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ENTERPRISE SECTOR IN SIERRA LEONE

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SIERRA LEONE

Technical report No.6: guidelines for appraising
entrepreneurship aspects of project proposals *

Prepared for the Government of Sierra Leone and the National
Industrial Development and Finance Organization Limited (NIDFO)
by the United Nations Industrial Development Organization,
acting as executing agency for the United Nations Development Programme

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* This document has not been edited.

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A B S T R A C T

The GUIDELINES FOR APPRAISING ENTREPRENEURIAL ASPECTS OF PROJECT PROPONENTS is designed for the use of appraisal officers of the National Industrial Development and Finance Organization (NIDFO) in assessing the entrepreneurial potentials of candidates for financial assistance.

The appraisal process is incorporated in the Entrepreneurship Motivation Training (EMT) of selected entrepreneurs. Consolidation of the results of the series of tests the entrepreneur-participants are subjected to give a composite measurement of the entrepreneurial potentials of the candidates. It must be considered as a complementary measurement to the marketing, technical and financial viability of the project.

The process includes a validation system that will provide insights into the need for modifying appraisal methods being used when found irrelevant to entrepreneurial success.

I N T R O D U C T I O N

The guidelines incorporated herein cover concepts and procedures to be followed by the National Industrial Development and Finance Organization (NIDFO) appraisal officers in appraising the entrepreneurship aspects of project proponents.

The Job Description of the Entrepreneurship Development Programme Expert specifies "project proposal" instead of project proponents. Following the line of thinking that entrepreneurship development targets the entrepreneur rather than the enterprise or the project, the project itself cannot be appraised for entrepreneurship. It is the entrepreneur being the project proponent that may be appraised on entrepreneurship, manifestations of which are not incorporated in the project proposal.

This guideline was prepared from 3 to 5 March 1991 (3 working days) using the Entrepreneurship Motivation Training (EMT) Manual (EDP Expert Technical Report No. 5) as the basis.

The entrepreneurs selected for assistance by NIDFO will be provided with a package of services from entrepreneur development to project financing. This calls for two (2) sets of appraisal: (1) for the entrepreneurial success potentials of the entrepreneur, and (2) for the feasibility/viability of the project. This appraisal system addresses the entrepreneurship aspect of project proponents to indicate their potentials for business success.

I. OBJECTIVE OF THE APPRAISAL

Through many years of economic development efforts in many countries, entrepreneurship has evolved as a vital component that merits attention. The NIDFO management realizes that monetary assistance is a necessary but not sufficient condition for the survival and growth of the enterprise and that the human factor still remains significant.

Cognizant of this, an appraisal of the entrepreneur as the project proponent or sponsor becomes necessary to assist in the decision on whether a feasible project may fail because the proponent does not have entrepreneurial traits for success.

The appraisal therefore is intended to establish relative indications of the project-proponent - entrepreneur's potentials for business success as an added factor to consider in the viability of a project proposal for financing.

II. APPRAISAL FRAMEWORK

The entrepreneurship appraisal is directed towards those entrepreneurs that have passed the screening/selection process. Such entrepreneurs have therefore, been channeled to the Entrepreneurship Motivation Training (EMT).

The appraisal will be undertaken in four (4) progressive stages as follows:

A. Entrepreneurial Motivation

The first stage of appraisal evaluates the main motive of the entrepreneur in setting up his/her business. Motives which relate to self actualization or realization is given the highest rating because such motives exert the most influence on the entrepreneur's actions that persist through time. The needs of an individual for self fulfillment does not get satisfied such that the perseverance of the individual is tested continuously. Other motives in descending degrees of influence on the actuations of an individual are: being of service to others, achieving recognition and respect of the community and society, providing for familial security and providing for the basic needs for existence of self and the family.

B. Entrepreneurial Spirit

The second appraisal stage measures the entrepreneurial spirit of the individual by determining how much of the entrepreneurial characteristics are present.

C. Entrepreneurial Inclination

The third stage of appraisal examines the strengths and weaknesses of an individual towards an entrepreneurial career. There are two (2) ways of measuring entrepreneurial inclination, namely:

1. Determination of Need for Achievement

A high need for achievement (n-Ach) has been identified most frequently with entrepreneurial individuals.

2. Appraisal of Work Habits

Considering that entrepreneurship is a way of life, i.e., it is a manner of accomplishing tasks with certain attitudes, habits, perspectives and discipline, one can be called entrepreneurial if he/she works excellently, dilligently, profitably and effectively.

D. Entrepreneurial Readiness

The test for entrepreneurial readiness determines whether the individuals are ready to assume the tasks and roles of an entrepreneur and to face the challenges of being in business.

III. APPRAISAL PROCESS AND INSTRUMENTS

The process of appraisal consists of two main parts, namely, (1) Administration of a series of Tests, and (2) Determination of Entrepreneurial Potentials.

A. Administration of Series of Tests

The series of tests are built into the Entrepreneurship Motivation Training (EMT) at strategic points. (See EDP Expert Report No. 4: Entrepreneurship Motivation Training Manual.) The series of tests/assessments are as follows:

1. Entrepreneurial Motivation Assessment

The questionnaire on reasons for being in business is administered at the start of the entrepreneurial awareness module to determine the level of entrepreneurial motivation of the participants, before getting exposed to entrepreneurship concepts.

The instrument used is EMT/E - 007 - REASONS FOR BEING IN BUSINESS EXERCISE (Annex A).

Results of the first test will be compiled by the EMT Course Coordinator for consolidation with other tests.

2. Entrepreneurial Spirit

A second questionnaire is administered to the participants immediately after the first one to enable the participant to know himself with regards to entrepreneurial spirit, successful entrepreneur characteristics, right motivations and circumstances in his/her life that manifest entrepreneurial role.

For this purpose the instrument used is EMT/Q - 008 - ENTREPRENEURIAL SELF-ASSESSMENT (Annex B).

Results of this self-assessment are likewise compiled by the EMT Course Coordinator for consolidation.

3. Entrepreneurial Inclination

The third assessment is done after the entrepreneur participants have received lectures and participated in discussions on entrepreneurship, entrepreneurial traits and qualities and entrepreneurial tasks.

There are two instruments to be used in this assessment, namely:

- 1) EMT/Q - 012 (1) - ASSESSING YOUR ENTREPRENEURIAL INCLINATION (Annex C)
- 2) EMT/Q - 012 (2) - APPRAISING YOUR WORK HABITS (Annex D)

Results of both tests will likewise be compiled by the EMT Course Coordinator for consolidation.

4. Entrepreneurial Readiness

The previous assessments enable the entrepreneur participants to recognize their entrepreneurial strengths and weaknesses. They then go through the sessions on entrepreneurial skills for developing themselves for entrepreneurial success.

The last assessment is administered using EMT/Q -018 - DETERMINING YOUR ENTREPRENEURIAL READINESS (Annex E).

As before, results of the test are consolidated with the rest.

B. Determination of Entrepreneurial Potentials

All the results from the series of tests are consolidated as follows:

1. Compile together all filled up questionnaires for each entrepreneur-participant.
2. Arrange the compile: test results in alphabetical order of the surnames of the entrepreneur-participants.
3. Tabulate the test results using the following format:

4. Raw scores are computed in accordance with scoring instructions in each questionnaire.
5. Weighted scores are obtained from computing the ratio of the raw score in the total expected score corresponding to each test. Results are points in each factor out of 100.
6. The Course coordinator prepares a summary report on the entrepreneurial potentials of each entrepreneur - participant in the format as shown in Annex F - ENTREPRENEURIAL POTENTIALS ASSESSMENT REPORT.

The Entrepreneurial Potentials Assessment Report is filed in the entrepreneur folder to go along with the business plan for project viability assessment for financing purposes.

7. Add up all weighted scores for each entrepreneur participant and enter result under TOTAL WEIGHTED POINTS. The total weighted score per participant will range from 0 to 500 points.
8. Prepare a ranking list of the entrepreneur participants using the following format:

RANKING OF PARTICIPANTS ON ENTREPRENEURIAL POTENTIALS

NAME	WEIGHTED POINTS	RANK

9. The cut-off point established by the OIC, Development Services, NIDFO is 350 points. All entrepreneur-participants obtaining 350 points and above will be recommended for the Basic Business Management Course (BBMC).
10. Those with points below 350 will be given extension service to further develop their entrepreneurial characteristics. Depending on their exhibited entrepreneurial development during the extension service (See EDP Expert Report No. 7: Guidelines for Extension Workers at the Shop Floor Level), the entrepreneurs may be recycled to proceed to the BBMC.

IV. APPRAISAL OFFICER

The appraisal officer for entrepreneurial aspects of the project proponent shall be the EDP Specialist (s) of the Development Services Section, NIDFO.

They should be adequately trained on the overall entrepreneurship development programme including the details of the EMT and the appraisal system embodied in these guidelines.

With the summary report, however, the loan appraisal officer of the Financial Services, NIDFO can draw his own conclusions on the entrepreneurship aspects of the entrepreneur project proponent.

V. VALIDATION

The appraisal process is the final screening of entrepreneurs for entrepreneurial potentials. The screening process has put together various tools for selecting potentially successful entrepreneurs. The question to answer is whether such tools for screening have correctly identified those with entrepreneurial talents.

The checking of whether the appraisal process is effectively selecting entrepreneurial talent is called validation.

All agencies and institutions involved in entrepreneurship development validate their appraisal process periodically. A validation every two years is suggested for NIDFO.

The process of validation requires the gathering and analysis of data.

A. Test Scores of Entrepreneur - Participants

From the entrepreneur files of the Development Services Section get the test scores of entrepreneurs who went through the EMT (at least 1 year after) classified into four (4) sets:

1. Those recommended for the BBMC and went through it (EMT/BBMC);
2. Those recommended for the BBMC but did not go through the programme (EMT/NOT);
3. Those rejected for the BBMC and received extension service (EMT/XT);
4. Those rejected for the BBMC but did not receive extension service (EMT/NCXT).

B. Rating Business Performance of
Entrepreneurs

The rating of the business performance of entrepreneurs is a little tricky. An individual cannot be an absolute success or failure. To facilitate the task the following indicators may be used with their corresponding justification and interpretations:

1. Status of Business

On-going and profitable businesses will reflect successful business performance.

2. Extent of Personal Cash Invested

The amount of money invested in the business after the EMT may be taken as indicative of the amount of risks the entrepreneur took to pursue the business. The entrepreneurial individual shows willingness to take risks and personal responsibility by investing greater amount of personal cash relative to own capacity to invest in the business.

3. Source of Funds for Expansion

Entrepreneurial individuals are not hindered from expanding the business by lack of capital. They are resourceful and persuasive enough to raise funds from sources outside of themselves, that is, from other members of the family, from friends, and from financing institutions (NIDFO).

The ability to borrow from others apart from relatives indicates greater degree of resourcefulness and persuasive skills.

4. Time Spent on Business

Spending full-time rather than merely part-time attention in the business is more likely to lead to successful business performance. More entrepreneurial individuals, being hardworking, will work more than eight hours daily on the average.

5. Existence of Diversification Plans

Having plans for diversification is assumed to reflect future orientation, a trait considered essential to business success. It also reflects creativity and innovativeness.

6. Increase in Income

To the extent that increases in income indicate progressiveness and hard work, entrepreneurial individuals are expected to register increase in income (revenues and profits) over the years.

7. Entrepreneurial Qualities

Individuals reflect improvement of entrepreneurial qualities when assessment through EMT - 008 - ENTREPRENEURIAL SELF-ASSESSMENT is administered.

8. Impact on Community

The contribution of respondents to the development of the community his business operates in, in terms of increased employment, participation in civic activities, etc. indicates entrepreneurial development.

C. Correlating or Establishing Linkage
Between Test Scores and Business Performance

The correlation annalysis must be done statistically to establish and confirm the validity of tests in relation to the business performance of entrepreneurs.

REASONS FOR BEING IN BUSINESS EXERCISE

Your reasons for wanting to put up a business are just as important as the type/nature/form of that business. Here is a short check-list of reasons most people have for wanting to be in business.

Check those which apply to you.

MONETARY

- To earn a living
- To get rich
- For additional income/profit
- For financial stability/security

SOCIAL

- To gain prestige/status
- To be recognized and respected
- To be a model to others
- To meet people

SERVICE

- To employ people
- To upgrade the community
- To help the community's economy

FAMILIAL

- For son's/or family's future
- To win wife's/husband's loyalty
- To please father/mother

SELF FULFILLMENT

- To be own boss/be independent
- To achieve/fulfill something through business
- To avoid employment
- To be productive; use personal abilities
- As challenge to own capabilities

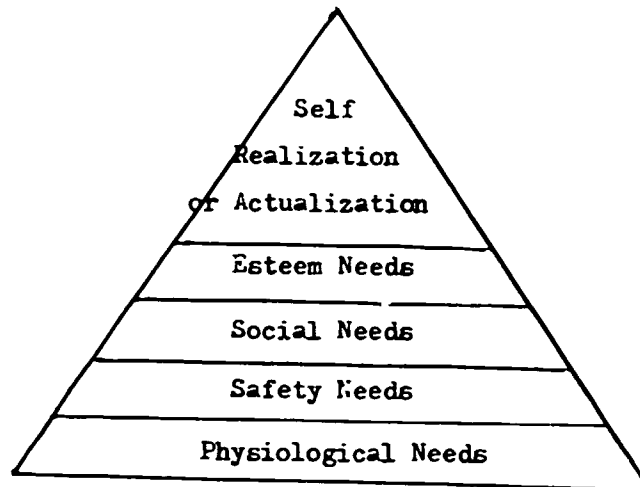
Now go back to the list and rank your reasons according to importance. Record them herewith 1 as most important and 5 as least important.

- 1.
- 2.
- 3.
- 4.
- 5.

Note what you have written as No.1. This indicates your main motive for setting up your business. Is it a good enough motive?

Motives which relate to an individual's need for self-actualization exert the most influence on behavior because actions motivated by these needs tend to persist in time. This follows because self-actualization is a life-long process. It is a need within a person to respect himself, to feel fully human and dignified in every respect. This need is the last of all human needs that gets satisfied because it is not vital for survival.

You have several other needs and wants that demand satisfaction and which underline your every behavior. These needs differ in intensity in terms of their effects on behavior. Once satisfied, a need ceases to motivate your actions and other pressing needs attract your attention.



These needs are arranged by Maslow as shown above.

Examine your reason for setting up a business. Are they anchored on your need for self-realization? Or on lower needs? Are your motives mainly security, social or psychological reasons? Is it mainly money and profit that you want?

Understand that a worthwhile business does not pay back immediately but only after years of good efficient hard work. You must be prepared to lose in the first few months (or years) because you actually will have to give out more money and energy than you will initially receive in return.

Can you see why your motive should be anchored on self-fulfillment? If it is not, you are likely to get frustrated because of the length of time it takes for returns to come.

Actions motivated by the need for self-actualization tend to persist in time. Perseverance stems from the nature of the need. It takes a life time to satisfy and it is vital to one's self-respect. In business, persistence and perseverance can be a most valuable asset in meeting the inevitable. Temptations to quit will be plenty and inviting. One must have the will to go on. Are you prepared to stick to your goals and plans? Would you meet the challenge?

NOTE: Adapted from Entrepreneur's Handbook published by Technonet Asia, Singapore, 1981.

ENTREPRENEURIAL SELF-ASSESSMENT

The key to success in business is knowing one's self. Do you have the entrepreneurial spirit? How much of the personal characteristics of the successful entrepreneur do you possess? Do you have the right motivations for going into business? Have the events and circumstances of your life prepared you for the entrepreneurial role?

To answer this questions we will lead you through a journey in self-exploration.

Following are 25 statements in which you may agree or disagree with. Think carefully before answering. Answer all items honestly.

As you read each statement ask yourself how strongly you feel and think about it. Rate yourself according to the following scale by writing the appropriate letter each on the space provided each statement:

- SA - Strongly Agree
- A - Agree
- ? - Not Sure
- D - Disagree
- SD - Strongly Disagree

1. Mistakes and failures overwhelm me so much I cannot learn from them.

2. While my product/service may not entirely be new,
I am thinking of new and better ways to make it
competitive.
3. I do not fear investing my money on a venture
whose dividends I have calculated.
4. I believe problems and barriers can be turned
into opportunities that can be exploited.
5. I do not get upset when given a negative
feedback about my product.
6. I cannot be away too long from my business
because no one else but I can manage its
activities.
7. When I do something, I see to it that it
gets done excellently.
8. I do not enjoy working in a team as a leader.
I would rather be a member.
9. I wait for other people to originate ideas
and action.
10. I find nothing wrong in asking for advise
regarding how I will run my business.
11. I consider a customer who complains against
my product as my enemy.
12. I can be directive as a leader but in a way
that makes people willing.
13. I do not mind routine, unchallenging work, if
the pay is good.

- 14. I enjoy activities where I get information on how well or how bad I am doing.
- 15. I avoid changing the way things are done.
- 16. I find it difficult to win friends and influence people.
- 17. I do not give up easily, even in the face of difficulties.
- 18. Even if I am capable, hardworking and ambitious, if I do not have the money I cannot start a business.
- 19. I get discouraged by a NO from a buyer because I do not think I can convince him to buy my product.
- 20. Once I have started on a task, I usually carry it to its completion.
- 21. I find it difficult to come up with new, wild or even crazy ideas.
- 22. I am unable to work consistently on a goal when I meet some obstacles.
- 23. I do not need a good knowledge of my market to be successful in business.
- 24. I have confidence in my ability to succeed.
- 25. I think of negative consequences to acts and decisions that I make.

Scoring:

Give yourself one (1) point for each SA or A response for statements 2, 3, 4, 5, 7, 10, 12, 14, 17, 20, 24 and 25.

Give yourself one (1) point for each SD or D response for states 1, 6, 8, 9, 11, 13, 15, 16, 18, 19, 21, 22 and 23.

Add your points and see how you rate in the categories below:

- 21 - 25 Your entrepreneurial potential looks great.
- 16 - 20 You could be quite successful if your other talents and resources are improved.
- 11 - 15 With some serious work you can probably develop the outlook you need for running your business.
- 6 - 10 Things look pretty doubtful for you as an entrepreneur. It would take considerable changing of your attitudes and behavior to make it.
- 0 - 5 Entrepreneurship is not for you. However, learning what it is all about may still be worthwhile. Who knows, you might marry an entrepreneur.

ACHIEVEMENT MOTIVATION QUESTIONNAIRE

One of the first things that you will want to know about yourself is how much achievement motivation you have. This motive has been identified most frequently with entrepreneurial individuals.

The following questionnaire will help you measure your need to achieve. Complete each sentence by encircling the letter corresponding to the phase which most closely reflects your belief or opinion of yourself.

1. Working is something
 - a. I would rather not do
 - b. I do not like doing very much
 - c. I would rather do now and then (when I am in the mood)
 - d. I like doing
 - e. I like doing very much

2. At home they think I am:
 - a. very hard working
 - b. hard working
 - c. not always hard working
 - d. somewhat easy-going
 - e. very easy-going

3. I believe that preparing a long time for an important task:

- a. does not make sense
- b. is often a waste of time
- c. can often be useful
- d. is sensible and realistic
- e. is essential to success

4. In general I am:

- a. very strongly concerned about the future
- b. strongly concerned about the future
- c. a little concerned about the future
- d. not at all concerned about the future

5. When I am working, the demands I make upon myself are:

- a. very high
- b. high
- c. moderate
- d. low
- e. very low

6. I usually do:

- a. much more than I resolved to do
- b. a bit more than I resolved to do
- c. just as much as I resolved to do
- d. much less than I resolved to do

7. When I have a task to perform:

- a. I usually set my heart on doing my best
- b. I usually pay attention to the advise of others
- c. I get distracted by other activities
- d. I set aside the task to be done and forget about it

8. If I have not done a task well and have fallen short of my goals, then:

- a. I resolve not to give up and continue to do my best to attain my goal
- b. I exert myself a few more times to attain my goal
- c. I find it difficult to give up
- d. I give up

9. I think that to attain a high position in the community is:
- a. unimportant
 - b. of little importance
 - c. moderately important
 - d. very important
 - e. absolutely important
10. People succeed their fathers or mothers as manager of the family business because:
- a. they want to enlarge and expand the business
 - b. they can put their own new ideas into practice
 - c. this is the easiest way to make plenty of money
 - d. they are simply lucky to inherit the business
11. When doing something difficult:
- a. I give up almost as soon as I begin
 - b. I give up quickly
 - c. I give up but not after trying at least once
 - d. I try many times to do it before giving up
 - e. I do not stop until I have accomplished the task

12. I can work at something without feeling tired for:

- a. a very long time
- b. a long time
- c. not too long a time
- d. only a short time
- e. only a very short time

13. I find friends who work hard:

- a. very nice
- b. nice
- c. just as nice as others who do not work as hard
- d. not so nice
- e. not nice at all

14. I think good relations with my friends:

- a. are very important
- b. are important
- c. are not so important
- d. are unimportant
- e. are completely unimportant

15. For fun and pleasure:

- a. I usually have no time
- b. I often have no time
- c. I sometimes have too little time
- d. I always have time

16. I usually am:

- a. very busy
- b. busy
- c. not so busy
- d. not busy at all

You will note that the sixteen items in the questionnaire represent eight characteristics or traits which have often times been observed among high achievers and entrepreneurs.

To obtain your score use the following scoring key:

<u>Trait</u>	<u>Item</u>	<u>Choices</u>					<u>Your Score*</u>
		a	b	c	d	e	
Hardwork	1	- 2	- 1	0	1	2	.....
	2	2	1	0	- 1	- 2	.....
Concern for future	3	- 2	- 1	0	1	2	.....
	4	2	1	0	- 1	- 2	.....
High aspiration level	5	2	1	0	- 1	- 2	.....
	6	2	1	0	- 1	- 2	.....
Task/goal orientation	7	2	1	-1	- 2		.....
	8	2	1	0	1	- 2	
Upward mobility	9	- 2	- 1	0	1	2	.....
	10	2	1	- 1	- 2		.....
Persistence	11	- 2	- 1	0	1	2	.....
	12	2	1	0	- 1	- 2	.....
Recognition of others knowhow	13	2	1	0	- 1	- 2	.....
	14	2	1	0	- 1	- 2	.....
Concern for value of time	15	2	1	0	- 1	- 2	.....
	16	2	1	0	- 1	- 2	.....

Your total score

Minimum score: 8 points

High score: 21 points or more

- * To score, look for the number of points assigned to the letter corresponding to the phrase you chose in completing the sentence in each item.

If you scored less than 21 points, you ought to train yourself to be more achievement-oriented. This will be discussed in session on Developing Yourself for Entrepreneurship.

You should have scored at least 8 points, 1 each for the different traits. A zero or negative score on any one of the traits indicates a weakness that you can set out to correct in order to improve yourself.

It is easy to imagine why achievement-oriented individuals get ahead in life. They work hard and persistently. Because they are concerned for the future they are willing to forego small conveniences or discomforts at present in favour of much bigger and more satisfying returns in the future. They aim high, so that they are able to accomplish things. They think it is important to attain some position or come up with accomplishments in society. They are persistent workers even in the face of hardships and difficulties. They like to associate with people who are as hard-working as themselves and are knowledgeable about the things they are interested in. And they do not like wasting time on non-essentials like having so much fun just for the sake of having fun. Achievers derive fun from being busy in pursuit of worthwhile goals.

APPRAISING YOUR WORK HABITS

Entrepreneurship is a way of life. It is a manner of accomplishing one's tasks with certain attitudes, habits, perspectives and discipline. One can be entrepreneurial if he works excellently, dilligently, profitably and effectively.

The following questions will help you take stock of your present work habits. Answer each question honestly by choosing the statement which most closely describes yourself at present. Choose only one answer for each item.

1. When working on a task do you usually:

a. determine on your own exactly what needs to be done?

b. allow others to tell you what is to be done?

2. When you work with others on a group task do you:

a. act only when others start working?

b. take it upon yourself to see that things get done?

3. What do you think about more frequently?

a. ideas and activities

b. loving and influencing people

4. Which do you prefer to do?

a. implement proven and tested ideas

b. develop and implement new ideas

5. Which task do you always do first?

a. that which you must do

b. that which you enjoy doing

6. Do you:

a. like to finish what you start?

b. like to start rather than finish a job?

7. When you recall past failures that make you feel bad, what do you do?

a. immediately think of something else

b. think of what you will do the next time something similar happens

8. Which one do you enjoy more?

⁶ a. implementing and working on ideas

b. knowing the results of your work

9. Which happens more often to you?

a. you under-estimate your abilities

b. you over-estimate your abilities

10. Which do you prefer:

a. to lead a group and be responsible for them

b. to be a member and let someone else lead and be responsible for the group

The answers usually given by entrepreneurs are enumerated below. Score yourself 1 point for each item you answered accordingly.

- | | |
|------|-------|
| 1. a | 6. a |
| 2. b | 7. b |
| 3. a | 8. b |
| 4. b | 9. b |
| 5. a | 10. a |

What is your score? If you scored below 6, you need to improve your work attitudes and habits.

Your responses to Items 1 and 2 reflect whether you are a self-motivated individual or not. The entrepreneurial individual sets his own goals, that is, by determining what, how long or how often things are to be done. He does not need anyone else to tell him this. Also, he does not depend on others to get things done. Whenever he is personally involved, he sees to it that the goals (whether his own or the groups) are accomplished.

Your response to items 3 and 4 reflect your sense of accomplishment and innovativeness. Entrepreneurial individuals think of ideas, accomplishments and action plans to carry out their tasks rather than their relationships or influence over people. As such they are more action-oriented than others.

Item 5 reveals how you spend your time. Entrepreneurial individuals engage in productive activities most of the time. They seldom waste time on unproductive chatter or play, for they prefer to create and produce. They are disciplined at work so that they do not waste time. They work by a schedule, finishing that which must be done first before going to the less important (but may be more enjoyable).

Item 6 describes your work attitudes. Entrepreneurial individuals do not allow conditions to determine their attitudes towards work. Even if the path to their goals is often difficult and hazardous they go on working despite these difficult circumstances, and they fill themselves with positive thoughts about their rewards if they succeed in attaining their goals. Thus, they finish their tasks cheerfully.

Items 7 and 8 reflect your concern for results or feedback on your performance. You must not allow your past failures to discourage you that you begin to pity yourself. Learn from your mistakes - also from your success. Repeat those actions that led you to success, eliminate those that made you fail.

Item 9 shows your self-confidence or lack of it. Entrepreneurial individuals believe in themselves. Most of the time they over-estimate their capacities, thinking of themselves as better than most people.

Item 10 says something about your leadership potentials. Entrepreneurial people are able to lead and they enjoy in taking the responsibility for getting things done on their own initiative.

DETERMINING YOUR ENTREPRENEURIAL READINESS

After all the discussions and insights you have been through in this EMT are you ready for entrepreneurship?

Hereunder are 10 questions the answers to which will give an indication of your entrepreneurial readiness. Put a circle around the letter that most nearly express what you feel. Try to be as honest as you can to yourself.

1. Are you a self-starter?
 - a. I do things on my own. Nobody has to tell me to get going.
 - b. If someone gets me started, I keep going all right.
 - c. I take it easy. I do not put myself to so much trouble unless I really have to.

2. How do you feel about other people?
 - a. I like people. I can get along with just about anybody.
 - b. I have many friends. I do not need anyone else.
 - c. Most people irritate me.

3. Can you lead others?
 - a. I can get most people to go along when I start something.
 - b. I can give the orders if someone tells me what we should do.
 - c. I let someone else get things moving. Then I go along if I feel like it.

4. Can you take responsibility?

- a. I like to take charge of things and see them through.
- b. I will take over if I have to, but would rather have someone else be responsible.
- c. There is always some over-achiever around wanting to show how smart he is. I usually let him.

5. How good an organizer are you?

- a. I like to have a plan before I start. I am usually the one to get things get organized when the group wants to do something.
- b. I do alright unless things get too confused. Then I quit.
- c. I get all set and then something comes along and presents too many problems. So I just take things as they come.

6. How good a worker are you?

- a. I can keep going as long as I need to. I do not mind working hard for something I want.
- b. I will work hard for a while, but when I have had enough, I will stop.
- c. I cannot see how hard work can get me anywhere.

7. Can you make decisions?

- a. I can make up my mind in a hurry if I have to.
- b. I can if I have plenty of time.
- c. If I have to make up my mind fast, I realize later I should have decided the other way.

8. Can people trust what you say?

- a. Of course they can. I do not say things I do not mean.
- b. I try to be straight forward most of the time, but somethimes I just say what is easiest to say.
- c. Why bother if the other fellow does not know the difference.

9. Can you stick to what you start?

- a. If I make up my mind to do something, I do not let anything stop me until I finish.
- b. I usually finish what I start - if it goes well.
- c. If it does not go well, I quit, Why bother?

10. How healthy are you?

- a. I never feel tired or run-down.
- b. I have enough energy for most things I want to do.
- c. I run out of energy sooner than most of my friends seem to.

Scoring:

How many "a's" have you checked?

How many "b's" have you checked?

How many "c's" have you checked?

If you checked 6 or more "a's" you probably are ready for entrepreneurship.

If you checked 6 or more "b's" you may have difficulty in running a business by yourself. But you can still succeed if you find a partner who is strong on the points your are weak in.

If you have 6 or more "e's" chances are not even a good partner will be able to give you the support you need.

NOTE: Adapted from You, Too, Can Start Your Own Business published by SERDEF, UP - Institute for Small Scale Industries, 1990.

ENTREPRENEURIAL POTENTIALS
ASSESSMENT REPORT

NAME
(Surname) (Given Name)

DATE

EMT
(No. & Date)

I ENTREPRENEURIAL MOTIVATION

Raw Score Weighted Score

Interpretation:

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Strengths:

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Weaknesses:

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II ENTREPRENEURIAL SPIRIT

Raw Score Weighted Score.....

Interpretation:

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Strengths:

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Weaknesses:

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III ENTREPRENEURIAL INCLINATION

(1) Need for Achievement

Raw Score Weighted Score

Interpretation:

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Strengths:

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Weaknesses:

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(2) Work Habits

Raw Score Weighted Score

Interpretation:

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Strengths:

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Weaknesses:

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IV ENTREPRENEURIAL READINESS

Raw Score Weighted Score

Interpretation:

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Strengths:

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Weaknesses:

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SUMMARY OF ENTREPRENEURIAL POTENTIALS

Total Weighted Points

Recommendation (s):

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Assessment By:.....
EDP Specialist Date

Endorsed By:
OIC, Development Services Date