



higher education  
& training

Department:  
Higher Education and Training  
REPUBLIC OF SOUTH AFRICA



# **SUBJECT: INTRODUCTORY ENTREPRENEURSHIP**

**LEVEL: N4**

**MODULE 4: THE ENTREPRENEUR: AN INTRODUCTION**

# MODULE 4: THE ENTREPRENEUR: AN INTRODUCTION

After completing this module, you should be able to:

list and describe the personal characteristics of entrepreneur and the myths that surround them. You should be able to:

Describe the growth of small business in South Africa.

Describe the development of entrepreneurs.

Design a self-analysis tool that an entrepreneur could use.

list the advantages of entrepreneurship, including:

The names and explanations of the advantages and opportunities of entrepreneurship.

Design a self-analysis tool that entrepreneurs could use that will reveal their strengths and weaknesses, possible contacts and abilities to invest.

describe the concept, and give examples, of creativity. You should also be able to:

Explain the differences between ideas and opportunities.

Describe the importance of innovation and creativity.

Explain, with examples, the processes of generating ideas.

apply creative methods to turn ideas into opportunities

# MODULE 4: THE ENTREPRENEUR: AN INTRODUCTION

## Content

1. The myths and characteristics of entrepreneurs
2. The advantages of entrepreneurship
3. Applying creative methods to turn ideas into opportunities
4. Summary of module 5
5. Summative assessment for module 4

# MODULE 4: THE ENTREPRENEUR: AN INTRODUCTION

## The myths and characteristics of entrepreneurs

There are many myths about entrepreneurs. Some are that they can't take unnecessary risks, are born rather than made and that they neglect their families.

### **Increasing interest in small business**

- The growth in small businesses in South Africa

### **Description of the development of an entrepreneur**

#### **Entrepreneurs:**

- Recognise that people need particular products.
- Realise that they may be able to meet these needs.
- Use their land, labour, capital and their own initiative to develop the products or services.

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## Characteristics of entrepreneur

Entrepreneurs have personal qualities that differ from those of many other people.

## Descriptions of personal qualities/personal characteristics of entrepreneurs

**Confident** - Entrepreneur are confident about themselves, their product or service.

**Willing to take risks** – Entrepreneurs are willing to take risks despite the uncertainties about success.

**Independent** – Entrepreneur want to take charge of their and incomes entrepreneur can adjust their salary as circumstances change. They can earn more when times are good and less when things are not going well.

**Energetic** – Entrepreneur work very hard to succeed. They may work extra hours and on weekends.

**Able to identify opportunities** – Entrepreneurs identify gaps in the market and try to fill them before competitors do.

**Need to archive** – Entrepreneurs need to succeed and realise that they take responsibility for their successes and failure.

**Need immediate feedback** – Entrepreneur must be able to assess quickly whether they have succeeded. They evaluate sales figure and compare them to sales forecasts.

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## Self analysis questionnaire

A Self-analysis is a systematic attempt to understand your own personality, emotions behaviour, strengths and weaknesses without the help of anyone else.

Example of designing a self-analysis tool or questionnaire that an entrepreneur could use.

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Question No.	Question	1	2	3	4
1.	Do you feel that your decisions are correct				
2.	Do you avoid risks if you feel that your decision may be poor ones?				
3.	Do you let others make your decision for you?				
4.	Do you wake up in the morning, are you in a hurry to get going.				
5.	When you see what your friends are doing, do you feel that you could do the same things better than they do?				
6.	Are you able to ask others to do this that suit their personalities best?				
7.	When you play or watch sport, do you get upset if your team is losing				
8.	When you ask someone for an answer, are you happy if they tell you to wait until later for an answer?				
9.	Do you feel exhausted after a day's work?				
10.	Do you listen to other if they give an opinion about what you are doing?				

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The Advantages of entrepreneurship, with a short description

Advantages	Short description
<b>Flexibility and independence</b>	Determining their incomes Flexible working hours Freedom to be creative.
<b>Opportunities to give back to the community</b>	Create job opportunities Become involved in social responsibility activities.
<b>Controlling your own destiny</b>	Entrepreneur can decide what to do. When to do it and how to do it.
<b>Turning your passions and beliefs into a business</b>	Entrepreneur can follow their passion and receive reward for doing so.

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**Job satisfaction and job security**

Entrepreneur do what they want to do. This leads to job satisfaction. Entrepreneur do not risk losing their job

**Recognition and self-fulfillment**

Entrepreneurs' efforts result in good result. They get recognised for what they do and experience a sense of achievement if they succeed.

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## Creativity

Creativity is the act of turning new and imaginative ideas into practical ones. Also is the ability to see the world in new ways, to find hidden patterns and to make connections between unconnected things. If you have ideas but do not act on them you are imaginative but not creative.

## Ideas and opportunities

### The different between ideas and opportunities

All new ideas are not necessarily opportunities. Entrepreneurs have to sift through their ideas to decide which one could become opportunities. An entrepreneur may have the most fantastic idea. However, if there is no market for the idea then there is no opportunity for them

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**An opportunities is an idea that:**

- Customer will buy
- Still has a place in the market even though there are a number of competitors to satisfy this particular need.
- Will yield a profit.

## **Innovation and creativity**

- The importance of innovation and creativity

Innovation is changing a new idea into a new product or service. The new idea or product:

An opportunities is an idea that:

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- Must make money for the entrepreneur.
- Will attract customers.
- Must resolve problem.
- Will enable the entrepreneur to gain an advantage over competitors.

## **generating ideas**

turning ideas into opportunities

Identifying good ideas

Many entrepreneurs use their own experiences as sources of good business

Ideas.

## MODULE 4: THE ENTREPRENEUR: AN INTRODUCTION

### Turning ideas into opportunities

- Draw a mind map to develop the idea.
- Brainstorm the idea with friends.