



Small Business Resources

Selected for Women Entrepreneurs by Women's Enterprise Centre

ENTREPRENEURIAL SELF-ASSESSMENT

Although coming up with a winning business idea is a major accomplishment, it is just the first of many steps in the process of becoming an entrepreneur. Starting your own business is a big responsibility, and requires time, attention and skill.

Before you spend several hours conducting market research and writing your business plan, take a few minutes to decide if you have the necessary qualities to turn your good idea into a viable business.

Ask yourself the following questions? Answer them honestly...

Personal Resources:

- Do I have the energy to tolerate long hours and concentrated effort?
- Do I have the self direction to work alone?
- Am I motivated enough to make the business succeed?
- Am I able to overcome possible setbacks, hurdles and pitfalls?
- Do I have techniques in place to control potential stress?
- Do I have the confidence to accept my failures and turn them into opportunities?
- Am I adaptable enough to keep up with the constantly changing environment of the economy and customer demands?
- How do I know I have these skills?

Life Style:

- Can I communicate my feelings and dreams positively to my family?
- Will I keep my family informed and involved?
- Will I be able to say no to holidays or leisure activities if necessary?
- Will those who go without me understand?
- Will I be able to maintain my personal and family life as well as run a business?
- How much time am I willing to devote to the business?
- How much time will the business actually require?
- Am I prepared to not have a personal life for some time?
- How much free time away from the business do I need to be happy?

Finances:

- Will I be able to budget my business expenses and stick to these limits?
- Do I understand financial statements and why they are important to me in running my business?
- Do I appreciate the importance of tracking and controlling expenses, inventory and debt?
- Are alternate sources of income available for living expenses?
- How much money will I need to make from the business to cover my personal expenses? Is this realistic? Is it enough?

- Am I realistic about household and life expenses and sources of income that can be depended on until the business is established?

Stability:

- Is my home life financially organized?
- Can the business income be secured from household demand?
- Am I healthy, with energy reserves, and emotionally prepared for the stresses that may accompany running a business?
- Does every family member appreciate my objectives and how important the business is to me?
- Do they support me?
- Will my home life remain stable if my business fails?

Professionalism:

- Am I willing and able to work long hours for future benefits?
- Am I realistic about how long success may take?
- Am I committed to making the business work?
- Are my planning skills and sense of responsibility strong enough to build a successful venture?
- Do I have the knowledge to make this particular business venture succeed, or should I be securing that knowledge first?
- Do I want the business success enough to set and keep high standards of products and service?

A quick test to see how you rate as an entrepreneur...

I understand myself and my potential, which makes me optimistic and enthusiastic when I undertake something. Yes No

When I am asked, or choose to undertake a difficult project I usually complete it in at least a satisfactory manner. Yes No

When I believe in something I can convince others of its merits. Yes No

I realize that success depends on wanting something, and having the willpower and personal discipline to see it through. I have those three things. Yes No

Although I take other people's opinions into account, I keep the right to make final decisions. Yes No

I believe that first steps to success include setting personal goals and planning how to achieve them. I have done or am doing this. Yes No

I enjoy giving my best to everything I do. Successfully completing a job gives me a feeling of satisfaction. Yes No

I would like to be my own boss and make my own decisions, although I know this requires a lot of discipline. Yes No

I feel comfortable managing other people, including telling them what to do and having to make all the important decisions by myself or with others who are directly affected. Yes No

I know how to motivate my colleagues at work, or my staff, and believe I would be able to motivate my business partners and employees by giving them a sense of my own enthusiasm. Yes No

I am not afraid to work hard and for long hours if it is necessary. I am capable of handling several things at once. Yes No

When I decide to do something, even if it is complicated, I give it everything I have, overcoming obstacles as they appear. Yes No

I find unexpected situations stimulating, especially when I am organized and know what I'm doing. I don't mind taking risks or facing uncertainty. Yes No

I believe that work strengthens my character and abilities, makes the most of my potential, and makes life more interesting. Yes No

For me, money is a good measure of success. Yes No

I take calculated or intelligent risks. I've learned some differences between taking and informed risk and being foolhardy. Yes No

Everyone's life is full of problems. The trick is to learn how to solve the problems and adjust your life to changes. Yes No

Success is not the result of luck, but the fruit of good planning and hard work (maybe fertilized with luck!). Yes No

I take the time to check back on the results of my decisions and reflect on whether or not they were good decisions, and what I've learned since. Yes No

I am always thinking of new and better ways to do things. Yes No

I find it hard to do nothing or sit still. The sense of accomplishment that goes with responsibility for getting things done energizes me. Yes No

I can make long term commitments and plans to accomplish me goals and get where I want to go. Yes No

I have parents, relatives, or close friends of the family who have owned a successful business. Yes No

I have some previous experience managing individuals at work. Yes No

I really enjoy participating in clubs, associations and groups and have done different jobs in them. Yes No

When I have spare time, I enjoy researching practical concrete ideas.

Yes No

Now total your Yes answers and assess your score...

- 22 – 26 Most likely to succeed in business
- 17 – 21 Probably capable of making a business succeed
- 13 – 20 May be able to make a business succeed, but may not have analyzed what's involved in running a business
- 9 - 12 lacks some qualities, but with work may be successful
- 8 - 0 unlikely to succeed

Based on your answers above, it is now up to you to find solutions if you want your business to succeed. Summarize your findings and start addressing them.

What strengths do you bring to the business?

What are your weaknesses and how will you overcome them?

As an entrepreneur, you will need to have a basic understanding of what is involved in operating a business. It is important that you are able to manage the various key roles in your business.

Your business needs you to be good at the following:

- The basic work/activity of your business
- Managing the business – setting up procedures, ensuring bills are paid, motivating your staff
- Understanding your financial statements and using them to make wise decisions about your business
- Creating and providing the vision for the future of your business

As you gain greater self-awareness, you may conclude that the best thing to do is to have someone else take care of certain aspects of the business (such as the bookkeeping) – THIS IS OKAY – you don't have to be an *expert* at everything. Just keep in mind that no one else will care as much about your business as you do. This means you will still need to be concerned with all aspects of the business and understand the outcomes, even if someone else handles the daily work.

RESEARCH INDICATES THAT THERE ARE AT LEAST 12 KEY CHARACTERISTICS COMMON TO MANY SUCCESSFUL ENTREPRENEURS. HOW MANY DO YOU HAVE?

1. **A desire for achievement** – entrepreneurs have the drive to see their business ideas come to life.
2. **Willingness to work hard** – those who are focused and hard working usually achieve their goals.
3. **Problem solving abilities** – those who enjoy solving problems are usually better able to deal effectively with problems as they arise.

4. **Nurturing quality** – entrepreneurs will do what it takes to develop and promote their business; they will train, educate, rear and foster themselves and their team.
5. **Acceptance of responsibility** – entrepreneurs are morally and legally responsible for their venture.
6. **Reward orientation** – Entrepreneurs desire to be rewarded for their hard work and achievement; these rewards may include money, recognition and respect.
7. **Determination and optimism** – entrepreneurs have a history of not quitting. If they must close their business, they see it as a temporary setback from eventual success in another venture. They do not fear failure.
8. **Organization** – there are many aspects involved in starting a business (securing financing, choosing a name and location, selecting a team of experts to work with, hiring staff)...most successful entrepreneurs have the organizational skills necessary to manage these different aspects.
9. **Ability to search for good ideas and sell them** – entrepreneurs are creative and are constantly looking for good ideas; they are also able to convince and sell others on their ideas.
10. **Profit orientation** – entrepreneurs use profit as a measure for their achievement and success (however, profits may not motivate entrepreneurs to the same extent as the desire to achieve).
11. **High tolerance for risk and uncertainty** – an entrepreneur is able to deal with the risks and uncertainties, which are associated with owning and managing a business; an entrepreneur is also willing to forego the security of a salary in favor of running her own affairs.
12. **Communication skills** – entrepreneurs have above average communication skills, interact effectively with customers, partners, investors and suppliers.

What's next?

If after considering all of the information in this guide you think you've got what it takes to be an entrepreneur, the next steps are to research your idea and write your business plan – the vehicle for making your dreams come true. This can seem like a daunting task, but if you are truly an entrepreneur then you are up to the challenge!! Check out our Market Research guide to get you going, and remember that our friendly, knowledgeable staff is here to help you along the way!

For more resources to Start or Grow Small Business, visit our website at www.womensenterprise.ca or call 1.800.643.7014.