Ethiopian ATI
Agricultural Transformation Institute
የኢትዮጵያ ግብርና ትራንስፎርሜሽን ኢንስቲትዩት

ENTREPRENEURSHIP MINDSET AND BUSINESS SKILL DEVELOPMENT

TRAINING MODULE FOR YOUTH AGRI-ENTREPRENEURS

Ethiopian Agriculture Transformation Institute

ADDIS ABABA, ETHIOPIA
2025

Table of Content

Ethiopian ATI
Agricultural Transformation Institute
የኢትዮጵያ ግብርና ትራንስፎርሜሽን ኢንስቲትዩት

SECTION 1. INTRODUCTION

1.1. BACKGROUND

The **Agricultural Transformation Institute (ATI)** was established by the Government of Ethiopia (GoE) to address systemic bottlenecks in the agriculture sector. The Institute conducts strategic studies, provides evidence-based recommendations, supports implementation, manages projects, and fosters coordination across agricultural programs and stakeholders. As a strategy- and delivery-focused institution, ATI plays a central role in accelerating the transformation of Ethiopia's agriculture sector.

ATI envisions becoming the leading center of innovative solutions that catalyze and contribute to the transformation of Ethiopian agriculture by 2030—where smallholder farmers are commercialized and benefit from increased incomes, inclusiveness, resilience, and sustainability.

To help tackle youth unemployment—particularly among young women and persons with disabilities—ATI has launched the Agriculture-focused Dignified Employment for Youth in Ethiopia (ADEY) program. This program aims to increase youth participation in the labor market, especially within the agriculture sector.

ADEY operates through multiple workstreams, focusing on:

- Enhancing access to agricultural input and output markets and finance
- Strengthening youth-owned Micro, Small, and Medium Enterprises (MSMEs) through capacity-building
- Improving technical and business skills among young women and men
- Creating an enabling policy environment to foster dignified and inclusive work opportunities

The ADEY program builds on the success of ATI's **Agricultural Commercialization Clusters (ACC)** initiative, which promotes market-driven and integrated value chain development in high-potential, geographically clustered areas.

Through ADEY, ATI seeks to improve access to improved technologies, markets, and finance, while enhancing the competitiveness of youth-led MSMEs. Central to the program is the development of youth capabilities and mindsets through tailored training and business development services, with a strong emphasis on gender inclusion and long-term sustainability.

1.2. OVERVIEW OF THE TRAINING MODULE

Learning Objectives

- The overall purpose of this training manual is to support ADEY Program, which aims to create inclusive and dignified work opportunities in the agriculture sector.
- It is developed to provide comprehensive guidance and resources on entrepreneurship and business skills for enterprises established or to be established under the ADEY Program.
- In general, the manual aims to build the capacity of organized youth and women groups, SMEs /or cooperatives, enabling them to effectively plan, organize, lead, implement, monitor, and evaluate their business activities. By providing comprehensive training in entrepreneurship and business development skills, the manual seeks to contribute to the growth of Agricultural MSMEs and create sustainable and dignified work opportunities for Ethiopian youth, particularly young women.

Methodology:

- The entrepreneurship and mindset training module adopt a participatory approach and follows the principles of adult learning.
- Throughout the module, practical examples and case studies are provided to demonstrate the application of concepts in local contexts, making the content more relatable and applicable to the trainees' specific situations.
- It encourages active participation and engagement from the trainees, incorporating both presentations and practical exercises. This methodology allows individuals and diverse groups to learn, work, and collaborate.
- Effective entrepreneurship training will focus on experiential learning, allowing participants to apply their knowledge and skills in real-world situations.
- To achieve these learning objectives, the training facilitator will apply a variety of teaching methods, including: Case studies, Simulations, Role-playing, Practical examples, experience sharing's, Mentoring and coaching.

Materials: Handout/ module, Blanc flip charts, Markers/ White board markers, Multimedia projector or data show, Computer

SECTION 2. NTREPRENEURSHIP AND MINDSET

Objective of the Module

- This module explores what youth entrepreneurs needs to do to smoothly run his or her business but more so what is required for one to grow their business.
- It discusses business opportunities that may arise for youths and other entrepreneurial issues.
- It also discusses growth strategies and how they can be adopted by Youth and Agri SMEs.

Contents of the module

- Section 1. Concept of Entrepreneurship and Entrepreneur (6 hrs)
- Section 2. Developing an Entrepreneurial Mindset (8 Hrs)
- Section 3. Entrepreneurs Competencies (8 hrs)
- Section 4.Business opportunity Indentification ; Business Idea and Business Plan Preparation Skill (4 hrs)

Time Required: 4 days / 32 hrs

INTRODUCTION

This module, defines entrepreneurship and distinguishes it from being an entrepreneur. It outlines the steps in the entrepreneurial process and types of entrepreneurs and highlights the characteristics of successful entrepreneurs. You will also be acquainted with the techniques on how to develop of an Entrepreneurial Mindset: Attitude, Vision, and Embracing Change for Success.

The module will further dive into the competencies and characteristics of successful entrepreneurs. It emphasizes goal setting, systematic planning, commitment, calculated risk-taking, and the proactive search for information. These qualities shape the entrepreneurial journey, enabling entrepreneurs to achieve their vision and overcome challenges along the way.

This chapter will also explore the generation of successful business ideas and provide highlights on the preparation of comprehensive business plans.

2.1 CONCEPT OF ENTREPRENEURSHIP AND ENTREPRENEURS

Learning Questions

- Define entrepreneurship
- Distinguish between entrepreneurship and entrepreneur

- Explain why entrepreneurship is important
- Outline the steps in the entrepreneurial process
- Discuss the characteristics of successful entrepreneurs

Time required: 6 Hrs

2.1.1 CONCEPT OF ENTREPRENEURSHIP

Entrepreneurship is the process of starting and managing a business. It involves identifying business opportunities, gathering resources, creating a viable business plan, and executing the plan to achieve success.

Key characteristics of entrepreneurs include:

- Innovation: The ability to think creatively and come up with new ideas or approaches.
- Risk-taking: Willingness to take calculated risks to achieve goals.
- Perseverance: The ability to overcome challenges and setbacks.
- Leadership: The capacity to inspire and motivate others.
- Passion: A strong enthusiasm and drive for the business.

Entrepreneurs play a vital role in economic growth and development by creating jobs, introducing new products and services, and fostering innovation.

Entrepreneurship encompasses the process of creating something new with value by devoting the necessary time and effort, assuming financial, physical, and social risks, and reaping the rewards of monetary and personal satisfaction and independence. It involves starting new organizations, particularly businesses, in response to identified opportunities.

Entrepreneurship reflects an individual's capacity to transform ideas into action, fostering creative thinking and effective problem-solving skills. This enables individuals to adapt to change and solve problems across various contexts, both within and beyond the business realm.

By merging these concepts, entrepreneurship can be seen as an empowering and versatile mindset that drives innovation, growth, and positive change.

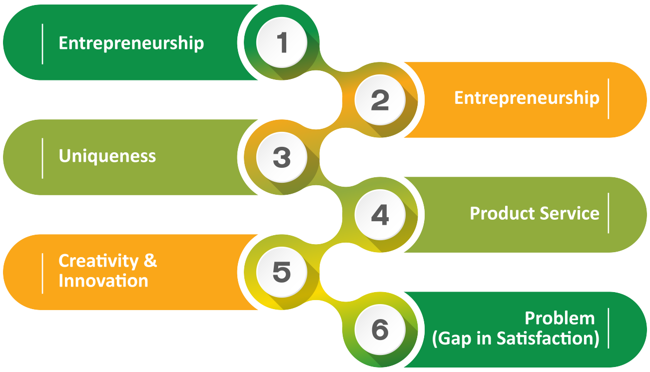


Figure 1: cycles/stages of Entrepreneurship

Source: https://www.slideshare.net/slideshow/life-cycle-of-an-entrpreneural-venture/37340940

2.1.2 CONCEPT OF ENTREPRENEUR

- An entrepreneur is a person responsible for setting up a business or enterprise.
- They have the initiative, skills for innovation, and seek high achievements.
- Entrepreneurs are catalytic agents of change and work for the betterment of society.
- They establish new greenfield projects that create wealth, open up employment opportunities, and contribute to the growth of other sectors.
- Entrepreneurs are moderate risk-takers who work under uncertainty to achieve their goals.
- They are innovative, pursuing deviant pursuits, and exhibit a strong urge to be independent.
- Entrepreneurs persistently strive to do something better and are dissatisfied with routine activities.
- They are prepared to withstand the challenges of entrepreneurship and exhibit determination combined with patience.
- Entrepreneurs demonstrate a sense of leadership, competitiveness, and personal responsibility.
- They are future-oriented, persist in the face of adversity, and are skilled at converting situations into opportunities.

ENTREPRENEUR	ENTREPRENEURSHIP
Refer to aperson	Refers to aprocess/ Function
Visualizer	Vision
Creator	Cration
Organizer	Organization
Innovator	Innovation
Technician	Technology
Initiator	Initiative
Decision maker	Decision
Planner	Planning
Leader	Leadership
Motivator	Motivation
Programmer	Action
Risk —taker (bearer)	Risk — taking (bearing)
Communicator	Communication
Administrator	Administration

Figure 2 : Entrepreneurs Vs Entrepreneurship

Source: https://www.slideshare.net/slideshow/entrepreneur-and-entrepreneurship-238759982/238759982

2.1.3 STEPS IN THE ENTREPRENEURIAL PROCESS

The entrepreneurial process involves several key steps:

- Observing the environment and identifying gaps: Entrepreneurs keenly observe the market and identify unmet needs or gaps in existing products or services.
- Identifying opportunities: Entrepreneurs evaluate and select the most promising opportunities that align with their skills, interests, and resources.
- Gathering necessary resources: Entrepreneurs acquire the necessary financial, human, and physical resources to bring their ideas to fruition.
- Implementing the activity: Entrepreneurs execute their business plans, leveraging their skills, creativity, and problem-solving abilities to establish and operate their ventures.
- Receiving rewards: Successful entrepreneurs reap the benefits of their efforts, both in terms of monetary rewards and personal satisfaction.

2.1.4 CHARACTERISTICS OF SUCCESSFUL ENTREPRENEURS

Successful entrepreneurs possess certain characteristics that contribute to their achievements.

These characteristics include:

- Vision and passion: Entrepreneurs have a clear vision of what they want to achieve and are driven by a strong passion for their ideas.
- Self-motivation and determination: Entrepreneurs are self-starters who possess the internal drive and determination to pursue their goals despite obstacles.
- Creativity and innovation: Entrepreneurs think outside the box, generate new ideas, and find innovative solutions to problems.
- Risk-taking propensity: Entrepreneurs are willing to take calculated risks and embrace uncertainty in order to seize opportunities.
- Resilience and adaptability: Entrepreneurs bounce back from failures, learn from setbacks, and adapt their strategies to changing circumstances.
- Strong work ethic: Entrepreneurs are dedicated and hardworking individuals who are willing to invest the necessary time and effort to succeed.
- Effective leadership: Entrepreneurs possess leadership skills and the ability to inspire and motivate others to contribute to their vision.
- Networking and relationship building: Entrepreneurs actively build relationships, seek mentors, and create networks to gain support and access resources.
- Continuous learning: Entrepreneurs have a thirst for knowledge and continuously seek opportunities to learn and improve their skills.
- Positive mindset: Entrepreneurs maintain a positive attitude, embrace challenges as learning opportunities, and remain persistent in the face of adversity.

2.1.5 MOTIVATION FOR STARTING A BUSINESS

The motivation for starting a business can indeed be influenced by both “Pull” and “Push” factors. Let’s explore each of these influences in more detail:

a) Pull Influences:

- Desire for Independence: Many people are motivated to start their own business because they desire independence and the ability to be their own boss. They want to have control over their work and make decisions on their own terms.
- Desire to exploit an opportunity: Entrepreneurs often identify a market gap or an untapped opportunity and feel compelled to start a business to address that need. They see potential for success and growth in the market and want to take advantage of it.
- Turning a hobby or previous experience into a business: Some individuals have a passion or hobby that they want to turn into a business. They enjoy what they do and believe they can monetize their skills or expertise by offering products or services related to their hobby or previous experience.
- Financial incentive: Starting a business will provide the potential for financial rewards and increased income compared to being employed by someone else. Entrepreneurs may be motivated by the prospect of building wealth and achieving financial security through their business ventures.

b) Push Influences:

- Redundancy: When individuals experience job redundancies or downsizing in their previous employment, they may view it as an opportunity to start their own business rather than seeking new employment.
- Unemployment: In situations where individuals are unable to find suitable employment, they may choose to create their own job by starting a business.
- Disagreement with previous employer: Individuals negative experiences or disagreements with their previous employers, which can serve as a push factor for starting their own business.

Assessment questions

1. What are the steps involved in the entrepreneurial process? Explain each step briefly.
2. Identify and explain the rewards and challenges of being an entrepreneur.
3. List and describe the key characteristics of successful entrepreneurs.
4. What factors motivate individuals to start their own businesses? Discuss the importance of motivation in entrepreneurship.

SECTION 3: DEVELOPING AN ENTREPRENEURIAL MINDSET

Learning Outcome

- To describe about mindset and its importance
- To describe about attitudes
- To show attitude is the bases of all elements of our life
- To generate better understanding between trainees about proper business attitude that helps to succeed in business.
- **Time required:**

Introduction

A “**mindset**” refers to the set of behaviors, attitudes, and thought processes that influence how we make decisions and interpret the world around us. It shapes how we approach challenges, assess opportunities, and utilize our mental and emotional capacities.

An entrepreneurial mindset is characterized by positive, resilient thinking and a proactive approach to problem-solving. Individuals with this mindset tend to see opportunities where others see only risks or obstacles. They are idea-driven, solution-oriented, and confident in pursuing their goals—often initiating action independently and advocating for their vision without hesitation.

The importance of having an entrepreneurial mindset

An entrepreneurship mindset isn't exclusive to high-level business execs. This characteristic can benefit anyone, whether you're working at an entry-level role, are mid-career at a large corporation, or striking out on your own.

This perspective is all about professional development, embracing mistakes, and turning that into motivation and hustle to reach higher heights. Here are some of the benefits of embracing this kind of thinking:

- You'll learn to overcome challenges. Being entrepreneurial means identifying challenges and overcoming them. It also means learning new skills, so you have a bigger toolbox with which to fix problems.
- You'll think outside the box. Sometimes the best way to overcome a challenge is to ditch conventional wisdom. If you develop your creativity, you can solve problems in ways you haven't thought of before.
- You can influence and inspire people. You don't have to change the world to make an impact. As an entrepreneurial person, your skills can make a difference for your team and community.
- You'll have a stronger sense of self. When you have an entrepreneurial spirit, you take ownership of your ideas, goals, and dreams. You know your purpose, skills, and weaknesses and have a strong sense of identity. With this kind of self-awareness, you'll boost your self-esteem and elevate your team.

3.1 ATTITUDE AND AWARENESS CREATION

Attitude is the way we look at anything or incidents that could happen in our life. Throughout our life any things may not happened. This is called phenomenon. The phenomena by itself will not bring any changes. It is your concern and interpretation that give meaning and high value for the phenomenon.

- The interpretation is determined by your attitude. This means all the interpretations you have been given for phenomenon/ happenings are the bases to define your today's fate.

3.2 SPECIAL FEATURES OF POSITIVE THINKERS

Positive thinkers possess unique qualities that set them apart:

- They think beyond themselves and consider the well-being of others.
- They cultivate high self-confidence, empowering them to overcome challenges.
- They exhibit patience, allowing them to navigate obstacles with resilience.
- They maintain politeness in their interactions, fostering harmonious relationships.
- They hold high regard for themselves and others, promoting mutual respect.
- They consistently demonstrate positive results through their actions and attitudes.

Benefits of Positive Thinkers:

Positive thinkers bring numerous benefits to both themselves and those around them:

- They develop a positive reputation for themselves and inspire others to do the same.
- They motivate and uplift people, encouraging them to pursue their goals.
- They bring joy and positivity to the lives of those they interact with.
- They become valuable assets to their country and community, contributing to its growth.
- They enhance productivity and add value to their work and businesses.
- They actively collaborate and improve problem-solving skills through effective communication.
- They promote honesty and integrity in their actions and interactions.
- They effectively manage stress and create a harmonious environment.

3.3 PRACTICES TO ADOPT AND IMPROVE POSITIVE THINKING

To embrace and enhance positive thinking, incorporate the following practices into your life:

- Shift your focus towards positive aspects and redirect your thoughts.
- Take action today and pursue the things you want to achieve.
- Engage in continuous learning through reading and listening, expanding your knowledge.
- Take pride in yourself and intentionally shape a positive environment.
- Avoid negative influences that hinder your progress and well-being.

Activity

- Think about the above-mentioned points and how you will implement /practice in your life and business ?

3.4 BEST BUSINESS EXPERIENCE BRINGS ATTITUDINAL CHANGES

Two marketing researchers took assignments to conduct business study on shoe factory in the same village. The two people deployed in different directions and conduct assessment on how the factory could expand and maximize its sales in the villages and to present their outcomes. By chance in the target village nobody knows about the use of shoes and even what it means. The villagers are walking on bare foot.

The researchers present their results.

The first presenter. According to my assessment the village dwellers don't have any knowledge about shoes. He concluded, therefore, establishing the factory in this village is not feasible.

The second presenter. "Nobody is wearing shoes in the village. However, this would be a good opportunity to establish and expand the factory in the village.

In my understanding this could happen by organizing awareness creation sessions, providing appropriate trainings and presenting best practices to change the perception of the community and to improve demands about the importance of shoe and hence we can expand the factory in this village.

We can maximize sales and profits in the village, much better than the expansion projects the factory has been done so far. Therefore, the researcher concluded; taking immediate action to establish the factor in the village will have benefits".

Questions

- Dear Trainees/Participants, What did you learn from the story ?

The story's theme and lesson

- How different people interpret a phenomenon, and
- Because of their interpretations, one performs better than others, while others are different because of their inability to live or die.
- Let's have a sense of positive thinking to move forward or to cross our lives to the point where we must live now.

Homework

- List all the things in your life that are pulling you back.
- Make definite solutions for them.

Self-awareness:

Self-awareness includes our recognition of ourselves, of our character, of our strengths and weaknesses, desires and dislikes. Developing self-awareness can help us to recognize when we are stressed or feel under pressure. It is also often a prerequisite for effective communication and interpersonal relations, as well as for developing empathy for others.

How to develop self-awareness

Self-awareness is the ability to understand yourself, your thoughts, emotions, and behaviors. It's a crucial skill for personal growth, effective communication, and building strong relationships. Here's a breakdown of how to develop it:

1. Self-Reflection:

- Regularly write down your thoughts, feelings, and experiences. This can help you identify patterns and triggers.
- Practice focusing on the present moment without judgment. This can increase your awareness of your thoughts and feelings.
- Pay attention to how you react in different situations. What triggers certain emotions? How do you behave under stress?

2. Seek Feedback:

- Ask friends, family, or colleagues for honest feedback about your strengths and weaknesses.
- Try not to get defensive when receiving feedback. Instead, listen and consider their perspectives.

3. Understand Your Values:

- What principles are most important to you? Understanding your values can help you make decisions that align with your true self.
- Think about past experiences and how they shaped your beliefs and values.

4. Explore Your Personality:

- Consider taking personality tests like the Myers-Briggs Type Indicator (MBTI) or the Enneagram to gain insights into your tendencies and preferences.
- Identify areas where you excel and areas where you could improve.

5. Practice Active Listening:

- When someone is talking, truly listen to what they're saying instead of just thinking about your response.
- Make sure you understand their perspective.

6. Be Open to Change:

- It's okay to have flaws and imperfections. Accepting them is part of self-awareness.
- Self-awareness is an ongoing process. Be open to learning and evolving.

7. Observe Your Impact on Others:

- How do people react to you? Do they seem engaged or withdrawn?
- Try to see situations from others' points of view.

Successes and hindering factors:

Open a discussion by asking participants to mention some of the cultural and habitual sayings that oppose success. Example of sayings:

- "I am destined to end up unlucky."
- "Everything is already determined by fate so why the worry."
- "No matter how fast a child runs, he won't overtake his father."
- "Milk millions, still it is going to end up in a bucket."
- "The poverty that is engaged with me won't leave me without marrying me."
- "He who is born to suffer will never profit from business."
- "Success is a matter of luck, not through a hard work."

From the discussions, let participants relate their behavior with being a person of excuse, lack of commitment, low self-esteem, expecting from others, living an unplanned life, unnecessary competition thus wasting time and money.

Ask participants for their opinion on the actions they would take for success winning the obstacles they confront. For instance, is it possible to achieve success without a plan and a motivation but rather out of desperation? The discussion will be closed by addressing the participants how they can make changes and be successful by following the rules of success so as to achieve self-satisfaction and a peace of mind.

Introduce the session and the learning objectives. Say: "the aim of this session is to help the participants to understand what 'self-concept' is and develop positive self-concept".

What is Self-Concept?

Self-concept is an overarching idea we have about who we are—physically, emotionally, socially, spiritually, and in terms of any other aspects that make up who we are.

The questionnaire helps us assess four dimensions of self-concept. Each of the dimensions is understood as follows:

- Self-fulfillment (SF): how each person sees themselves in relation to achieving the objectives they have set themselves in their life, feeling fulfilled, meeting their targets, rising to challenges and their general achievements.
- Honesty (HON): how each person sees themselves in the sense of being honest, upright and trustworthy in their behavior. It includes aspects such as being a valuable, honorable and consistent person who tries not to harm others; a man or woman of their word.
- Autonomy (AU): how each person sees themselves as an individual equal to, but different from others. This includes aspects such as: the perception of oneself as someone who is independent and different from others; the feeling of not being dominated by others; being able to function without depending on others.
- Emotional Self-concept (ESC): how each person sees themselves in the emotional dimension, in relation to the more impulsive and reactive aspects of their personality. This includes the perception of the following components: emotional balance, sensitivity, recognition and control of one's emotions.

PROBLEM SOLVING SKILLS

Human beings have different needs to be satisfied. To satisfy these needs, we set goals.

Our effort to meet these goals could encounter challenges, which in turn creates a problem.

- What does a problem mean to you?
- What do you advise a person to solve a problem?
- What is the effective problem-solving strategies?
- How do you evaluate your problem-solving skills?

In this session, we will discuss these and other related issues.

Problem is something that hinders human beings from fulfilling their needs and wishes. Human beings experience different problems from their birth to death. Problem always exists and is faced by all human beings (and animals) without difference in age, sex, race and educational level. But the kinds and seriousness of the problems as well as their solving strategies vary from individual to individual, from culture to culture, from place to place and from time to time.

COMMUNICATION SKILLS

- Communication is the act of conveying intended meanings from one individual or group to another using mutually understood messages.
- Being a good speaker and a good listener is a crucial skill to effectively communicate and get along with people in a new environment.
- In this session, participants will understand effective communication skills with respect to the major building blocks as active listening and effective speaking. They will also be able to appreciate the importance of effective communication, identify barriers to communication and learn ways of improving their communication skills.
- Communication is a process of transmitting messages, information or views between people.
- Communication is a two-way process. It has a transmitter and a receiver.
- Therefore, it is essential for the information to be transmitted in such a manner that the meaning intended is conveyed and the receiver understands the message.

Types of communication:

- Verbal (sounds, language/words, and tone of voice)
- Non-verbal (facial expressions, body language,

posture, communicating by doing)
- Written (notes, text messages, emails, and publications)
- Visual (signs, symbols, and pictures)
- Communication by doing.

CONFLICT MANAGEMENT AND NEGOTIATION SKILLS

- Conflict is a natural part of livelihood, especially in those with many people of varying responsibilities and personalities who must work together. You can find conflict between groups and individuals. Since conflicts are inevitable, it's important to manage conflict so the living or working place can continue to be a positive and collaborative environment where people are happy and productive. When handled in a healthy way, conflict provides an opportunity for growth and positive relationship. This session explains what conflict management skills are, shares how to improve conflict management skills and describes more about how to negotiate.

Negotiation:

Compromise: For example, A wants the same dress that B wants. A decides to let go of it this time and buys something else.

Categorize & summarize the negotiation techniques under the below three categories:

- Lose-Lose: So much disagreement or violence, no one wins, because no one can even sit and discuss.
- Win-win: A creative new solution is found in which both feel happy. For example: A wants the same dress B wants. Both decide to buy something else.
- Win-Lose: One forces the decision, or one accepts it without caring about the other, or one does not talk about the problem. Problem is resolved but one person is not happy. These are generally conventional ways of resolving conflict.

Tips for managing and resolving conflict

- You can ensure that the process of managing and resolving conflict is as positive as possible by sticking to the following guidelines:
- Address the issue early. The longer you let an issue faster, the more time you waste and the greater chance you have of it spiraling into other problems.
- Don't attempt to resolve conflict when tempers are flaring. During an argument, often no one can agree on a reasonable solution. If that is the case, agree to take a break and come back to the problem later, when you have had time to settle down and think about the issue.
- Listen for what is felt as well as said. When you really listen, you connect more deeply to your own needs and emotions, and to those of other people. Listening also strengthens, informs, and makes it easier for others to hear you when it's your turn to speak.
- Respond constructively. Let the other person know you value what he or she is saying, even if you don't agree. Try to avoid responding negatively, for example criticizing, ridiculing, dismissing, diverting or rejecting the other person or what they are saying.
- Be specific and objective. Identify the specific issue at hand and the effect it is having.
- Make conflict resolution the priority rather than winning or "being right". Maintaining and strengthening the relationship, rather than "winning" the argument; Be respectful of the other person and their viewpoint.
- Focus on the present. Rather than looking to the past and assigning blame, focus on what you can do in the here-and-now to solve the problem.
- Pick your battles. Conflicts can be draining, so it's important to consider whether the issue is worthy of your time and energy.
- Be willing to forgive. Resolving conflict is impossible if you're unwilling or unable to forgive others. Resolution lies in releasing the urge to punish, which can serve only to deplete and drain your life.
- Know when to let something go. If you can't come to an agreement, agree to disagree. It takes two people to keep an argument going.

TIME-MANAGEMENT SKILL:

"There is no value equal to the value of time. We have enough time, provided we use it properly." Please follow the effective way of Time-Management Skills:

- Develop the habit of keeping things in order.
- Try to look at yourself objectively, through the eyes of others.
- Don't use excuses.
- Work at a neat desk
- Principles of effective time management
- Commitment
- Pursue fun with a revenge.
- Time versus task focus
- One thing at a time
- First Things First

3.6 VISION

Ice Breaker Questions

- Dear Facilitator(trainer), Ask participants to write their own visions. It could be individually or in groups (enterprise or cooperative).

Vision: The entrepreneur has a clear and enthusiastic vision that may not be readily available in the market. They develop specific ideas to support their vision and create a blueprint for its realization.

The meaning of vision and understanding

Vision: Drawing our goals in mind

Our long journey - a clear picture that we want to reach in 10- or 20-years' time.

Our vision is today, tomorrow, what we must do in the future, and where and how we should travel.

The features of vision

Vision: The great dream of our lives, why we are there

- The purpose and meaning of our lives
- It is inspired by the intentions and in the deepest inspiration
- Vision is not only interest but beyond
- Vision has real eagerness and real love for life
- Vision will cope any difficult situation
- Vision is one that is intuitive, clear, intriguing, and accessible.

Institutional: group and personal revelations

- Vision is not selfish
- Vision is born of revelation
- Vision is neither depend on individual experience nor on external situations
- Vision can be transversal
- Vision without performance is an imaginary
- Those who have vision-knows their destination
- A vision needs commitment

3.7 CHANGE

What is change? Why is it important?

- Is being different or improve.

With this point, change means being different from what we used to before.

- Are you happy with the current situation?
- Are you financially secure?
- Are you happy with your level of education?
- Are you happy with your physical makeup?
- Are you happy about your health situation?
- Are you satisfied with your social status?
- So, what if you are not happy?

Change!

- If someone does not feel satisfied with what he/she is doing right now, then he/she should have to change and do differently than he/she was before.
- The way he/she was thinking, where he/she was, and the people interacted.
- No matter who you are, whether male or female, unresponsive or failed over-time, reach the highest level of education or lower level, you still can change, if you have a desire for change.

Change has pain and requires more work

- It's not easy to achieve success. It costs, and it has pain.
- There will be no success without hard work.

Example ;

- Poultry farm needs getting up early in the morning, feeding, watering, cleaning the sheds, taking care of the chicken, their sheds, monitoring their health conditions and weights regularly, transporting to the market, and many other businesses that require a lot of work to get better income out of it. If it is not, the results will end with no changes.

Story of Eagle

Taking the story of Eagle below, let's look at how painful change is, but also how much it makes a difference in life.

The eagle is a strong and longest-flying bird. It may live up to 70 years. Unlike the other species of birds, the Eagle builds its nest at high altitudes, which can help the Eagle to fly with confidence during windy, rainy and storms. It is very smart in seeing from far distance its food, like fishes in the ocean/rivers. It can even hunt and kill large animals.

But to live for such long and so many years, it must go through a tough and painful process that lasts for 150 days to survive. For instance, when an eagle is 40 years old, it faces an extremely difficult situation requires courage.

Now, the eagle can only have two options: to go through a deadly or 150-days dreadful process of change. Of course, better to live than to die. Living life is the greatest spiritual dimension of all human beings and other living things.

So, an eagle also prefers the choice that helps to go to the next chapter of life. The process requires that an eagle fly to the top of a hill and sit down in its nest. Then after, it must crush its long and sharp talons on the stone and break it down. Awaiting them till they come.

Finally, it removes the feathers and keeps them fresh until fully nourished for 150 days and remain without food. After that, the Eagle will be looks like newborn again. It will enjoy life again for an additional 30 years.

? Questions

Dear Trainees What did you learn from the story of the Eagle ? Discuss by forming 4 to 5 groups.

- If you want to change your life like the Eagle, you must be prepared to pay the price, but think of it as a death.
- If you do not make any special improvements and changes every day, count the number of people who die every day at least.

Change begins from you

- Many people want to change, but they will spend their time waiting the family, the government, or the situation to start the change. But life does not change in this way, and you are the most person to go to the change. Don't way others to drive you for changes. Second option or is not important.
- Once an egg is fertilized, the chicken should break the shell and leave by itself. If the egg is become thick/strong and difficult to break by the chicken and someone else opens to support the chicken, it will die, or it will be paralyzed.
- That's your life too! unless you have a winning spirit in your hand, nobody can bring it. You are the only the motivator of youth life for change. You must take responsibility 100% of your life.

Change will start from small things and jobs

- Often, many people want to jump from one chapter to the other like frogs. But the reality is that big change may not come at once rather through progress and small improvements.
- So, begin with small things/job what you can do. For example, if want to read – read one page per day, improve a chapter, get up early, adjust your dressing, take more time and attention on some activities other people are doing.

Change begins now:

- There are arguments considering yesterday is history, tomorrow is a secret, it's time now to do anything. Because latter and tomorrow are not at your hand. Today is the only time as grace given for all mankind. Everyone has 24 hours per day. Therefore, it is important to know that unused time is a period of bias.

How much have you changed so far? Do you know?

Ask yourself

- How much did you change last week?
- How much did you change last month?
- Have you changed over the last half year?
- How much have you changed in the past year?
- How many years have you not changed?
- Did you know yourself?

Success story, emphasizing key lessons and experiences for trainees:

Kebede growing up in a poor family in Ethiopia, faced financial obstacles that hindered his education. To improve his situation, he worked on his family's farm, a daily wage of 10 birr. During this time, he gained firsthand experience the limited access to resources faced by farmers. Kebede decided to take action.
He took a bold step and ventured to the city, borrowing 200 birr from a pawnshop. With this seemingly small amount, he purchased agricultural products to sell. Kebede promptly repaid the loan the next day, along with an additional 20 birr he had earned. Impressed by his reliability, the moneylender offered a larger loan of 400 birr. Kebede continued this cycle, gradually borrowing more and reinvesting his profits.
Kebede's journey highlights his resourcefulness, resilience, and ability to seize opportunities. Despite initial doubts and the small, borrowed amount, he recognized the potential and took action. He generated profits, repaid loans, and reinvested in his business.
In 2021, Kebede caught the attention of ATI, which supported the opening of his "One Stop Shop." This marked a significant milestone, providing professional assistance and resources to grow his business. The convenience store offered farmers immediate access to essential products and services, saving time and improving efficiency.
Kebede's commitment to social responsibility was evident as he provided expert advice and organized training sessions for farmers. He also prioritized employee training in store management, customer relations, and accounting, improving efficiency and customer satisfaction.
The partnership with ATI and the Agrihub project strengthened Kebede's business development and access to finance. The "One Stop Shop" became a platform for knowledge sharing, skill development, and community impact. Kebede's success story showcases the possibilities of seizing opportunities, leveraging resources, and making a positive difference in others' lives.

(Source: AFD East Africa office LinkedIn page)

Activity

- Think about the above-mentioned points and how you will implement /practice in your life and business ?

Key lessons from Kebede's journey include:

- Embracing Opportunities: Recognize the potential in even small opportunities.
- Resourcefulness: Make the most of limited resources available.
- Incremental Growth: Reinvest profits to gradually expand and develop.
- Reliability and Trust: Build a reputation for dependability, fostering relationships and accessing support

Trainees can learn from Kebede's experiences, developing an entrepreneurial mindset and maximizing available resources to achieve success in their own ventures.

There are Ten (10) constraints that can hold us from moving to success. We must move on avoiding them.

A. Not willing to face challenges
B. Lack of endurance
C. Focusing on short-term satisfaction
D. Lack of prioritization
E. Searching for shortcuts
F. Selfishness and greed
G. Lack of firm faith
H. Lack of knowledge about the Laws of Nature
I. The Law of Attraction
J. Not willing to plan and prepare
K. Excuse/Reasoning (I'm a lost business; I am very old/ very young; I'm poor; my family are poor; I'm not smart; and etc,)

Story of Village Poor man

There was a poor man in a village. And this poor man had only a chicken heirloom from his father. And this chicken will start laying eggs. The first egg was unique and shining. Then the man looked surprised and saw the egg and wanted to throw it, but he kept it on. On the third day, that chicken laid again the shiny golden egg.
The poor man, looking forward to surprise and admire what he saw, went to the gold smith and say, "I found an egg that looks like a gold, please have a look."
The goldsmith said, "this is pure gold, if you want to sell, I can buy with high price." And the goldsmith bought the egg. And the man returned to home taking huge amount of money in which he has never seen in his life. When the chicken continues laying the shining gold egg every three days, the poor man, now became wealthy guy in short time. And when he started taking the position of a rich fortune in the town, he wanted to be rich in the country. As a result, he became impatient.
And one day he said, "I have been tired of picking up this chicken egg every three days. I have to slaughter the chicken and sell all the eggs in it, and thus I will be the first one to be honored in my hometown." He then killed the chicken and then found only one egg. At the end he started again the journey of poverty.

Activity

- Dear participants think about Story of Village Poor man (preferably in groups) and write down the key learnings from essence of the village poor men story.

The essence of the story

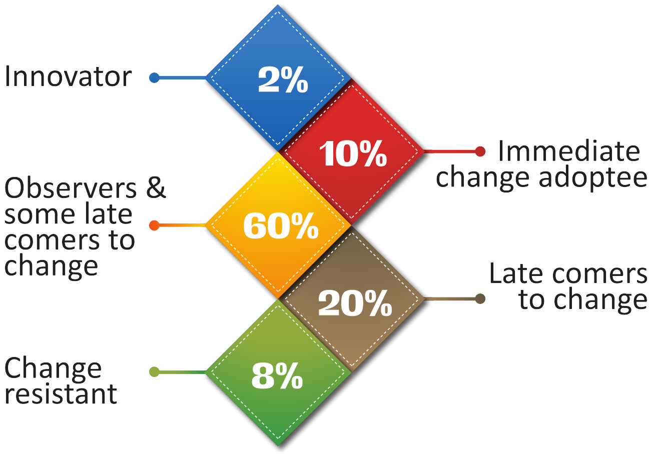
- Those looking for everything will lose all
- Rushing will cause for losing everything
- Greed is a curse

Many people say, "I cannot succeed" while slaughtering a chicken laying gold egg. He/she meets with several important people but due to his/her greediness took very small and then hooked back without enjoying it. When an organization reaches to provide supports, he/she will lose the most benefits. Because he/she wants to happen the support just today.

Check yourself. What are the most benefits you got out of your current employer? Is it the business established through enterprise, or per-diem or another? Leave these dangerous breaks, it does not help you to move on.,

Activity

- Activity: Analyze yourself, where are you? In the front, middle or the rest?



Change yourself now before the change force you to change!

Questions

- 1. Define attitude and explain why attitude plays a crucial role in entrepreneurship.
- 2. How does having a clear vision contribute to entrepreneurial success? Provide examples.
- 3. Discuss the concept of change and its significance in the entrepreneurial journey. Include examples of how embracing change can lead to success.
- 4. Explain the statement "Change begins from you" and discuss its implications for entrepreneurs.
- 5. How do small things and jobs contribute to initiating and embracing change? Provide practical examples.

LESSON 4: COMPETENCIES OF SUCCESS FULL ENTREPRENEURS

Learning Objective

- Explore personal entrepreneurial competencies that distinguish successful entrepreneurs from those who struggle to achieve success
- The participants will understand the types of Personal Entrepreneurial Competencies clusters (Aachievement, Planning, and Power clusters)
- The participants will explore the personal entrepreneurial competencies of the planning cluster (Goal Setting, Information Seeking, and Systemic Planning and Monitoring)
- The participants will explore the personal entrepreneurial competencies of the Achievement cluster (opportunity seeking and initiatives, persistence, fulfilling commitments, demand for efficiency and quality, and taking calculated risks)
- Equip participants with the personal entrepreneurial competencies of the power cluster (persuasion and networking, independence and self-confidence)

4.1 PERSONAL ENTREPRENEURIAL COMPETENCIES (PECS)

- To understand the competencies necessary for entrepreneurial success, we will delve into ten Personal Entrepreneurial Competencies (PECs).
- These competencies serve as indicators of an individual's potential and ability to thrive in an entrepreneurial environment.
- They fall into three clusters: achievement, planning, and power

a. Planning Cluster

The planning cluster focuses on competencies related to strategic thinking, effective decision-making, and comprehensive planning to guide entrepreneurial activities.

1. gathering relevant information to make informed business decisions.
2. Systemic Planning and Monitoring: Developing comprehensive plans and implementing systems to monitor progress and adjust strategies as needed.

i.Goal Setting These competencies enable entrepreneurs to navigate uncertainties and optimize their business operations. We will explore the following competencies within this cluster:

1. Goal Setting: Setting clear and ambitious goals to guide entrepreneurial endeavors.

Information Seeking: Actively seeking and It is important to keep a vision, but unless we set goals it does not fit with the vision, then there will be a big gap between the visionary and the vision. That is why we need a goal that bridges to reach our vision. So, in short goal means a bridge to connect with vision.

Behaviors of Successful Entrepreneurs on Goal setting:-*1.Sets goals and objectives which are personally meaningful and challenging.*

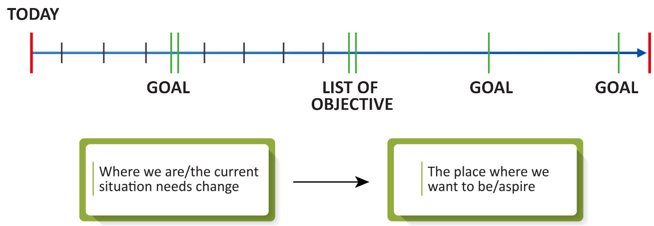
Successful entrepreneurs are always challenging themselves. Thus, their goals and objectives are established based on challenges, something that requires commitment and dedication to perform and also are marked with great personal meaning-something that is very important to them.

2.Articulates clear and specific long-term goals:

Entrepreneurs know where they want to go. They have a clear vision of the future. Much of the success of entrepreneurs comes from the fact that they converge all efforts to achieve what they want in life. Even in the face of uncertainty and hard times, they do not lose focus because they know the importance of remaining steady in their purpose.

3.Sets measurable short-term objectives :

Successful entrepreneurs establish short-term goals in concrete terms. They know that the sum of the results obtained with these objectives will lead to great results, and will make every day more effective.



Activity

Dear participants think about one business and write SMART goal:

What are your goals as an individual or as an association? Write with pencil.
Long term 10 year

Medium 3-5 years

Short term 1-2 Years

Putting our goals in writing has significant advantages

- It helps to make good use of our time and to plan
- Increase our awareness and help to take actions
- Especially when we set our goals out of our problems, it makes us easy to overcome.

QUOTES AND SAYINGS

"If you do not know where to go, anyway will take you"

"A boat doesn't know where to go, the wind will not help!

What else did you learn?

ii. Information seeking

"Information" is any knowledge, ideas, facts, data, and intellectual property that are spread through formal or informal forms.

Information resource persons are highly skilled in identifying work and other information and are actively seeking search results for online and traditional channels to satisfy their information needs. Information poor people do not have the skills to meet their information needs.

Successful Entrepreneurs have the following behaviors in Information seeking:-

1.Personally seeks information from customers, suppliers and competitors : Successful entrepreneurs are always seeking information from their customers, suppliers and competitors. They know they have little control over them, and therefore it is necessary to know who they are, where they are, what they want and what they do. The market information is useful for the entrepreneur to detect business opportunities, to develop business plans and other planning and for defining differential for products and services.

2.Does personal research on how to provide a product or service : To research means to examine carefully, to inquire, searching for traces and details. Successful entrepreneurs are aware of the details of how to make a product or provide a service. They want to know every detail to reduce risks and do the best they can.

3.Consults experts for business or technical advice : Successful entrepreneurs know that it is essential to seek the cooperation of other people who know more than them, when necessary. They consult and seek information from people specialized in the specific technical or commercial ability needed.

Activity

Dear participants think about one business idea (preferably in group of 5-7 members) and write the sources of information and the types of information you have to seek from these sources to validate that business idea.

4.2 SYSTEMATIC PLANNING, AND MONITORING

When say systematic planning it means that we plan our activities each week or every year towards our goal. A person who cannot plan ensures his failure. Planning is very important, mainly to develop our confidence and engage in the activities.

1. Plans by breaking large tasks down into sub-tasks with clear time-frames: Successful entrepreneurs know the importance and complexity of large tasks, and therefore subdivide them into smaller actions with deadlines. This division ensures more objectivity in the execution, transforming complex tasks into something simple to run.

2. Revises plans in light of feedback on performance or changing circumstances:- Entrepreneurs are aware that results are not always as planned, or that changes sometimes need to happen when facing new circumstances. Thus, they use strong monitoring over their plans. The flexibility in the face of unforeseen is a remarkable feature in successful entrepreneurs.

3. Keeps financial records and uses them to make decisions :- In order to make decisions that need the inversion of financial resources, successful entrepreneurs make use of their records as a source of information in order to provide greater certainty to their choices, thus avoiding unnecessary risks.

Activity

Dear participants think about one business and write one SMART goal followed by activities and timelines

ACTIVITIES/ WHAT?	EXPECTED RESULT/WHY?	TIME/WHEN?	PLACE/ WHERE?

RESPONSIBLE BODY/WHO?	NECESSARY IN OUTS/HOW?	REMARKS/ COMMENTS

Achievement Cluster
The achievement cluster encompasses competencies related to driving personal performance and striving for success. This cluster reflects an individual's motivation to achieve challenging goals and continually improve their performance. We will explore the following competencies within this cluster:

- Opportunity Seeking and Initiatives: Actively seeking and identifying opportunities for business growth and development.
- Persistence: Demonstrating determination and resilience in the face of challenges and setbacks.
- Fulfilling Commitments: Following through on promises and delivering on commitments made to stakeholders.
- Demand for Efficiency and Quality: Striving for efficiency and maintaining high standards of quality in business operations.
- Taking Calculated Risks: Assessing risks and making informed decisions to pursue opportunities with calculated risk-taking.

4.3 OPPORTUNITY SEEKING AND INITIATIVES

Entrepreneurs who are desirous to engage in business should be aware of the importance of appropriate and available opportunities. Identifying and analyzing available opportunities to start the business as well as the benefits in the area is one of the key activities to the success of the business. Businessmen/women who can use the opportunities in the area can make the business successful. Because these opportunities are the main pillars of the business.

Opportunity seeking and Initiative behaviors of entrepreneurs are:

1. Does things before being asked or forced to by events: Successful entrepreneurs always seek facts and anticipate demands. They like to be the first people to do something, to be the pioneers, the protagonists. They do not like to act pressured or forced by others or by circumstances from the environment.

2. Takes action to expand the business into new areas, products or services: Successful entrepreneurs are always looking for opportunities to expand their business, because they know that every enterprise requires constant innovation to overcome the factors that limit its results, such as competition, needs and buying potential from customers, the geographic coverage of the business, etc.

3. Seizes unusual opportunities to start a new business, obtain financing, equipment, land, work space or assistance: Successful entrepreneurs are always attentive to everything that happens around them, they have a great ability to identify and seize opportunities that are not common. To pursue these opportunities, they seek to go beyond their paradigms, to change their habits and routine, to seek new knowledge, attending new environments- i.e., trying to do and see things that are not common to them and to others.

Activity

Group work Exercise
Business Opportunities Analysis

1) List all the most important but not available commodities in your area?
2) Collect enough information that why these opportunities are not being tried until today?
3)List all important inputs to run the business
4) If you think about starting these businesses and begin to embark on your skills, analyze your skills and abilities to run the business
5) If you can or not to start the work explain the details reason.

4.4 PERSISTENCE AND COMMITMENT

Persistence refers to the continuous pursuit of intended goals, even in the face of challenges, obstacles, and failures. It is important to remember that success is not finite, and failure does not signify the end of life. Both success and failure have valuable lessons embedded within them. Rather than being enslaved by work, approach it with love and maintain your inner strength.

1. Takes action when facing significant obstacles and challenges: Successful entrepreneurs always act when facing significant obstacles. They act by trying to overcome them or even circumvent them, and do not quit, stop or turn back on them. Significant obstacles are facts, people or situations that arise between entrepreneurs and their goals and objectives, preventing or hindering their achievement.

2. Acts repeatedly or switches to alternative strategies to meet a challenge or overcome an obstacle: Successful entrepreneurs are always aware of the outcomes that arise from their actions. So, when they realize that they are still not able to overcome an obstacle or face a challenge, they immediately change their strategy.

3. Makes a personal sacrifice or expends an extraordinary effort to complete a job: Successful entrepreneurs know that being ready to make sacrifices or huge, extraordinary efforts to meet deadlines and complete work is crucial for success. They know that the results are directly proportional to the efforts and sacrifices made. Personal Sacrifice means giving up something or the company of someone that is really important even for a while , or doing something that under normal circumstances would not be needed. An extraordinary effort is an action that normally would not be necessary, but must be done in that particular day requiring that the entrepreneur comes out of his "comfort zone" by exceeding one's limits, schedules and routines, towards a goal or objective, or to complete a job.

Exercise for Persistence

Which of the two people you see appear to be firm? why?

Never Never Never Give Up

Figure 12: Shows Persistent/endurance and non-persistent persons

The value of endurance

- It makes us target oriented people
- Increases our self-confidence
- Improve behavioral changes and helps to overcome challenges
- It is important to achieve our dreams

Fulfilling Commitments

Commitment means that people willingly spend their time and energy on the purpose for which they believe. Entrepreneurs always keep their promises, even if it costs them the trustworthy and costly price. Always their priority is on how to finish their work properly.

Behaviors of Committed Entrepreneurs:

1. Takes personal responsibility for solving problems that may hinder accomplishing the task under the stated conditions: Successful entrepreneurs take personal responsibility for fulfilling their contracts, i.e., to perform the job the way it was prearranged. This behavior expresses their commitment to the contract with the third party and the achievement of goals and objectives. They are always ready to deal with any problems that may arise and affect the performance of the work contracted – and act to solve these problems.

2. Pitches in with employees, or takes their place if needed, to complete a task: Successful entrepreneurs are committed to completing their tasks as agreed. Therefore, they collaborate with their employees, or people

responsible for carrying out the work needed to finish the job under the stated conditions.

3. Strives to keep customers satisfied and places long-term good will above short-term gain: Successful entrepreneurs act to keep customers happy, regardless of the results to be obtained. They act willingly, without expecting anything in return, putting the purpose and the relationship above the short-term profit. They have this behavior because they are loyal to their customers, to negotiations, to the contracts they establish.

The characters of committed

- They work hard
- They know what they do
- They advise about their work
- They are flexible to adopt technology and receive comments
- They do not give up
- They engage and work as part of the work

Ways to improve commitment

- Set your goals
- Have weekly plans
- Get more ideas from colleagues, friends
- Encourage positive thoughts
- Take lesson on how to manage and monitor the business

Exercise for Persistence

- Discuss the major contributions of commitment in your work group and business.
- Take the experience of those who are committed in your area.

4.5 DEMAND FOR EFFICIENCY AND QUALITY

The preferred way to keep up the pressure of the new working environment in this highly competitive environment and to keep up a sustainable growth is to conduct a market analysis of how the organization will have a productive and efficient operation and a unique marketable approach to satisfy consumers. This unique value enables a new startup company to have a better chance of competition among the competitors.

Let's look at each of these issues one by one:

Quality: Is Continuous improvement or provisions of products / services to satisfy customer needs better than customers expect. The attribute of the product or service enables it to be used sustainably the service, product and process in demand. The ability to meet a customer's expectations of a product or service.

Successful Entrepreneurs have the following behaviors on Quality of their products or services.

1. **Finds ways to do things better, faster or cheaper:** Successful entrepreneurs are always looking for ways to improve things, to make them cheaper or faster. This is inherent to them, so this behavior is done naturally and everywhere. Making things better means to improve the appearance, functionality, improve the usage characteristics.

   Making faster is to spend less time doing the same thing, or doing more in the same time or delivering at the appropriate time in the client's perception; cheaper brings the sense of spending less, having less costs to do the same thing or doing more with the same cost. In the quality aspect (the client's perspective), this is related to the product's price. These latter aspects are directly linked to efficiency (time and cost), doing more with less is an indicator of productivity. Tell them to prioritize the quality aspect (the client's perspective) in this moment.

2. Acts to do things that meet or exceed standards of excellence: Successful entrepreneurs are aware of the standards of excellence of the market where they operate. They seek to know what the market considers the best, the top, the excellence and when he sets this standard of excellence he seeks to meet or to exceed it.

   They know that people are guided and always look for these patterns and they express the differentials- added value, that make people be willing to pay more or strive more to acquire them or use them. Achieve a standard of excellence in a given market is a sure step toward success. People like to know that an entrepreneur is willing to provide the best for them, it generates credibility and conviction, so they act seeking to improve and innovate their products and services.

3. Develops and uses procedures to ensure that work is completed on time and that work meets agreed upon standards of quality : Successful entrepreneurs know that it is crucial to keep time and scheduled deadlines and that work generates products and services in accordance with what was planned.

   This is important for the control of resources and inputs and mainly to meet what was specified and agreed with customers. To have this warranty or to control time and costs, entrepreneurs use various procedures, such as instructions, training, techniques and control systems.

Efficiency : Is registering results with lower levels of effort. This means using a short time and expense to produce or deliver goods / services.

The following are efficient entrepreneurs behaviors.

1. Finds ways to do things better, faster or cheaper
2. Acts to do things that meet or exceed standards of excellence
3. Develops or uses procedures to ensure that work is completed on time and that work meets agreed upon standards of quality

Quality and efficiency are things that cannot be achieved at once but are progressively improved over time. So, you need to use even more new ways to improve the day's work. Review yourself on the following questions:

- Is the quality of your products/services adequate?
- Work efficiently and effectively?
- Are customers satisfied?
- Do all employees do their jobs properly?
- Are you providing different things than competitors?
- Are your costs, collections, etc. organized and calculated properly?

Key notes: Risk assessment procedure

- Review the risk situation
- Setting goals and objectives
- Confirming Options
- Collecting information and reviewing options
- Reduce risk factors
- Select and implement the best option in planning

Power Cluster

- The power cluster encompasses competencies related to influence, persuasion, and relationship building.
- These competencies enable entrepreneurs to connect with others, build networks, and leverage their interpersonal skills for entrepreneurial success.
- We will explore the following competencies within this cluster:

1. Persuasion and Networking: Effectively communicating ideas, influencing others, and building valuable networks.
2. Independence and Self-Confidence: Displaying independence, self-assurance, and belief in one's abilities to inspire confidence in others.

Persuasion and Networking

- Networking: Because of the business that you operate, you are working with people, interacting with them and building and strengthening relationships.
- Networking has great importance for you to negotiate with a variety of people for your business. To expand your work, need to be tied up with several people (clients).

1. Uses deliberate strategies to influence or persuade others: Successful entrepreneurs always seek to persuade or influence others for collaboration and cooperation and to make use of his deliberate strategies, designed and developed in advance.

They prepare their strategies according to their goals, circumstances and people involved. Also, seek to have other alternatives in case things do not happen as predicted.

2. Uses key people as agents to achieve their own goals: Successful entrepreneurs seek to know very well the path that leads to his/her goals, and clearly define who are the people that can help them to achieve these outcomes.

3. Takes action to develop and maintain a network of business contacts : Successful entrepreneurs know that it is critical to have a good network of business or personal contacts. For that they are always working to develop new contacts and to keep them.

Importance of Networking

- Improve professional skills
- Raises the reputation of business and the owner
- Creates friendships
- Increase your self-confidence
- Enhance profit margins
- Constructive ideas for the success of networking
- Networking should be done in the spirit of honesty
- We must ask ourselves how we established networking with people
- We must visit many customers to achieve our goals

Persuasion skills

- Conveying: an attempt of negotiating/convincing people using text or verbal communication to change their views, emotions, perceptions, or to pay their attention towards the business goals.
- Negotiation: advocacy process. You should have strong persuasive skills in the work you are doing. Because you will meet different people. Your marketing or service will help you to find the interests, attitudes, feelings of your customers by maintaining the quality of your product and building a profit organization.

Suggestions for effective persuasion

- Physical activity/body language
- The speaker's voice
- Self confidence
- Knowledge about the product and people we are communicating
- Environmental impact

Successful persuasion skills

- Persuasion is not imposing obligations
- Condition and time
- Persuasion is a joint venture
- Influence the customer sincerely
- Create a strong, friendly spirit
- Clear communication and relations

Independence and Self-Confidence

Self-confidence means to make sure that the chosen course of action is better than the circumstances. Self-confidence can be expressed in a personal and mental state.

A person's self-confidence means considering the skill he/she has and use it in accordance. Overstated self-confidence is contradictory, when it is used in contradiction or unrealistically.

1. **Seeks autonomy from the rules and/or control of others :** Successful entrepreneurs like to feel free from standards and control of other. They know they must act according to the law and business ethics, comply with established contracts, adapting their behavior to social norms. However, when they realize that a standard or a contract is harming them or that a person or group is trying to control them, they act decisively in pursuit of their autonomy, to decide and act according to their own convictions.

2. **Keeps your point of view, even in the face of opposition or initially disappointing results:** Successful entrepreneurs have strong convictions about what they want, so even with the possibility of failure they demonstrate their conviction, maintaining their point of view, expressing and acting toward what they believe. They know they

must do so to protect their self-confidence and determination.

3. **Expresses confidence in own ability to complete a difficult task or face a challenge:** Successful entrepreneurs believe in their own ability to do what needs to be done- they are self-reliant. They know that the results depend on them for their decisions and actions, so prepare to perform difficult tasks and challenges. Just getting ready, overcoming the difficulties and challenges they develop increasingly self-confidence and are willing to new tasks and goals. They express their confidence with conviction by courageous and responsible decisions and actions.

Characteristics of self-confident people

A person with self-confidence may show the following characteristics:

- **Accepting Risk:** Accepting risky situations and taking further steps to find better opportunities
- **Self-reliance:** entrepreneurs want to be responsible for their own business and take responsibility for the decisions they make.
- **Patient:** Ability to persist coping the negative effects and faith in whatever work you do
- **Learning from failures:** since entrepreneurs are human beings, they would make mistakes. But they will continue to learn from these mistakes and move forward.
- The ability to work and be happy in their job
- They continue to do what they believe that even if others discourage or criticize their initiatives
- They recognize their mistakes and learn from the mistakes

Assessment Questions

1. Explain the planning cluster and discuss the importance of goal setting in entrepreneurship.
2. Describe the achievement cluster and discuss the role of persistence in entrepreneurial success.
3. Why is fulfilling commitments important for entrepreneurs? Provide examples to illustrate your point.
4. Discuss the significance of willingness to take calculated risks in entrepreneurship. How does it contribute to success?

LESSON 5: BUSINESS IDEA AND BUSINESS PLAN PREPARATION SKILL

Learning outcomes

At the end of the chapter the participants will understand about:-

- Business idea;
- How to find original business ideas ;
- Select business ideas
- How will I make my first business plan;
- Why should you write a business plan; and
- Business plan outlines/contents

5.1 YOUR BUSINESS IDEA

In this section you will learn the following points:

- Successful business idea
- How to find an original business idea?
- Selection of business idea
- How to change idea to the business plan

The concept of opportunity Identification

Opportunity identification is the crucial process of recognizing and evaluating potential business ventures or unmet market needs that can be profitably addressed. It's the foundation upon which successful businesses are built. It's more than just having an idea; it's about systematically searching for, analysing, and validating those ideas to determine their viability and potential for success.

This process involves several key stages:

Scanning the Environment: This involves actively monitoring the external environment for changes and trends. This includes analysing:

- Market Trends: Shifts in consumer preferences, emerging technologies, and changing demographics.
- Are there new needs arising? Are existing needs being underserved?
- Industry Analysis: Examining the competitive landscape, identifying gaps in the market, and understanding industry dynamics. Are there underserved segments? Are competitors vulnerable?
- Technological Advancements: Keeping abreast of new technologies and their potential applications. Can new technologies be leveraged to create innovative products or services?
- Economic Conditions: Understanding economic indicators, such as growth rates, inflation, and unemployment, to assess their impact on potential ventures.
- Socio-Political Factors: Considering changes in regulations, laws, and social trends that could create opportunities or pose challenges.

Idea Generation: This stage focuses on developing potential business ideas based on the identified opportunities. Techniques like brainstorming, mind mapping, and SWOT analysis can be employed to generate a wide range of ideas. It's important to encourage creativity and consider unconventional approaches.

Opportunity Evaluation: This involves critically assessing the generated ideas to determine their feasibility and attractiveness. Key considerations include:

- **Market Size and Potential:** Is the target market large enough and growing? What is the potential for market penetration?
- **Competitive Advantage:** Can the proposed venture offer a unique value proposition that differentiates it from competitors? Is this advantage sustainable?
- **Profitability:** What are the projected revenues, costs, and profit margins? Is the venture financially viable?
- **Resource Requirements:** What resources (financial, human, technological) are needed to launch and operate the venture? Are these resources available?
- **Risk Assessment:** What are the potential risks and challenges associated with the venture? How can these risks be mitigated?

Validation and Testing: Before committing significant resources, it's essential to validate the opportunity through market research, customer surveys, and pilot projects. This helps to refine the business model and reduce the risk of failure.

Effective opportunity identification requires a combination of creativity, analytical skills, and a deep understanding of the market and industry. It's an ongoing process that requires continuous monitoring and adaptation to changing conditions. By mastering this process, entrepreneurs and businesses can identify and capitalize on promising opportunities, leading to growth and success.

Business-idea

- The foundation of any business- plan is a business-idea. But idea is only a general idea of what you need to do. It can be expressed in one sentence, for example: "I will sew fur hats at home!"
- Business-idea is only the beginning of the path to the business-plan, but success of the business highly depends on the correct choice of business-idea.
- How should a business-idea be, to be considered good? It must be a potentially SUCCESSFUL and SUITABLE for the businessman.

A suitable business-idea

A suitable business idea is an idea, which is based on the potential (possibility of success) of a businessman, his knowledge and experience. How to know whether you fit in one or another business idea? It is simple: you can answer the question, why will you be successful in this business more than others?

The first thing you should assess is your professional skills. Do you have education and experience in the area you are going to do business? If yes, this is a big plus

5.2 SELECTION OF BUSINESS IDEAS

- Think about business ideas and write down all the business ideas that will come to your mind.
- Then list down the external and personal factors.

Change from idea to the business plan

- While one sentence formulated as a business idea can be brilliant, a good business- idea does not guarantee success without a proper business plan.
- Business Art consists not only in finding a business idea, but in its proper implementation.
- To organize a successful business is not easier than to build a good house.
- Would you build a house without a detailed plan?
- The creation of a plan requires thoroughness and recording of all the details. If you already understand what makes the planned business successful, and what hinders it, the first step has been taken.
- If you can answer, why does it suit you? This is another step. Now it's time to think about the next question:

5.3 HOW WILL I MAKE MY FIRST BUSINESS PLAN?

A business plan is a comprehensive description of the business and the environment in which the business operates, as well as the management system to achieve its goals.

- With the business plan we can determine at which level practical economic activity corresponds to the business goals.
- No matter in which business you are supposed to be engaged (production, trade or service), it requires a business plan.
- Without a business plan it is impossible to get necessary credit in the bank, because it is a requirement of all banks and financial institutions.
- Based on the business plan, banks estimate the probability of success and make decisions on the loan.
- The market situation is always changing, so the business plan has to be very flexible in order to make quick changes according to the changing situation.

5.4 WHY SHOULD YOU WRITE A BUSINESS PLAN?

In this section you will learn why you need the business plan and business outlines.

- A Business Plan helps you to evaluate the possibility of a new business idea in an objective, critical, and unemotional way.
- Marketing – Is there a market? How much can you sell?
- Organization and management – Do the management team have a skill?
- Financial – Is the business profitable?
- Business plan provides an operation plan to assist you in running of business and improves your probability of success.

  - To identify opportunities and avoid the mistakes
  - To develop production, administrative, and marketing plans
  - Create budgets and projections to show financial outcomes

- The business plan is a communication tool, which can express your idea to others, and serves as a "selling tool".
- It provides the basis for your financing proposal, specifies the amount and type of financial needs.
- Forecast profitability and investor return on investment
- Forecast cash flow, show liquidity and ability to repay debt

Who will use the plan?

If you won't use the plan to raise money, your plan will be internal and may be less formal.

If you are presenting your plan to outsiders as a financing proposal, then the quality of presentation and financial analysis are very important.

5.5 BUSINESS PLAN OUTLINE

- Cover Sheet: Business Name, Address, Phone Number, Principals
- Table of Contents
- Resume- Summary or Statement of Purpose
- Marketing plan
- Organization and management plan
- financial plan
- Resume

In the next module, you will learn about the main topics of business plans and find a list of questions to help you develop your business plan. A well-structured and well-written business plan is crucial as it provides a benchmark for comparing actual company performance and refining strategies. It also serves as a roadmap for your business's growth and future development. For a detailed explanation, you can refer to **Module Two, page.**

Entrepreneurship and Entrepreneurial Mindset Risks: Mitigation Strategies

While entrepreneurship offers the potential for significant rewards, it also comes with inherent risks. A strong entrepreneurial mindset is essential for navigating these challenges, but it's not enough on its own. Here are some key risks and practical mitigation strategies:

Financial Risks and Mitigation Strategies

Startup Costs:

- Bootstrapping: Minimize initial investment by starting small and leveraging personal resources.
- Crowdfunding: Utilize online platforms to raise funds from a large number of individuals.
- Grants and Loans: Explore government grants, small business loans, and angel investors.

Cash Flow Challenges:

- Efficient Inventory Management: Optimize inventory levels to avoid excessive costs and stockouts.
- Strategic Pricing: Set competitive prices that cover costs and generate revenue.
- Payment Terms: Negotiate favourable payment terms with suppliers and customers.

Profitability:

- Revenue Diversification: Explore multiple revenue streams to reduce reliance on a single product or service.
- Cost Reduction: Identify areas where costs can be cut without compromising quality.
- Customer Acquisition: Focus on acquiring and retaining customers through effective marketing and customer service.

Market Risks and Mitigation Strategies

Competition:

- Market Differentiation: Offer unique products or services that set your business apart.
- Strategic Partnerships: Collaborate with complementary businesses to expand market reach.
- Customer Loyalty: Build strong relationships with customers to foster loyalty.

Changing Consumer Preferences:

- Market Research: Stay updated on consumer trends and adapt your offerings accordingly.
- Innovation: Continuously innovate to meet evolving customer needs.
- Flexibility: Be prepared to pivot your business model if necessary.

Economic Downturns:

- Emergency Fund: Build a financial reserve to weather economic downturns.
- Cost-Cutting Measures: Implement cost-saving measures during economic downturns.
- Diversification: Explore opportunities in less cyclical industries.

Operational Risks and Mitigation Strategies

Talent Acquisition and Retention:

- Competitive Compensation: Offer competitive salaries and benefits.
- Company Culture: Create a positive and supportive work environment.
- Professional Development: Invest in employee training and development.

Supply Chain Issues:

- Multiple Suppliers: Diversify suppliers to reduce reliance on a single source.
- Inventory Management: Maintain adequate inventory levels to buffer supply chain disruptions.
- Risk Assessment: Conduct regular risk assessments to identify potential vulnerabilities.

Regulatory Compliance:

- Legal Counsel: Seek legal advice to ensure compliance with relevant regulations.
- Compliance Training: Provide training to employees on regulatory requirements.
- Monitoring: Implement systems to monitor compliance and address any issues promptly.

Personal Risks and Mitigation Strategies

Stress and Burnout:

- Work-Life Balance: Set boundaries and prioritize self-care.
- Delegation: Delegate tasks to free up time and reduce stress.
- Support Network: Build a strong support network of friends, family, and mentors.

Financial Ruin:

- Insurance: Protect your personal assets with appropriate insurance coverage.
- Financial Planning: Create a comprehensive financial plan to manage personal finances.
- Emergency Fund: Build a financial reserve to cover unexpected expenses.

Relationship Strain:

- Open Communication: Communicate openly with your partner about the demands of entrepreneurship.
- Quality Time: Schedule quality time with loved ones to maintain strong relationships.
- Support System: Involve your partner or family in your business to foster understanding and support.

By understanding these risks and implementing effective mitigation strategies, entrepreneurs can increase their chances of success and build sustainable businesses. Remember, a strong entrepreneurial mindset, combined with careful planning and risk management, is crucial for navigating the challenges and seizing the opportunities that come with entrepreneurship.

Assessment Questions

1. Why is it important to carefully consider and select a business idea instead of simply imitating existing businesses?
2. How can one find an original business idea, and why is it important to consider seemingly “silly” or unconventional ideas?
3. What are the steps involved in transitioning from a business idea to a formal business plan
4. How do the well-structured and well-written components of a business plan contribute to the success of a business, and what are the essential elements that should be included in a comprehensive and well-structured business plan?

Ethiopian ATI
Agricultural Transformation Institute
የኢትዮጵያ ግብርና ትራንስፎርሜሽን ኢንስቲትዩት

mastercard foundation

References

- **ICARDA-Annual-Report-2020.pdf**

https://annual-report-2020.icarda.org/wp-content/uploads/2021/09/ICARDA-Annual-Report-2020.pdf

The Young Entrepreneur's Handbook : World Bank. 2016. "Build your own Future – Tajikistan Entrepreneurship Workbook – Level 1" Overview booklet. World Bank, Washington, DC. License: Creative Commons Attribution CC BY 3.0 IGO https://documents1.worldbank.org/curated/en/417281546582134143/pdf/Participants-Handbook-Phase-1-compressed.pdf

World Bank Midterm-Report-Nov-2016-Youth-Entrepreneurship- ... https://documents1.worldbank.org/curated/ar/196521546255399829/pdf/Midterm-Report-Nov-2016-Youth-Entrepreneurship-Tajikistan.pdf

EDI - Training materials

Ethiopian ATI

Agricultural Transformation Institute

የኢትዮጵያ ግብርና ትራንስፎርሜሽን ኢንስቲትዩት