe for becoming a successful entrepreneur, certain characteristics are associated with entrepreneurial success. Here are several important ones.

Do What You Love
According to research, one of the most important qualities associated with successful entrepreneurship is passion. When people feel committed to what they are doing and when they care deeply about it, they stand the best chance of being successful at it. The heart must become an ally of the mind. Think about this popular business saying:

If your mind can conceive it, and your heart can believe it, then you can achieve it!

Entrepreneurs typically care more about what they are doing than how much money they might make. They must earn an income, of course, or they cannot continue to be entrepreneurs; however, the amount they earn often is secondary to achieving their goals.
Entrepreneurs are self-reliant, opportunity-focused, willing to take risks and thrive on competition.

If I Think I Can . . . I Can!

Another key quality of the successful entrepreneur is **self-confidence**. If you are thinking that you would like to be an entrepreneur, do you have confidence in your ability to succeed? Every entrepreneur encounters problems, and you have to believe you can overcome them.

If you feel you lack self-confidence, perhaps you’re not fully appreciative of your past accomplishments. Think about all the things you’ve done. Have you participated in activities at school like music, art and sports? Have you held part-time jobs? Do you do chores regularly at home? When you think about all of the things you have accomplished, you will find that you have every right to be self-confident. Successful entrepreneurs believe not only that they are capable of success but also believe that they are worthy of success.

Entrepreneurs are **self-reliant**. They do not wait for others to tell them what to do. They are self-starters and feel confident making decisions.

Entrepreneurs have other qualities as well. To accomplish their goals and make their vision a reality, successful entrepreneurs must have **drive, persistence, the ability to complete tasks**, and be **willing to work hard**. Additionally, they are **opportunity-focused** and **forward-looking**. They are able to set both short- and long-term goals. They create a vision of what they want their future to be, and then they work to achieve it. These are some of the qualities that help them see problems as opportunities.

As we discussed earlier, entrepreneurs are **willing to take a risk**. While most people try to avoid risk,
entrepreneurs understand that risk is a natural part of trying to achieve goals. Their self-confidence helps them accept the challenges of the risks they take.

Entrepreneurs tend to **thrive on competition**. While they may actively compete with others, they are more likely to compete against themselves. In other words, they are constantly trying to improve their own performance regardless of what others may be doing.

Although they may not realize it, most entrepreneurs are **creative**. This does not mean they paint pictures or write poetry (though it can); rather, it means they find innovative ways to problem solve. They always look for new and better ways to do things—ways that have not occurred to others. Believe in your ability to be creative. Experts tell us that the biggest block to creativity is thinking you are not creative.

Finally, entrepreneurs are **willing to learn**. They are **information seekers**. They may already know a great deal, yet they recognize that no one knows everything, and that they can learn valuable information from others. Entrepreneurs who are not open to learning often compromise the degree of success they will be able to achieve.

**Entrepreneurship Is Not for Everybody—Or Is It?**

Not everyone has the qualities it takes to be an entrepreneur or even wants to be an entrepreneur. Even people who possess the necessary qualities are not necessarily made happy by being entrepreneurs. People who have entrepreneurial characteristics are often happier working for someone else. They use their entrepreneurial skills to advance their own careers without taking the risks associated with being an entrepreneur. If you recognize that you have some of the characteristics discussed here but do not feel drawn to becoming an entrepreneur, you can find ways to further your goals or your chosen career by putting your entrepreneurial characteristics to work for you. It may surprise you how much recognition you’ll get for the good work you do.

Some Entrepreneurial Skills You Must Have for Success

As with any sport, having the right attitudes and characteristics can carry you only so far. You also need the skills that will help you succeed. However, unlike personal characteristics and attitudes—which can often be hard or impossible to change—entrepreneurs can acquire skills if they are willing to learn them. Additionally, they can hire people to work for them who have the needed skills. Either way, the following skills are important if the entrepreneur’s business is to succeed.

Ability to Plan: The ability to plan is a key skill for entrepreneurs. They must be able to develop plans to meet goals in a variety of areas, including finance, marketing, production, sales and personnel (hiring and maintaining productive and satisfied employees).

Communication Skills: Entrepreneurs should be able to explain, discuss, sell and market their good or service. It is important to be able to interact effectively with your business team. Additionally, entrepreneurs need to be able to express themselves clearly both verbally and in writing. They also should have strong reading comprehension skills to understand contracts and other forms of written business communication.

Marketing Skills: A business’s success or failure is very dependent on whether the business reaches the market (its potential customers), interests the market and results in those in the market deciding to buy. Many entrepreneurs who failed started with an innovative good or service that with proper marketing could have been very successful. Good marketing skills—that result in people wanting to buy your good or service—are critical for entrepreneurial success.
Interpersonal Skills: Entrepreneurs constantly interact with people, including customers and clients, employees, financial lenders, investors, lawyers and accountants, to name a few. The ability to establish and maintain positive relationships is crucial to the success of the entrepreneur’s business venture.

Basic Management Skills: The entrepreneur must be able to manage every component of a business. Even if entrepreneurs hire managers to attend to daily details, they must understand if their business has the right resources and if those resources are being used effectively. They must ensure that all the positions in their business are occupied by effective people.

Personal Effectiveness: In order to handle the pressures of their busy lifestyles, entrepreneurs must have the ability to manage time well and to take care of personal business efficiently. Because first impressions are so important, entrepreneurs must also pay attention to such things as personal appearance and telephone skills. For example, think of the difference in the impression made by someone who answers the phone by saying, “Yeah?” versus saying, “Computer Support Services, this is Alex. How may I help you?” Additionally, entrepreneurs benefit a great deal by being aware of their own strengths and weaknesses.

Team Building Skills: Because entrepreneurs usually assemble a team of skilled people who help them achieve business success, they must be able to effectively develop and manage the team.

Leadership Skills: One of the most important leadership skills an entrepreneur must have is the ability to develop a vision for the company and to inspire the company employees to pursue that vision as a team. The expression “people would rather be led than managed” applies especially well to an entrepreneurial venture.

Few entrepreneurs possess every skill needed to ensure business success. For example, they often look to outside experts for help in areas such as strategic planning, accounting and finances, contracts and legal issues, and specialized marketing.
Think about the skills necessary for successful entrepreneurship. What are your personal areas of strength? In what areas would you be most likely to need assistance from other experts? Entrepreneurs must have the ability to evaluate realistically their own skills and to know when to draw on the skills of others.

**Activity:** In your **Personal Journal**, turn to page 5 and complete the activity entitled “Are You a Potential Entrepreneur? Part 2: Entrepreneurial Skills—A Personal Review and Assessment.”

You may also want to find out if people who really know you well (special friend, family member, teacher) agree with you on what you believe are your major strengths and areas for improvement.

**Activity:** In your **Personal Journal**, turn to page 6 and complete the activity entitled “Are You a Potential Entrepreneur? Part 3: Another Point of View.”