

# 9

# INDUSTRIAL ARTS: CARPENTRY (ENTREPRENEURSHIP)

Learner's Material

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**We value your feedback and recommendations.**

**Department of Education  
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Learner’s Material  
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# PERSONAL ENTREPRENEURIAL COMPETENCIES (PECS)

## WHAT TO KNOW

### IMPORTANT ENTREPRENEURIAL TRAITS

The following are the fundamental characteristics of an entrepreneur:

1. **Hard work:** A lot of time and energy is necessary for the success of your business. If you are determined to run your own business, you must concentrate more on your work either as a producer or as a seller.
2. **Self- Confidence:** You must have strong faith in your ability despite the problems that you will encounter along the way.
3. **Future-Oriented:** Once you enter in a line of business, you must understand that you are in a non-stop contract that an entrepreneur should understand. It may take several years to build up a business to a reasonable standard. The goal for most successful business people is to build a secure job and stable income for themselves based on their own ability.
4. **Profit-Oriented:** When you enter into the world of business, obviously, you are looking for income because you know that this will be your bread and butter not only for you but also for your family. Therefore, you must see to it that the business can generate income. Another plan of action is to expand your own business through the use of your generated income.
5. **Goal-Oriented:** An entrepreneur is forward looking. You must have an advanced preparation for your business. You must set a long-term goal for the activities that are needed, an extensive preparation for the production process and procedures that you need to go through to acquire human and non-human resources. Everything in your business will have to be set clearly, organized, and planned depending on the goal you want to achieve.
6. **Persistence:** As an entrepreneur, you need this drive to continue to do something or try to do something.
7. **Copes with Failure:** Learn from your mistakes. As an entrepreneur, you must learn how to deal with the frustrations and failures. Turn these into productive learning experiences.
8. **Responds to Feedback or Open to Feedback:** You must be concerned to know how well you are doing and keep track of your performance. You must obtain useful feedback and advice from others.
9. **Take the Initiative:** A successful entrepreneur takes the initiative. You must put yourself in a position where you personally are responsible for the failure or success of your business.

10. **Willing to Listen:** Take time to listen to the advice, suggestions, and recommendations of fellow entrepreneurs. It will help your business grow.
11. **Set your Own Standards:** This involves developing and using logical, step-by-step plans to reach the goals, or offering evaluation alternatives, monitoring progress, and switching to successful strategies for the goal you want to achieve. To be a successful entrepreneur you must take into consideration that sales and production depend on your own standards.
12. **Copes with Uncertainty:** Pursue your vision to be a successful entrepreneur. You should know how to handle unusual events that may happen in the business which include problems in managing the workers, problems on the delivery of goods and services, and the problems on demand and production. You must be patient in dealing with these uncertainties.
13. **Committed:** You should know that in your business, personal needs, attachment to your friends, families and relatives are set aside. You must separate the money for your business from the amount that you need to spend for your personal obligations and your lifestyle.
14. **Builds on Strengths:** Successful business people base their work on strengths. Use your manual skills, knowledge in creating products or services, knowledge in trade and industry, ability to make and use of a wide network of contacts to build your business.
15. **Reliable and has Integrity:** As an entrepreneur, you must build a good reputation, possess the courage to do the right thing, do what you say, walk your talk, be loyal, and be fair in dealing with the subordinates and customers.
16. **Risk-Taker:** Risks sometimes cannot be anticipated. When misfortunes happen, consider these as challenges, work them out and set good alternatives. Risks may result to loss of your business or even bankruptcy.



## WHAT TO PROCESS

### ACTIVITY 1: ALIGNING ONE'S PECS

**DIRECTIONS:** Choose from the list below the characteristics and traits that best describe your own personal entrepreneurial characteristics. Find ways on how to align them according to the personal entrepreneurial characteristics of an entrepreneur which were discussed earlier. Write your answers in the activity sheet provided.

<b>Creative</b>	<b>Resourceful</b>	<b>Persistent</b>	<b>Organized</b>	
<b>Independent</b>	<b>Confident</b>	<b>Strong-minded</b>	<b>Risk taker</b>	
<b>Competent</b>	<b>Trustworthy</b>	<b>Optimistic</b>	<b>Passionate</b>	
<b>Flexible</b>	<b>Sensitive</b>	<b>Committed</b>	<b>Dynamic</b>	
<b>Efficient</b>	<b>Hardworking</b>	<b>Decision-maker</b>	<b>Reliable</b>	
<b>Knowledgeable</b>	<b>Persevering</b>	<b>Decisive</b>	<b>Courteous</b>	<b>Observant</b>

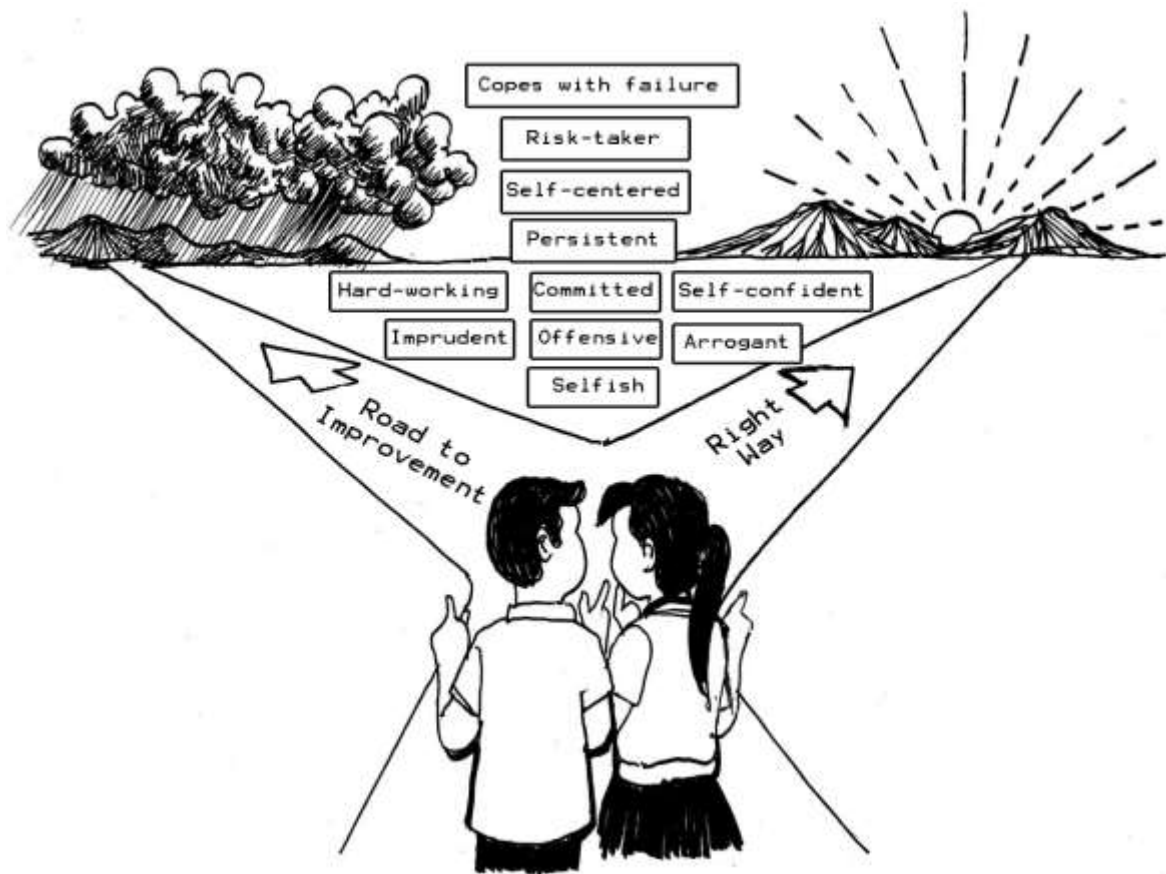
Example: My PECs

Try to design a concept map that indicates your traits, characteristics and skills that you need to possess in order to become a successful entrepreneur.

My PECs	My Simple Definition	Things to do to align with the PECs of a successful entrepreneur
1. Creative		
2. Organized		
3. Competent		
4. Observant		

### **My PECs that need further improvement**

**Directions:** At the center of the street are arrows where positive and negative characteristics and traits are written. Pick the positive PECs that you are already strong at, and write them down on the blank arrows on the left side. PECs written on the arrows at the right side are the negative characteristics that need to further improved.



## WHAT TO REFLECT ON AND UNDERSTAND

### Strengthening your Identified PECs

Guides on how to strengthen your own PECs:

1. React positively to criticisms and be open to feedback.
2. Always demonstrate a positive attitude to achieve a desired goal.
3. Always project a strong and well-balanced behavior.
4. Always exercise the assertive style in your work environment.
5. Avoid being too passive and being too aggressive.
6. Consider negative comments as challenges in improving your business.
7. Prioritize your business goals rather than personal goals in order to become a successful entrepreneur.
8. Acquire specific skills for creating and maintaining a conducive work environment.
9. Be responsible for everything you do in your business.
10. Always observe entrepreneurial ethics in putting up a business.

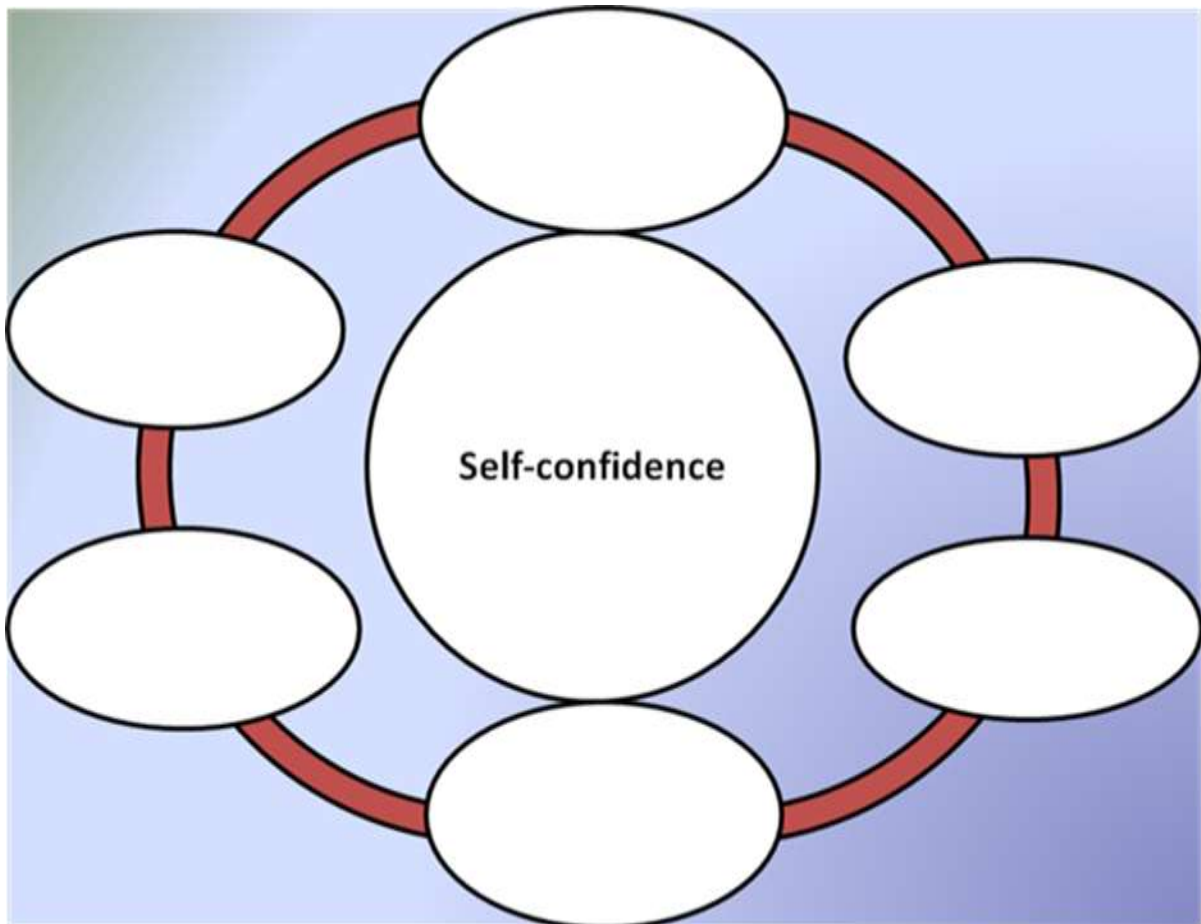


## ACTIVITY 1: MY TECHNIQUES TO STRENGTHEN MY PECs

**DIRECTIONS:** From the given chart below, write at least six techniques on how you would strengthen your own PECs. Write the PECs that you feel that you still need to strengthen.

Example:

Self-confidence



### WHAT TO TRANSFER

### PREPARATION OF AN ACTION PLAN

### CULMINATING ACTIVITY

**DIRECTIONS:** Examine yourself once again. Make a short list of PECs that you need to strengthen. From this activity, prepare an action plan that requires further development. You may opt to follow the suggested format below. You may improve or change it as long as it suits your own plan of action.

## SAMPLE ACTION PLAN

<b>Specific Purpose Statement:</b> Developing self-confidence in furniture and sash factory business. (Or any business related to Civil Technology)						
Focus Area	Current Situation	Goal	Measures of Success	Actions Required	Time Frame	Reward/Recognition
My PECs	I need to develop my undefined characteristics necessary for my business. such as: Furniture and Sash factory.	-To exercise my own PECs during selling and producing products/services -To become proficient in my chosen skill.	-Achieve 100% completion of development of my own PECs through selling and production of products, proper manner when dealing with people.	-Selling finished products derived from culminating activities in any of chosen career. - Participate in skills competition sponsored by NGO, and GO	-During culminating activities -After learning the principles, theories, processes and of any chosen career.	-Earns expected income - Outstanding performance in selling and promoting products and services.

### POST ASSESSMENT

#### MATCHING TYPE

**DIRECTIONS:** Column A lists the characteristics of a successful entrepreneur. Draw a line from the items in Column A that connects the correct definition of terms listed in Column B.

Column A	Column B
<ol style="list-style-type: none"> <li>1. Hardworking</li> <li>2. Self-confident</li> <li>3. Profit-oriented</li> <li>4. Goal-oriented</li> <li>5. Persistent</li> <li>6. Responsive</li> <li>7. Willing to listen</li> <li>8. Committed</li> </ol>	<ol style="list-style-type: none"> <li>a. Ability to set realistic targets.</li> <li>b. Interest in money generation.</li> <li>c. To succeed, one must believe in one's self.</li> <li>d. Working diligently and industriously.</li> <li>e. Being able to listen to the advice of others.</li> <li>f. Obtaining useful feedback and advice</li> </ol>

9. Reliable and has integrity	from others.
10. Risk-taker	g. Being patient and strives to achieve the goal.
	h. Ability to take measured or calculated risks.
	i. Being honest, fair and trustworthy.
	j. A major priority in the entrepreneur's life.
	k. Set aside things from the others

### MULTIPLE CHOICE

**DIRECTIONS:** Read and study the situation that describes entrepreneurial characteristics. Answer each question by writing the letter of your choice in your assignment notebook or in the provided answer sheet.

Mr. Antonio Cinco opens up his own furniture and sash factory business. He knows that his personal entrepreneurial characteristics are insufficient to ensure a successful operation of the business that he has in mind. Your answers to the questions below will help him in developing his PECs.

- What PECs must he possess if there are customers who complain about the quality of his product?
 

A. Hardworking	C. Trustworthy
B. Patience	D. Versatile
- Which of the following is NOT considered as a characteristic of an entrepreneur?
 

A. Copes with failure	C. Opportunity seeker
B. Dependent	D. Persistent
- If he wants to ensure a profitable business, what characteristic will he maintain?
 

A. Commitment	C. Goal-oriented
B. Futuristic	D. Profit oriented
- Mr. Cinco follows the advice of a friend to be flexible especially if he intends to open a furniture and sash factory business. What PECs has been demonstrated by Mr. Cinco?
 

A. Open to feedback	C. Reliable
B. Persistent	D. Self-confidence
- He tells his best friend that he has strong will and does not give up finding a solution to a business problem. What PEC has been demonstrated by Mr. Cinco?
 

A. Hard work	C. Risk taking
B. Persistence	D. Self-confidence

# ENVIRONMENT AND MARKET

## WHAT TO KNOW

### NEEDS AND WANTS OF PEOPLE

Everyone has his or her own needs and wants. However, people have different concepts of needs and wants. Needs in business are important things that every individual cannot do without in a society.

These include:

1. Basic commodities for consumption,
2. Clothing and other personal belongings,
3. Shelter, sanitation and health, and
4. Education and relaxation.

Basic needs are essential to every individual so he/she may be able to live with dignity and pride in the community. Focusing on these needs can help generate business ideas.

Wants are desires, luxury and extravagance that signify wealth and an expensive way of living. Wants or desires are considered over and above the basic necessities of life. Some examples are fashion accessories, designer shoes and clothes; traveling around the world; eating in an exclusive restaurant; watching movies, concerts and plays; having luxurious cars; wearing expensive jewelry and perfume; living in impressive homes; and others.

Needs and wants of people are the basic indicators of the kind of business that you may engage into because some other points that you might consider in business undertakings are the kind of people, their needs, wants, lifestyle, culture and tradition, and social orientation.

### GENERATING IDEAS FOR BUSINESS

Here are some ways by which you may generate possible ideas for business.

#### **1. Examine the existing goods and services.**

Are you satisfied with the product? What do other people, who use the product, say about it? How can it be improved? Are there still other ways of improving a product from the way it is made to the way it is packed and sold? You can also improve the materials used in crafting the product. In addition, you can introduce new ways of using the product, making it more useful and adaptable to the customers' needs. When you are improving the product or enhancing it, you are doing an *innovation*. You can also do an *invention* by introducing an entirely new product to replace the old one. Business ideas may also be generated by examining what goods and services are sold outside of the community. Very often, these products are sold in a form that can still be enhanced or improved.

#### **2. Examine the present and future needs.**

Look and listen to what the customers say or the institution and communities are missing in terms of goods and services. Sometimes, these needs are already obvious and felt at the moment. Other needs are not that obvious because they can only be felt in the future, in the event of certain developments in the community. For example, a town will have its electrification facility in the next

six months. Only by that time will the entrepreneur could think of electrically-powered or generated business such as photocopier, computer service and digital printing.

**3. Examine how the needs are being satisfied.**

Needs for the products and services are referred to as market demand. To satisfy these needs is to supply the products and services that meet the demands of the market. The term market refers to whoever will use or buy the products or services and these may be people or institutions such as other businesses, establishments, organizations, or government agencies. There is a very good business opportunity when there is absolutely no supply to a pressing market demand. Businesses or industries in the locality also have needs for goods and services. Their needs for raw materials, maintenance, and other services such as selling and distribution are good sources of ideas for business.

**4. Examine the available resources around you.**

Observe what materials or skills are available in abundance in your area. A business can be started out of available raw materials by selling them in raw forms and by processing and manufacturing them into finished products. For example, in a copra-producing town, there will be many coconut husks and shells available as “waste” products. These can be collected and made into coco rags/doormat and charcoal bricks and sold profitably outside the community. A group of people in your neighborhood may have some special skills that can be harnessed for business. For example, women in the Mountain Province possess loom weaving skills that have been passed on from one generation to the next generation. Some communities there set up weaving businesses to produce blankets, as well as decorative items and various souvenir items for sale to tourists and lowland communities.

Business ideas can come from your own skills. The work and experience you may have in agricultural arts, industrial arts, home economics, and ICT classes will provide you with business opportunities to acquire the needed skills which will earn for you extra income, should you decide to engage in income-generating activities. With your skills, you may also tinker around with various things in your spare time. Many products were invented this way.

**5. Read magazines, news articles, and other publications on new products and techniques or advances in technology.**

You can pick up new business ideas from reading materials such as Newsweek, Reader’s Digest, Business Magazines, Go Negosyo, KAB materials, Small- industry Journal and other publications. The Internet serves as a library where you may browse and surf on possible businesses. It will also guide you on how to put the right product in the right place, at the right price and at the right time. A listing of possible businesses to set up in an area may also be available from banks or local non-government organizations.

## **SELECTING THE RIGHT IDEA**

Once you have embarked on identifying the business opportunities, you will eventually see that there are many possibilities that are available for you. It is very unlikely that you will have enough resources to pursue all of them at once. Which one will you choose?

You have to select the most promising one from among hundred and one ideas. It will be good to do these in stages. In the first stage, you screen your ideas to narrow them down to about five choices. In the next stage, trim down the five choices to two options. In the final stage, choose between the two and decide which business idea worth pursuing.

In screening your ideas, examine each one in terms of the following factors:

1. How much capital is needed to put up the business?
2. How big is the demand for the product? How many people need this product and will continue to need it for a long time?
3. How is the demand being met? Who are producing the products to meet the need? How much of the need is now being met (current level of supply)?
4. Do you have the background and experience needed to run this particular business?
5. Will the business be legal, not going against any existing or foreseeable government regulations?
6. Is the business in line with your interest and expertise?
7. Your answers to these questions will be helpful in screening which ones from among your many ideas are worth examining further and worth pursuing.

## **ENVIRONMENTAL SCANNING**

There is a need to conduct environmental scanning to identify the needs of the people, to niche for your business mission, and to give attention to trends and issues. This may also serve as an evaluation of the type of the entrepreneurial activity appropriate in the community.

Environmental scanning is defined as a process of gathering, analyzing, and dispensing information for tactical or strategic purposes. The environmental scanning process entails obtaining both factual and subjective information on the business environments in which a company is operating.

Environment in the community can be viewed according to its technological, political, economic, and social aspects. Some people in a community do not use computers but with the transmission of development in terms of technology they look forward for changes to satisfy their needs and wants.

As a future entrepreneur, you must be well-versed in this kind of advancement and progression of your environment particularly in technology so as to secure the success of your future business. Always think of something new, something novel, authentic, reinvent the existing ones, and create your new version of goods/products, and services. For instance, your own hair straightening is herbal, while in the other salons it is made of synthetic chemicals. This kind of changes being made will affect the existing principles in business and industries that can be easily adapted to the changes in producing the products/services to meet the needs and wants of people in the community.



## WHAT TO PROCESS

In generating business ideas, you should first identify what type of business is suited to your business idea. You should analyze and scan the potential environment, study the marketing practices and strategies of your competitors, analyze the **Strengths, Weaknesses, Opportunities**, and the **Threats** (SWOT) in your environment to ensure that the products/goods and services you are planning to offer will be patronized within the easy reach by your target markets/consumers.

### **Bear in mind these simple rules for successful SWOT analysis**

- Be realistic about the strengths and weaknesses of your business when conducting **SWOT** analysis.
- SWOT analysis should distinguish between where your business is today, and where it could be in the future.
- SWOT should always be specific. Avoid any gray areas.
- Always apply SWOT in relation to your competition i.e. better than or worse than your competition.
- Keep your SWOT short and simple. Avoid complexity and over analysis
- SWOT is subjective.



## WHAT TO REFLECT AND UNDERSTAND

People keep on searching for new things, new trends, and new issues. For this reason, an entrepreneur must quickly respond.

As generations come and go, another set of new trends will come or will exist. In order to adapt to the rapid changes in the business environment, the existing industries need to improve their products and services. But how can you generate business ideas with those strong competitors? There are three main sets of decisions that you need to make - *what to produce, how to produce, and how to share or sell out the product to the market.*

### **ACTIVITY 1: MINI SURVEY**

**Directions:** Conduct a mini survey in your immediate community. Gather pertinent data on the population across age bracket as suggested in the matrix below. Opposite each age group, indicate their probable needs and wants.

Age Bracket	Population	Needs	Wants
<b>Example:</b> 5 years old and below	35	Toys, coloring books, pajama	Wooden toys, glossy coloring books, fashionable pajama
6- 10 years old			
11-15 years old			
16-20 years old			
21-25 years old			
26-35 years old			
35-45 years old			
46-55 years old			
56-65 years old			
66 and above			

## ACTIVITY 2 SCREENING BUSINESS IDEAS

**Directions:** After filling out the chart above, try to list down all the probable business opportunities which you may wish to venture in. Remember to consider the ideas and suggestions discussed in Lesson 3. Use the suggested matrix below to indicate your choice. Write your answers in your notebook.

Example: Wooden toys

Positive Factors		Negative Factors	
Strengths	Opportunities	Weaknesses	Threats



### WHAT TO TRANSFER

Now that, you have all the information, are you ready to test your ability to generate your own business idea? If your answer is yes, start studying the sample vicinity map of a community with a population of two thousand people. A new housing project will be constructed adjacent to Daang Hari St, close to Old Molino St., its main road. This housing project targets the homeowners who are young couples with two kids.





In this activity, you need to answer the questions that may lead to the generation of a probable business. Your answers to these questions will serve as the bases in formulating your own business ideas.

1. Who do you think are your target consumers/markets?
2. Where is the most ideal location to situate your business?
3. Which products or services would appeal to your target consumers/markets?
4. Can you say that you have seized the most feasible business opportunity?

## **POST-ASSESSMENT ENVIRONMENT AND MARKET**

### **MULTIPLE CHOICE**

**DIRECTIONS:** Select the letter of the best answer. Write your answers in your activity notebook.

1. The following are examples of peoples' basic needs, except:
  - a. Clothing
  - b. Food
  - c. Recreation
  - d. Shelter
  
2. Which of the following should be considered first by a prospective entrepreneur in choosing the right location for his/her business?
  - a. Access of the target customers
  - b. The attractiveness of the shop layout
  - c. The prevailing prices of goods in the area
  - d. Types of merchandise
  
3. Tony plans to put a "digi-print" studio in their locality. Which of the following will help him determine a successful plan for setting up his business?
  - a. Checking for similar business to avoid competition
  - b. Conduct a SWOT analysis
  - c. Getting feedback on the quality of service
  - d. Survey of consumer associations
  
4. John Paul studies the population in his immediate community. He is doing this to –
  - a. determine whom to sell his product or service.
  - b. identify his would be "suki".
  - c. predict his biggest buyer.
  - d. select his favorite customers.
  
5. When an entrepreneur improves and alter a product to make it more appealing to target consumers, he/she is doing an ----- of the product.
  - a. alteration
  - b. improvisation
  - c. innovation
  - d. invention