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## Part 2: Getting and Earning Money





# Sources of Income

Let's discuss...

## 💰 Employment income

- Working for others • Wages and salaries • Benefits

## 💰 Self-Employment – Working for Yourself

## 💰 Investment income

- Capital gains • Interest • Inheritance
- Government Transfers • Lotteries and Gambling

We will all make a great many “money decisions” over the course of our lives. We will make decisions about earning money, spending, saving, borrowing, investing, and donating. The first challenge, before making decisions about how to use money is, of course, to find ways to earn money.

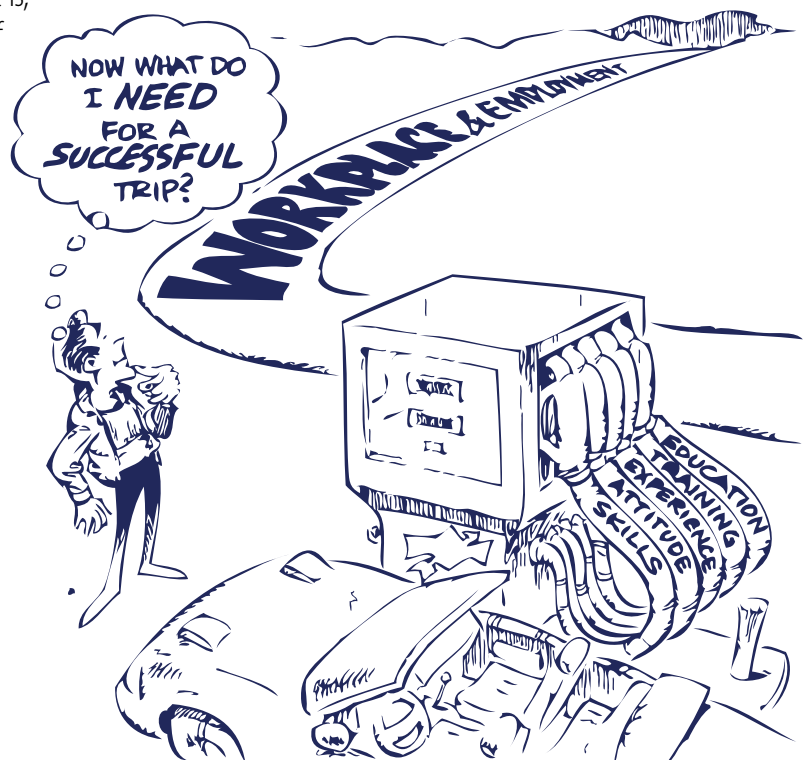
Obtaining money is a task most of us wish was easier than it is. However, even with modest incomes, most people will earn at least one to two million dollars over the course of their lifetime. That's a lot of money – and a lot of money decisions.

Regardless of how much money you make, or will earn, it is important to make good money decisions – and to know how to manage money. Some say that it is only people with lots of money who have to learn to manage it. The fact is, it's probably more important if you don't have lots of money. You'll want to get the most from the money you have.

Most of the money you will get in your lifetime will likely come from your hard work and labour. There are certainly other ways to earn money. But most will likely come from wages and salaries you earn by working for an employer – or from money you make working for yourself as an entrepreneur.



IF A PERSON MAKES AN AVERAGE OF \$30,000 A YEAR, AND WORKS FROM AGE 25 TO 65, THAT WILL ADD UP TO \$1.2 MILLION IN LIFE-TIME EARNINGS. AN AVERAGE OF \$50,000 A YEAR WOULD ADD UP TO \$2 MILLION. WHAT DO YOU HOPE TO EARN AS AN AVERAGE INCOME? HOW MUCH WOULD THAT MEAN YOU WOULD MAKE IN YOUR LIFETIME?





ARE YOU A POSSIBLE ENTREPRENEUR? DO YOU HOPE TO “BE YOUR OWN BOSS?”  
IT TAKES A LOT OF WORK – AND SOME RISKS – BUT MANY PEOPLE HOPE TO SET UP THEIR  
OWN BUSINESS SOME DAY. WHAT IS YOUR INTEREST IN BEING AN ENTREPRENEUR?

No interest

Very interested

1

2

3

4

5



Later in life, things may change in terms of your income. You may be able to plan and save your money to get to a point where you don't need to work for the income you require to enjoy life. You may save enough to retire and live on money you make from sources such as pensions, savings, and investments.

You may not be thinking much about those later years right now. It's hard to think about “retirement” in your teens and twenties. But if you think about retirement, not as getting old and leaving work at an age like 65, but getting to where “you can do what you want,” that can make a difference.

You may want to plan to get to where you can decide whether to work or not work – and work at what you want – before getting to age 65. Reaching “financial independence” is something most people hope to achieve. Financial independence, in general, is when you don't have to rely on others for the income you need. That is, you aren't financially dependent on your parents/guardians – or on government. But it can also mean that you are not dependent on income from work. You can do what you want – work or not work. It isn't easy getting to that point for most people. And, if it is something you hope for, the earlier you start planning, the better.



If you hope to become “financially independent” some day – and not have to work to earn the income you need – start to plan for that as soon as you can. As an example, if you saved \$50 a month, starting at age 20, and earned 3% average on your savings, by age 65 you would have over \$56,000 from your \$50 a month in savings. That's how savings can build over time with “compound interest.”



AT WHAT AGE WOULD YOU HOPE TO BE “FINANCIALLY INDEPENDENT?” HOW MUCH MONEY  
DO YOU THINK YOU WOULD HAVE TO EARN FROM YOUR SAVINGS, INVESTMENTS, ETC.,  
IN A YEAR, TO BE FINANCIALLY INDEPENDENT? HOW MIGHT YOU START TO PLAN TO  
ACHIEVE THAT GOAL?

Making enough money to enjoy life is a challenge for almost everyone. Let's take a look at the different sources of income you may be able to acquire.

## A. Employment Income: Working For Others

### a. Wages and Salaries

Most of us will earn income by working for others — a company, a government, a not-for-profit organization, and so on. Through education, training, and experience, people aim to develop a particular talent or skill while, at the same time, developing general “employability skills” (see the chart at the end of the chapter) and “enterprising skills” (see the chapter on entrepreneurship).

Employability skills are those general skills that can help you get, and keep, a job. Enterprising skills can be developed and applied by anyone — whether they work for others or themselves. Such skills include being able to identify opportunities for improvement, taking the lead and initiative, being creative, being a team leader, etc. Such skills are often attractive to an employer.



If you hope to be a leader in the workplace, it can help to develop your enterprising skills. Enterprising people often get recognized for their ideas, initiative, team-building and team-leading skills, etc. Enterprising skills can help a person achieve leadership goals.

Equipped with education, training, skills, and the “right attitudes,” the aim for most people is to get as good a job as they can. And people differ in what they see as a “good job.” Some might want to get the highest wage or salary they can (a wage is paid hourly whereas a salary is paid on the basis of one year’s work). Some might want to work with others — helping people. Some may want to work outdoors. Some may want a job that involves travel.



HOW COULD YOU USE THE  
DECISION-MAKING STEPS  
TO MAKE A DECISION ABOUT  
THE KIND OF JOB YOU  
WOULD LIKE TO GET?



WHAT ARE THE THINGS THAT WILL BE MOST IMPORTANT TO YOU IN YOUR JOB? THE FOLLOWING ARE SOME POSSIBILITIES. THERE MAY BE OTHER THINGS IMPORTANT TO YOU TOO.

- Level of income
- Work environment
- Work as part of a team
- Opportunities to be creative
- Benefits (health, dental, pension)
- Helping others
- Learn and develop a skill/trade or expertise
- Work outdoors
- Travel
- Work in a profession
- Apply a talent you have (athlete, musician, etc.)
- Work in a particular industry (technology, entertainment, finance...)

When we decide to look for work, we enter into the “labour market.” Here, you will encounter the forces of “supply” and “demand” that, along with other influences, will affect the wage or salary paid for different kinds of work.

In any market – for goods, services, labour, stocks, bonds, etc. – there will be both sellers and buyers. In the case of the labour market, a person offering his/her services in return for an income is part of the “supply.” You, for example, would be the “seller” of your labour services as you look for a job. Employers looking to hire people and pay a wage or salary in return for labour represent the “demand.” They are the “buyers” of labour services.

In general, the higher the level of demand for a particular occupation or skill, compared with the supply, the higher the wage or salary will be. Therefore, you would ideally want to be looking for work in an area where there is, or will be, a relatively high level of demand compared with supply.

This is a challenge young people face when they are planning their education, training, and career. For example, as you are in your last stages of high school, you may do research and find there seems to be a high level of demand for teachers. It looks to you like the chances of getting a teaching job might be quite good.

But the challenge is to look beyond the situation today. You have to look ahead to when you will be a teacher – and looking for a job. What are the job prospects like in four or five years? Will there still be a high level of demand for teachers then?



WHAT ARE SOME OF THE JOBS THAT YOU THINK ARE “IN DEMAND” TODAY? WHAT JOBS MAY INCREASE IN DEMAND IN THE FUTURE? FOR WHAT JOBS TODAY MIGHT THERE BE A DECLINE IN DEMAND IN THE FUTURE?

It is important to consider the labour market conditions for occupations that interest you — both today and in the future. You can do this by researching some of the “labour market information” (LMI) that is available on the Internet. The federal government, provincial governments, business associations, professional associations, and others will often have LMI available. Governments and employers are anxious to help young people know about labour conditions — and which occupations are going to be needing workers.



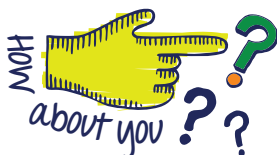
Try and use available “LMI” to help you pick the occupation, profession, or trade that is of most interest to you. There is lots of information that you will be able to find about different occupations and careers — and what the job prospects are likely to be in the future. Use it to help you decide.

Today, Canada has a skilled labour shortage — and the shortages will likely increase in the future. Many jobs requiring the skilled trades go unfilled. Many young people could do well if they went into the skilled trades and apprenticeship programs.

In addition, the “post war baby boom” is reaching retirement age. There will be a large number of jobs opening up — that is, if the “baby boomers” have done their planning and are able to retire.

Therefore, there should be some good job opportunities available for today’s youth. The key is to do your homework, learn about where job opportunities are (and will be) and factor this information into your career planning.

But there is something else that is very important to consider. Research has shown that one of the most important keys to career success is “passion” — doing what you love to do. So if there is something you love to do — something for which you have a passion — don’t be afraid to go with your heart. If you have always wanted to be a teacher — and the LMI you find shows demand may not be strong — or the supply may be high — don’t let that stop you. If you love it, want to do it, and have a passion for it — go for it. The chances are you will be good at it, will find a job, and will be happy in your work.



IS THERE A PARTICULAR KIND OF WORK FOR WHICH YOU HAVE A PASSION? DO YOU HAVE AN INTEREST OR HOBBY THAT YOU COULD TURN INTO A CAREER?

In addition to supply and demand, there are other factors that can also influence job opportunities and wages and salaries. Let's take a look at these.

### Factors That Can Influence Job Prospects – and Your Wage or Salary

- the level of education, training, and experience that is required to do a particular job – and the level you have acquired
- the number of others who have similar or better skills who can compete with you for a job
- how good you are at what you do
- how long you have been working – your experience, your “seniority”
- your work habits, reliability, dependability, perseverance
- the state of the economy and whether businesses are growing or struggling
- government legislation such as setting levels for the “minimum wage”
- the impact of unions on the wages that are negotiated for certain jobs
- the region in which you live and work and the labour market conditions in that region
- the profitability and success of the particular company or organization for which you work
- luck and chance – do you happen to be at the right place at the right time or the wrong place at the wrong time? There are a great many careers that were a result of “happenstance” or “serendipity”



WHAT ARE SOME OF THE FACTORS THAT WOULD LIKELY INFLUENCE THE JOB OPPORTUNITIES AND SALARY OF A PROFESSIONAL HOCKEY PLAYER, A DENTIST, AN ACTOR, AN ELECTRICIAN, A COMPUTER PROGRAMMER, OR A JOURNALIST?

There are, of course, other factors that can affect job opportunities and incomes. For example, in many cases women are still paid at lower levels than their male counterparts. There may also be discrimination on the basis of age, race, or colour. Authorities, in many cases, are trying to prevent situations of wage discrimination based on sex, age, race, and colour. But some cases of inequity and workplace prejudice still exist and pose challenges to some.



## b. Other Benefits from Employers

When you work as an employee for a company, other benefits may be provided in addition to your wage or salary. It is certainly not the case that all companies offer attractive benefits packages. Benefits packages vary a great deal from company to company, industry to industry, and even occupation to occupation. Since they can be quite significant, you should ask about the benefits that may be available to you from a particular occupation — or a particular employer.

The possible benefits that may be available from an employer can include the following:

- paid vacation holidays
- paid sick days
- paid provincial government medical premiums (covering your health insurance)
- extended health care insurance
- disability income insurance (short-term and long-term) — which can provide some income if you become ill or disabled
- life insurance
- dental insurance
- profit sharing (employees receive a share of the company's profits)
- payroll savings plan (convenient plan to help you build up savings)
- stock option purchase (become a part owner of the company through owning some shares in the company)
- registered pension plan (to help build a retirement fund)
- group registered retirement savings plan
- educational expense reimbursement (to cover costs of additional education and training)
- provision of an automobile or funds for travel expenses
- benefits for a spouse
- access to financial advice
- company pension program

We should say a little more about this last point. It is becoming less common for companies to provide a pension for employees. It is more common to encourage employees to set up a “Registered Retirement Savings Plan” — and the employer may make a contribution to the plan. For example, the employer may match your contribution to your RRSP up to a certain maximum amount. Or the employer may contribute the equivalent of 5% of your salary to your RRSP. There are different kinds of plans and possibilities. Make sure you ask your employer about this.



**FIND INFORMATION ONLINE, FROM A FINANCIAL INSTITUTION, OR A FAMILY MEMBER, ABOUT RRSPs AND RESPs. THESE MAY BE OF INTEREST TO YOU IN SAVING FOR EDUCATION OR RETIREMENT.**

In addition, if the company does offer a pension plan, it is more likely to be a “defined contribution plan.” In the past, some companies offered “defined benefit plans.” These plans explain what you would receive monthly or yearly when you retire. Few companies offer these plans any more.

For a “defined contribution plan,” the company tells you how much it will contribute to your plan — not how much you will receive when you retire. How much you will receive will depend on how the money in the plan is invested — and how well those investments perform. Most Canadians have to take more responsibility for planning for their retirement than they used to. Planning and money management skills are becoming more and more important. You will probably be involved in many, if not all, of the decisions about how your savings will be invested. As with any investment, you can make money — or lose money. Planning for retirement is a major responsibility and challenge for most Canadians.

Now, at a young age, you may not be thinking much about retirement — but try and give it some thought. When you start working, or if you are working, company benefits may help a lot. And the earlier you start to build up savings, the more likely you will be able to enjoy your retirement when you get there.



**CALCULATE THE APPROXIMATE INCOME YOU HAVE RECEIVED IN YOUR LIFE SO FAR. CONSIDER THE FOLLOWING SOURCES FROM WHICH YOU MAY HAVE RECEIVED MONEY.**

- Allowances
- Investment Income
- Gifts
- Employment Income
- Business Income Awards
- Inheritances

## B. Self-Employment: Working For Yourself

In another chapter, we explore working for yourself and being an entrepreneur. An entrepreneur is someone who, in order to accomplish his/her goals, sets up and operates a venture. In many cases, this means starting a business. There are thousands of Canadians who have set up and run their own businesses. It is an attractive option for those who can make it work. But a great deal of thought and planning must go into setting up a business — and a lot of hard work is required once it is up and running. So it's not for everyone.

If you set up a business, and run it successfully, your reward is “profit.” Your profit is what is left over after you add up all your revenue from sales and subtract all of your costs to run the business. If that final total comes out positive, you earn an income — profit. If it comes out negative, you have a loss. That is why there is risk involved in being an entrepreneur.

Most of today's large companies started out small and were started by one or more entrepreneurs. Over time, though, as a business grows and requires more money for expansion and improvement, the original entrepreneur(s) may sell shares of ownership to raise the additional funds needed for growth. Eventually, the original entrepreneur(s) may sell all of his/her/their shares of ownership. In this way, large companies often become owned by a large number of shareholders.

Shareholders are people who invest part of their financial resources in shares of the company. As shareholders, they receive a share of profits — called dividends. Each shareholder receives a share of the profits of the company or corporation according to the number of shares owned. If the company is a “publicly traded company,” shareholders can buy and sell their shares on the stock exchange. More on that in a moment.

You may someday set up and operate your own business — or you may already have done so. If the company makes a profit, you earn an income. If you have other shareholders, and share your profits with them, they will earn dividends. So “profit” and “dividends” are two other forms of income.

## C. Investment Income



GO ONLINE TO A NEWSPAPER, OR PICK UP A COPY, THAT PROVIDES INFORMATION ON STOCK PRICES. LEARN HOW TO READ THE STOCK TABLE. SELECT A SINGLE STOCK AND CALCULATE HOW MUCH YOU WOULD HAVE TO PAY (WITHOUT ANY FEES) TO PURCHASE 100 SHARES OF THAT STOCK TODAY. FOLLOW THE PRICE OF THE STOCK ON A DAILY OR WEEKLY BASIS FOR THE PERIOD OF A MONTH. AT THE END OF THE MONTH, DETERMINE THE VALUE OF THE 100 SHARES OF THIS STOCK IF YOU WERE TO SELL THEM. WOULD YOU HAVE GAINED OR LOST MONEY?

### a. Capital Gains

In addition to a share of the profits that you can earn from investing in a company (paid as dividends), you can also earn income in another way. If a company's shares are publicly traded, you can buy shares on the "stock exchange." An owner of shares ("stock") of a publicly traded company can sell their shares through a stock exchange — such as the Toronto Stock Exchange. There are many stock exchanges around the world — in New York, London, Paris, Tokyo, etc.

There are different ways to explore buying shares — such as working with a "broker" or "advisor" who works with you and provides advice, or making your own decisions and working with a company that serves as an online broker enabling you to buy and sell stock from your account, and so on.



THE "GET SMARTER ABOUT MONEY" WEB SITE OF THE INVESTOR EDUCATION FUND HAS A LOT OF GREAT INFORMATION ABOUT INVESTING, SAVING, AND BANKING. CHECK IT OUT AT [HTTP://WWW.GETSMARTERABOUTMONEY.CA/EN/PAGES/DEFAULT.ASPX](http://www.getsmarteraboutmoney.ca/en/pages/default.aspx).

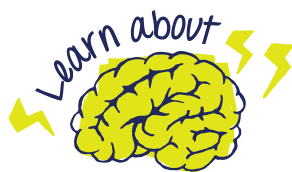
If you buy shares of a company on the stock exchange at \$10 a share and sell those shares later at \$12 a share, the difference is referred to as a "capital gain." This can occur with any investment (for example, bonds, real estate, mutual funds, art), not just investments in the shares of a business. Capital gains are earned any time you take ownership of an asset (something of value) for a period of time and then sell that asset later at a higher price.

As you probably know, though, you can buy an asset — stock, bond, etc. — at one price and then find its price falls. In that case, you have a "capital loss" rather than a "capital gain." In some cases, the gains — or losses — can be quite large. That is why there are professionals in the different financial areas to provide help and advice. You would need to pay fees for their services. There are "brokers" who can provide help and advice with buying and selling real estate, stocks, bonds, mutual funds, RRSPs, RESPs, and so on. You will have to decide, when/if the time comes, as to whether you want or need professional advice. If you get help, make sure the person you work with is trained and qualified to help you with the investments you are planning to make.

Therefore, buying an asset at one price and selling it at a higher price to make a capital gain is another way of getting income.

## b. Interest

Interest is another form of income. Interest is the income you receive when you provide someone with use of your money for a particular period of time — e.g., a loan. That time period may range from a matter of days to years. As an example, you may provide funds to a bank by depositing your savings there. The bank pays you interest while they hold on to your money. Why? Because the bank will lend a good portion of your money out to others who are looking to borrow money from the bank — for a home, a car, a consolidation loan, etc. Those borrowers will then pay interest to the bank. Don't worry, banks and other financial institutions keep enough money on hand to give you back your money if and when you need it. Depositors' insurance, provided by the Canadian Deposit Insurance Company (CDIC), also helps protect depositors' money, up to a certain limit, should a bank ever get into difficulty.



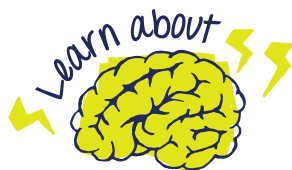
**TAX-FREE SAVINGS ACCOUNTS (TFSAs): THESE CAN BE A GOOD WAY FOR YOUNG PEOPLE TO SAVE MONEY. THE MONEY YOU CAN MAKE FROM INTEREST AND CAPITAL GAINS IN A TFSA IS TAX-FREE. CHECK OUT TFSAs. THEY ARE BECOMING VERY POPULAR.**

The banks earn an income on the “spread” — the difference between the interest they pay to savers and the interest they charge to borrowers. They also earn income in other ways too — such as fees.

You may also lend money to a company or government by buying “bonds” that they issue (sell). Bonds are like an I.O.U. If a government or company wants to raise money by borrowing rather than selling shares of ownership, they can sell bonds to borrow money over a certain period of time (e.g., 10 years). They will pay a certain amount of interest (e.g., 4%) to the bond holders. Bonds can change hands after they are issued and before they “mature.” A bond will have a maturity date when the amount borrowed will be paid back to whomever owns the bond on that date. For example, you can buy and sell bonds just like stocks — but in the bond market rather than the stock market.

You can also lend a government money by buying Treasury Bills, which is the way the government borrows funds for periods of less than a year (they use bonds to borrow funds for periods of more than one year).

Interest, then, is the income you earn by depositing your money in an institution, and lending money to others, for a period of time.



**NEXT TIME YOU ARE IN A FINANCIAL INSTITUTION, LOOK FOR THE POSTED INTEREST RATES. EXAMINE THE INTEREST RATES. HOW DO THE RATES OFFERED TO SAVERS COMPARE WITH THE RATES CHARGED TO BORROWERS? WHY DO THEY DIFFER? ARE DIFFERENT INTEREST RATES AVAILABLE TO SAVERS? IF SO, WHY DO THESE DIFFERENCES EXIST? ARE THERE DIFFERENT INTEREST RATES FOR DIFFERENT KINDS OF LOANS?**

## D. Inheritance

At some point in their lives, many Canadians receive inheritances. An inheritance is money or something of value you receive from the estate of someone who dies. At times, these amounts can be quite large because they may come from parents or guardians or other relatives who have spent an entire lifetime building up their savings, assets, investments, and so on.

For many Canadians, it is becoming harder to hold on to assets and pass them on to the next generation. More and more Canadians are having to use up their savings, or large portions of their savings, during their retirement. With fewer pensions available, as people live longer, and as many people require care in their elder years (in some cases very expensive care), savings can be used up.

When a person dies, what they leave behind in terms of money and other assets is referred to as their “estate.” If the person made a wise money decision, he/she will have prepared a legal will, usually with a lawyer, indicating what is to be done with the estate. Their estate may be divided among a number of people. Each person that receives something from the estate is a “benefactor.”

The will usually indicates one or more people to be the “executors” of the will. That is, that person, or persons, has the responsibility for making sure the requests made in the will are carried out properly. This is a significant responsibility. If you are ever asked to be an executor, make sure you learn about all that is involved.

Inheritances can often be in the form of assets, rather than money — assets such as houses, cars, cottages, and furniture. These may be passed on to others — or, may be sold for money. Sometimes things can get quite complicated if some family members want to sell an asset (e.g., cottage) but others want to keep it. It can often help if such decisions can be made before the person dies so that there are no serious conflicts or disagreements afterwards.

Although it is difficult to factor any income you may receive from inheritances into your financial planning, it is a form of income that affects many peoples’ lives.

At some point  
in their lives,  
many Canadians  
receive inheritance.



## E. Government Transfers

Many government programs provide money or goods and services. The Child tax benefit is an example of a government transfer paid to many parents with children under age 18. There are other government transfers, such as welfare, that go to those who are in particular need and who are able to provide evidence to the government that they are in need of financial assistance. Governments also provide employment insurance to help with income if a person becomes unemployed. Workers and employers contribute to Employment Insurance and if a person becomes unemployed, that person has to qualify for payments.

Governments will also subsidize (pay part of the cost of) such things as education and health care. This helps to lower the costs for people who qualify.

It is, however, important to note that income or goods and services that are received from government do not fall mystically out of the air. Canadian taxpayers pay for those programs through the money that they pay in taxes. Taxes are something you probably already know a lot about (because you already pay them — e.g., provincial sales tax and/or federal sales tax) and will likely learn a lot more about them in the future.

So money and benefits received from government are another possible source of income.

## F. Lotteries And Gambling

Good luck if you try! There are more and more opportunities, it seems, to gamble. Lottery tickets can be bought in many places. Slot machines, video lottery terminals (VLTs), and casinos seem to be popping up all over the place.

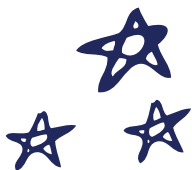
One thing to keep in mind is that they wouldn't be so popular if they didn't bring in lots of money. If they make a lot of money, that means a lot more people lose than win. The odds are usually against you winning — sometimes very much so.

So be very careful of gambling to try and make money. The risks favour losing rather than winning. And, there is the added risk of "addiction." There are people who lose thousands of dollars, tens of thousands of dollars, and even life savings by getting hooked on gambling. If you ever gamble for fun, make sure it is for fun. There are better ways — and less risky ways — of making money than by gambling.



DO YOU KNOW PEOPLE WHO HAVE TROUBLE WITH GAMBLING? DO YOU THINK YOU MAY HAVE A PROBLEM WITH GAMBLING? IF SO, CHECK OUT THE WEB SITE OF GAMBLERS ANONYMOUS ([HTTP://WWW.GAMBLERSANONYMOUS.ORG](http://www.gamblersanonymous.org)). THERE ARE MANY SOURCES OF HELP FOR THOSE WITH GAMBLING PROBLEMS.

These, then, are ways to get money. The most common ones for young people are usually income from employment and self-employment. Career planning and decisions will help chart a course towards jobs and future income. Let's look more closely into career planning. We'll then look at the self-employment option — and being an entrepreneur.



## Chapter Summary

### Say What? Possible New Terms!

1. **Financial independence:** having access to enough income to enjoy life without having to work if you do not wish to do so. You are not reliant on others for the money you need to live.
2. **Compound interest:** when savings earn interest, and the interest is added to the savings, this enables the savings to grow and earn more interest. Over the years more and more interest is added and this helps to build up the value of savings.
3. **Wage:** the hourly rate paid to a worker.
4. **Salary:** the annual amount paid to a worker.
5. **Stocks or shares:** represent part ownership in a company. “Shareholders” will receive a share of company profits based on the number of shares they own — if the company makes a profit and profits are distributed.
6. **Bond:** a way in which governments and companies can borrow money. A bond can be sold for a period of time and bondholders will be paid a set amount of interest. On the maturity date, the money will be repaid to the bondholder.
7. **Minimum wage:** the lowest wage that an employer can legally pay an employee.
8. **Disability insurance:** protection you can buy to provide an income in the event of a long-term illness or disability.
9. **Registered Retirement Savings Plan (RRSP):** a means of saving for retirement. Money deposited each year is tax deductible up to a certain maximum. Money is taxed when it is taken out of an RRSP.
10. **Registered Education Savings Plan (RESP):** a means to save for children’s education. Money deposited to the plan is not tax-deductible.
11. **Defined benefit pension plan:** a pension plan where the provider (company, government, etc.) commits to providing a certain amount of income each year when the employee retires.
12. **Defined contribution pension plan:** a pension plan where the provider commits to contributing a certain amount each year to the plan. There is no commitment to an annual payment in retirement.
13. **Capital gain:** is earned when an asset is bought at one price and sold at a higher price.
14. **Dividends:** the shares of a company’s profits that are given to shareholders.
15. **Stock exchange:** where buyers and sellers come together (not physically) to buy and sell stocks with the help of stockbrokers.
16. **Broker (or stock broker):** a person trained and licensed to buy and sell stocks.
17. **Estate:** the money and assets left by a person upon death.
18. **Benefactor:** a person who receives money or assets, as indicated by a will, from someone who has died.
19. **Executor:** the person or persons responsible for seeing that an estate is settled according to a will.

### Did It Stick? Can you recall ...?

1. What are the different possible sources of income?
2. What are the different ways of looking at retirement?
3. What is the difference between (a) wage, (b) salary, and (c) benefits?
4. Why is Canada experiencing a skilled labour shortage?
5. What are the things most important to you as you consider your career and the kind of jobs you want?
6. How can the forces of demand and supply affect job opportunities and wages and salaries?
7. What is “LMI”?
8. What are some of the factors that affect your job prospects?
9. What are some of the “benefits” you might be able to receive from an employer?
10. Why is it becoming more challenging for Canadians to be able to save for retirement?
11. What kinds of income can be made from investments?
12. Why are opportunities to gamble becoming more and more common?

### Thinkabout ... or discuss:

- 💰 How can you determine if you are a prospective entrepreneur?
- 💰 How feasible is it to achieve “financial independence” today? What are the keys to being able to achieve financial independence?
- 💰 What are some of the jobs/occupations where demand is likely to increase over the next decade? Decrease?
- 💰 How can young people get the best guidance and advice in making education, training, and career decisions?
- 💰 Why aren’t more young people going into skilled trades where there are jobs and good incomes?
- 💰 Is it true that more and more young people aim to live the lives they lived with their parents/guardians as soon as they leave home? Why? What are the consequences of this?
- 💰 What factors are leading young people to take on more debt at younger ages these days?

### Tech-Talk

In addition to the education and training you receive, work on developing your employability skills — the skills you need to enter, stay in, and progress in the world of work — whether you work on your own or as part of a team.

#### EMPLOYABILITY SKILLS

##### Communicate

- 💰 Read and understand information presented in a variety of forms (e.g., words, graphs, charts, diagrams).
- 💰 Write and speak so others pay attention and understand.
- 💰 Listen and ask questions to understand and appreciate the points of view of others.
- 💰 Share information using a range of information and communications technologies (e.g., voice, e-mail, computers).
- 💰 Use relevant scientific, technological, and mathematical knowledge and skills to explain or clarify ideas.

##### Manage Information

- 💰 Locate, gather, and organize information using appropriate technology and information systems.
- 💰 Access, analyze, and apply knowledge and skills from various disciplines (e.g., the arts, languages, science, technology, mathematics, social sciences, and the humanities).

##### Use Numbers

- 💰 Decide what needs to be measured or calculated.
- 💰 Observe and record data using appropriate methods, tools, and technology.
- 💰 Make estimates and verify calculations.

### Think And Solve Problems

- 💰 Assess situations and identify problems.
- 💰 Seek different points of view and evaluate them based on facts.
- 💰 Recognize the human, interpersonal, technical, scientific, and mathematical dimensions of a problem.
- 💰 Identify the root cause of a problem.
- 💰 Be creative and innovative in exploring possible solutions.
- 💰 Readily use science, technology, and mathematics as ways to think, gain, and share knowledge, solve problems, and make decisions.
- 💰 Evaluate solutions to make recommendations or decisions.
- 💰 Implement solutions.
- 💰 Check to see if a solution works, and act on opportunities for improvement.

### Demonstrate Positive Attitudes And Behaviours

- 💰 Feel good about yourself and be confident.
- 💰 Deal with people, problems, and situations with honesty, integrity, and personal ethics.
- 💰 Recognize your own and other people's good efforts.
- 💰 Take care of your personal health.
- 💰 Show interest, initiative, and effort.

### Be Responsible

- 💰 Set goals and priorities balancing work and personal life.
- 💰 Plan and manage time, money, and other resources to achieve goals.

- 💰 Assess, weigh, and manage risk.
- 💰 Be accountable for your actions and the actions of your group.
- 💰 Be socially responsible and contribute to your community.

### Be Adaptable

- 💰 Work independently or as part of a team.
- 💰 Carry out multiple tasks or projects.
- 💰 Be innovative and resourceful: identify and suggest alternative ways to achieve goals and get the job done.
- 💰 Be open and respond constructively to change.
- 💰 Learn from your mistakes and accept feedback.
- 💰 Cope with uncertainty.

### Learn Continuously

- 💰 Be willing to continuously learn and grow.
- 💰 Assess personal strengths and areas for development.
- 💰 Set your own learning goals.
- 💰 Identify and access learning sources and opportunities.
- 💰 Plan for and achieve your learning goals.

### Work Safely

- 💰 Be aware of personal and group health and safety practices and procedures, and act in accordance with them.

### WORK WITH OTHERS

- 💰 Understand and work within the dynamics of a group.
- 💰 Ensure that a team's purpose and objectives are clear.

- 💰 Be flexible: respect, and be open to and supportive of the thoughts, opinions, and contributions of others in a group.
- 💰 Recognize and respect people's diversity, individual differences, and perspectives.
- 💰 Accept and provide feedback in a constructive and considerate manner.
- 💰 Contribute to a team by sharing information and expertise.
- 💰 Lead or support when appropriate, motivating a group for high performance.
- 💰 Understand the role of conflict in a group to reach solutions.
- 💰 Manage and resolve conflict when appropriate.

### Participate In Projects And Tasks

- 💰 Plan, design, or carry out a project or task from start to finish with well-defined objectives and outcomes.
- 💰 Develop a plan, seek feedback, test, revise, and implement.
- 💰 Work to agreed-upon quality standards and specifications.
- 💰 Select and use appropriate tools and technology for a task or project.
- 💰 Adapt to changing requirements and information.
- 💰 Continuously monitor the success of a project or task and identify ways to improve.

\*Source: Conference Board of Canada.  
<http://www.conferenceboard.ca/topics/education/learning-tools/employability-skills.aspx>



HOW ARE YOUR “EMPLOYABILITY SKILLS?” THINK ABOUT EACH OF THE SKILL AREAS BELOW AND DO A LITTLE SELF-ASSESSMENT AS TO WHERE YOU THINK YOU ARE AT THE MOMENT. REVIEW THE DETAILS FOR EACH EMPLOYABILITY SKILL ON THE PREVIOUS PAGE AS YOU COMPLETE YOUR PERSONAL ASSESSMENT.

1. How is your ability to think and solve problems?

Needs lots  
of work

1

2

3

A real strength  
of mine

4

5

2. Do you generally demonstrate positive attitudes and behaviours?

Not  
really

1

2

3

4

5

Most of  
the time

3. How responsible a person do you think you are?

Needs to be  
much better

1

2

3

4

5

Very  
responsive

4. How adaptable are you?

Not very  
adaptable

1

2

3

4

5

Very  
adaptable

5. Are you a “continuous” learner — looking for new opportunities to learn and taking advantage of them?

Not  
really

1

2

3

4

5

Learning  
all the time

6. Do you generally act in a safe manner and respect your health and the health and well-being of others?

could do  
much better

1

2

3

4

5

yes, most  
of the time

7. Do you work well with others and work well as part of a group or team?

Not  
really

1

2

3

4

5

yes,  
very well

8. Do you participate positively and productively in undertaking projects and tasks?

could do  
much better

1

2

3

4

5

yes,  
very well

9. What do you see as your five most positive and well developed skills and attributes that would enhance your chances of getting a job?

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_

10. What do you think are the five skills or attributes that you could likely improve upon to enhance your future employment prospects?

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_

11. Would you hire you for a job? If so, for what kind of work? If not, why not? What can be done to improve your prospects for building a successful future in the workplace.

# Career under Construction – Investing in You

Let's discuss...

- 💰 You – and your confidence in you
- 💰 Career planning
- 💰 Finding a job
- 💰 Preparing a résumé
- 💰 Preparing for a job interview

## "Which Way Do I Go?... Which Way Do I Go?"

Before we get into looking at planning and picking a career, let's start with something very important — you! How are you doing? How are you feeling? What do you see as you look into your future — your options and possibilities? And, let's look at how some things in your past may have had an impact on how you see your future.

To begin, let's start with a test. Take a look at the set of figures below and select the one that doesn't belong.

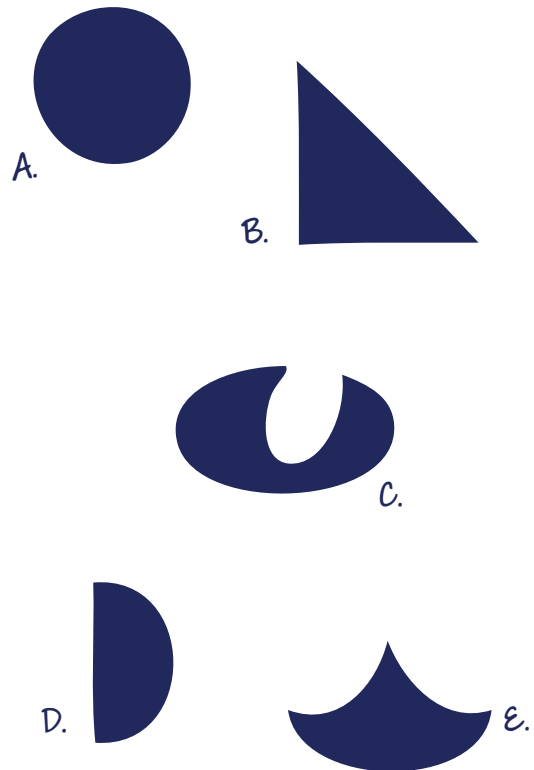
This set of figures appeared in a book entitled *A Whack on the Side of the Head* by Roger von Oech. In that book, he gives the following response to the "test" you just took.

*"If you chose figure B, congratulations! You've picked the right answer. Figure B is the only one that has all straight lines. Give yourself a pat on the back!"*

*Some of you, however, may have chosen figure C, thinking that C is unique because it is the only one that is asymmetrical. And you are also right! C is the right answer. A case can also be made for figure A: it is the only one with no points of discontinuity. Therefore, A is the right answer. What about D? It is the only one with both a straight line and a curved line. So, D is the right answer too. And E?*

*Among other things, E is the only one which looks like a projection of a non-Euclidean triangle into Euclidean space. It is also the right answer. In other words, they are all right depending on your point of view.*

*Much of our educational system, however, is geared toward teaching people the one right answer. . . the "right answer" approach becomes deeply ingrained in our thinking. . . if you think there is only one right answer, then you will stop looking as soon as you find one."*



von Oech, Roger. *A Whack on the Side of the Head*. New York: Warner Books, 1983

This is particularly true for those who have come through a school system that focused on “right answer” learning. You probably have taken, and will take, test after test, quiz after quiz, and exam after exam. The student who entered school full of excitement, creativity, and hopes for the future may have had those hopes drift away with “A’s” turning to “B’s,” then to “C’s” and then who knows where eventually. As the famed educator Neil Postman said: “Students enter school as question marks and leave as periods.”

There is no doubt about it, the school system works very well for many students. But it also does not work particularly well for many others. Some students, for example, may have many talents but do not do well in written exams. They often end up on the lower end of the grade scale. They are put on a level somewhat below others – others who were able to take notes, study from books, and score well on tests. What is the impact of this?



IS YOUR INTEREST IN SCHOOL STILL HIGH? ARE YOU MOTIVATED AND INSPIRED AND FEEL YOU ARE BENEFITTING FROM SCHOOL? OR, HAVE YOU LOST SOME INTEREST AND ARE STRUGGLING TO FEEL MOTIVATED?

First, the dreams and hopes of some students are affected. They lose self-confidence. They lower their expectations of themselves. They start to “give less” and as a result “get less.” Their overall self-esteem takes a beating. The reality of this is shown by the drop-out rate from many schools. Some young people decide school is not working for them. It isn’t providing what they need, or perhaps what they want.



DOES ANY OF THIS APPLY TO YOU? IT MAY NOT. YOU MAY BE THRIVING IN SCHOOL, HAPPY WITH SCHOOL, DOING WELL AND LOOKING AHEAD TO A BRIGHT FUTURE. BUT, ON THE OTHER HAND, YOU MAY STRUGGLE IN SCHOOL. YOUR TEST RESULTS MAY NOT BE THE GREATEST. YOU MAY BE CONCERNED ABOUT WHERE YOU’LL GO FROM HERE – AND WHAT OPTIONS YOU MAY HAVE. HOW GREAT IS THE “FIT” BETWEEN YOU AND SCHOOL.

Poor Fit

1

2

3

4

5



Great Fit

So your school experience and performance so far may have had an impact on your outlook for the future. And your outlook – and belief in yourself and your potential – is very important when it comes to career planning. It can affect your goals, hopes, and dreams. It can affect what you think you can do and the career options you consider. No matter what your school experience has been, look at who you are. What skills and abilities do you have? Which might you want to develop? Have you had success in sports, dance, acting, music, and so on? These can be very important – and provide experiences and skills to build upon.

So consider and value your accomplishments. If you have accomplished some things in life, this can build confidence in what you think you can accomplish in the future. But, many young people have little appreciation for the things in life they have accomplished. Therefore, they lack a sense of accomplishment and a belief that they can accomplish new things.

Many young people think only about longer-term goals such as careers, jobs, incomes, and families. They often don't think about many other things in life they may have already achieved — in sports, in school, in theatre, in dance, in the community, with their family, at work, and so on — they may be thinking they don't matter, don't count, or aren't important. But they are. All accomplishments matter. And, if you want to accomplish bigger things, you have to develop skills by accomplishing smaller things.

Have you learned to swim, ride a bike, drive a car, use a computer, drive a boat, build a deck, plant a garden, make a dress, or paint a room? The list could go on and on. How long is your list? Recognition of our accomplishments helps to build self-confidence. And, self-confidence is one of the most important things employers look for — and one of the most important characteristics for any entrepreneur.

So, hold on to your hopes and dreams. Work on your self-confidence. Think of your successes and accomplishments — large, or small, or anything in between.

Set some short-term goals for yourself and work to achieve them. Prove to yourself that you can do what you put your mind — and hard work — to achieving.



WHAT TWO THINGS DO YOU ENJOY MOST IN LIFE? WHAT CAREER POSSIBILITIES ARE THERE IN THESE TWO AREAS?

WHAT ARE YOU "BEST" AT IN TERMS OF YOUR OWN ABILITIES? ARE THERE CAREER POSSIBILITIES THAT FIT WITH THESE TALENTS?



## Career Planning: Some Suggestions To Consider

The following are some suggestions and tips related to thinking about a career and building a career plan.

- Apply the decision-making steps that were discussed earlier to help you decide on your career interests. Few decisions are more important for you than selecting the career that's best for you.
- Do volunteer work to gain experience, learn more about some occupational areas that are of interest, and broaden your outlook into other areas to learn more. This will help you to determine whether or not you would enjoy working in a particular field. Furthermore, you will probably get personal benefit from the experience, benefit others at the same time, and volunteer experience generally makes a positive impression on a résumé.
- Consider careers that might be related to a hobby or something you enjoy (for example: sports, movies, music, science, camp, computers, travel).
- Be honest with yourself in assessing your talents and abilities. You should never lower your sights below your true potential. At the same time, you should avoid setting your sights so high that you are likely to be frustrated and disappointed.
- Nothing is more important today in getting a job and planning and starting a career than networking. Connecting with people, seeking advice, and getting help is very important. Don't hesitate to use your connections. Others don't. Build a network — then use it.
- Set goals. Set your sights on what you want to achieve. Work toward something. Don't meander down the road and occasionally stop to see where you are. That may be a nice way to see Europe, but it's a poor way to find a career. Furthermore, don't set only long-term goals. Set some short-term goals, too. Give yourself a chance to succeed.
- Learn from your mistakes and disappointments. Mistakes are powerful learning experiences. They are stepping stones to future success. Apply that attitude to everything you do.



**Take action. Take control!**

Networking is crucial in getting a job and building a career. How effective is your network already? If you had to identify five people in your network to call upon for career or job advice, who would they be? What kind of help would be good for you to have? Who could provide that for you? Who might be good to add to your network? Who could help you build your network? Young people today are very familiar with social networking. Draw upon these skills and experiences to network re your career and finding a job.



IDENTIFY A “TREND” YOU BELIEVE IS JUST GETTING STARTED. WHAT TYPES OF JOBS DO YOU THINK WOULD BE HELPED IF THIS TREND REALLY DEVELOPED? CAN YOU IDENTIFY TWO OR THREE TRENDS THAT HAVE BEEN BIG OVER THE LAST TWO YEARS THAT LED TO CAREER AND EMPLOYMENT OPPORTUNITIES FOR MANY PEOPLE?

- Talk with people who are working in careers that interest you. You can learn a great deal about many career options from talking to someone who is already involved in a particular career.
- Talk with a range of people. Don’t judge a career on the basis of discussions with one or two people. People have different talents, different experiences, and different interests. What doesn’t work for them may work for you.
- Plan for the future, not the present. Look ahead, not to the side. Observe trends. Watch for changes. Look where everyone else is going, and realize that if they are all heading there, it’s likely to be pretty crowded. Do you still want to head in that direction? Or, might you want to change course?
- Know why you want to work. What do you want out of your career? Are you working strictly for an income? Are you concerned about the working environment, how mobile you can be in the job, opportunities for advancement, job satisfaction, the people you will work with, the benefits that may accompany the income? There are many possible factors that might be related to why you want to work – and the type of work you want to do. Include these in your career plans and decisions.
- Regard your career as a path of lifelong learning and development. Keep on top of developments in your field. Pursue new training if you are able and interested. Lifelong learning is a valuable concept. Many, if not most, people will have four or more different careers in their lifetime – or more.
- Keep your options open. Make sure you don’t slam the door on yourself by making poor course selections in school.
- Look beyond the most obvious career options. Some of the less known careers can be the more interesting ones. Furthermore, far fewer people may be preparing for them, which may help when hiring time comes along. You can review almost 200 different career options via videos on the Canadian Foundation for Economic Education’s (CFEE) “VECTOR” web site. These 5–6 minute videos profile people working in a wide range of occupations. There is information on the education required, average income, and so on. You can view the videos at <http://www.vector.cfee.org>.
- Look beyond your own front door to see what’s going on. Look at what’s going on in other communities, other provinces and territories, across the country, and in other countries around the world.
- Don’t be your own worst enemy. Don’t get down on yourself. Don’t have a negative state of mind. You have a lot of control over what goes on inside your head. You can affect your attitude and how you act – and how you come across to others. Attitude means so much. It makes a huge impression. Be your own biggest booster.
- Know your strengths and work on them. Recognize the talents that you have, and then build on and develop them.
- Learn how to cope with stress. Identify what puts pressure on you. Do what you can to minimize those things. Deflect the pressures. Learn how to relax. Avoid burnout. Learn how to keep your cool. That can affect your success in the workplace – and as an entrepreneur.

## Some Tips On Finding A Job

There are many different approaches to looking for a job. It would be a good idea for you to read up on some of the different methods. The following represent a number of general tips for your consideration.

- Recognize that finding a job is hard work. Develop a plan and a schedule for yourself in terms of what you are going to do on a day-by-day or week-by-week basis to find a job.
- Make contacts. Make as many contacts as you can with people who work in the type of business or field in which you are seeking employment. Keep a record of your contacts. You never know when they may come in handy.
- Do your research. Learn about a company when you are applying to work there. You might want to take a look at the company's annual report. Try and impress them with what you know about the company.
- Don't rely on a résumé (see the next section on résumés). A résumé should be a tool in your job search, it can't do it all for you.
- Don't count on seeing ads for employment in the newspaper. The majority of jobs are probably never advertised. That is why networking, and using contacts, is so important.
- Don't waste time on gimmicky approaches. They usually won't work and they often have a negative, rather than a positive, impression. Be direct, truthful, and businesslike.
- Set non-employment goals for yourself. A job search should not be singularly focused on getting a job. Set targets for number of contacts, number of interviews, and other related tasks. Meet your objectives. Keep at it. Set new dates and targets.
- Recognize that finding a job takes time. Don't wait until April or May to find a summer job. Start in January. Don't think finding a job takes a week. It often takes a lot longer. Using "connections" can help shorten the time — if you have connections to use.
- Contact local, provincial, and federal government placement centres to explore the programs that focus on youth.
- Watch the local papers for announcements regarding the activities, plans, and growth of local businesses and industries. Some developments may indicate that a business will be looking for workers.
- Maintain a good appearance. This does not mean that you can't be yourself. However, you may have to face certain realities in the workplace. Some styles popular among youth may not be as popular among potential employers. Just as you have the right to be yourself, they have the right to hire those they feel will be best for the job. You may have to decide on the degree to which certain styles are important to you versus the prospect of getting a job. This is often a difficult decision, especially for youth who are very much involved in trends, fashion fads, and so on. As much as you may be attempting to convey a message about yourself through style, businesses have their own protocols and standards, and dealing with some of the more unusual fads and trends of youth are often not one of them. Once again, it is up to you to make the call on your dress and appearance.
- Be confident in yourself. People will be hesitant to hire someone who doesn't convey the message that he/she is able to do the job. If it looks like you don't have confidence in you, they probably won't have confidence in you either.
- If you are turned down for a possible job, try to learn from the experience. Follow up on any contact or experience. Ask interviewers for a review of how you did and suggestions for how you could improve your performance in a job interview or on your résumé.
- Have references available to provide if needed. Make sure your references know you are providing their names as references and get their permission. If a possible employer is planning to contact your references, let your references know to expect a call.



Assume that you are about to begin a search for a job. Make a list of the steps/actions you could take that would help you find a job. Note such things as who you would approach, what offices you would visit, what businesses you would contact, whose advice you would seek, or what information you would write, and so forth.

- Consider doing volunteer work to gain experience.
- Don't pressure yourself to "know" what it is that you want to do. Give yourself the chance to fully explore various options and alternatives. Avoid pressure to make some decision at an early age about what you are going to do for the rest of your life.
- Be organized. Keep clear and thorough notes and records. Keep track of your contacts. Keep files on companies in which you are interested. Collect articles providing advice on résumés and job search techniques.
- Have a good résumé — one that makes a good impression — one that says "put me near the top of the pile." A poor résumé will scream "put me near the bottom" — or in the trash.

## Tips On Preparing A Résumé

A résumé is a written summary of your work, education, and experience as well as other abilities you have that make you a candidate for a particular job. It is your "ad," if you like, illustrating your strengths and abilities and why you would be a good person to hire for a particular job.

Most young Canadians have had little experience in preparing résumés. But yet résumés are an important tool for you in your job search. There is no standard format. You should investigate different approaches and styles to develop the résumé that best suits you and the job for which you are applying.

It is important to note that you should never send in your résumé alone. You should always include a covering letter. The covering letter should be specific to the job for which you are applying. You should introduce yourself, state why you are interested in the position, and why you think you are well suited for the job. Your cover letter should be no longer than one page — a page and a half at most. Therefore, conserve words. Be clear and concise. Most employers will have many letters and résumés to read and review. They won't spend a long time on any single one. You will have to have yours make a quick, and good, impression.

In addition, check grammar and spelling carefully. Nothing will get a résumé to the bottom of the pile quicker than spelling mistakes and bad grammar.

The following are some general tips for preparing a résumé.

- Your objective with your résumé should be to sell yourself. It should represent you well, covering all of your strengths, skills, accomplishments, and abilities. You want it to show, as best it can, how you stand out from other applicants.
- Don't trivialize your accomplishments. Some things that may seem small to you may be a sign to a potential employer of particular skills and abilities. For example, babysitting may seem like a trivial thing to note.

However, considerable babysitting experience shows responsibility. It also shows that you took the initiative to get out and work and earn some income. The responsibility of looking after a child is far from trivial and can reflect the confidence that other adults have had in your abilities.

- Be proud of things you have done. Think of what they may imply about you and your abilities.
- Avoid gimmicks. They usually do not impress. Furthermore, it is the content, rather than the style or format, that will make your résumé stand out. Therefore, don't go to a great deal of effort and expense to have your résumé prepared in some fancy fashion.
- Although content is more important than format, format is important too. Prepare your résumé neatly on good quality paper and bind it well and attractively if submitting a hard copy.
- Do not include a long list of personal statistics such as age, height, and weight. This is excess information. Simply indicate your name, address, contact numbers, and any abilities you have in speaking various languages.
- Keep in mind that your résumé should answer the following questions for a potential employer: Why should I pick you? Why are you right for this job? Why are you better than the other applicants?
- When you can, present your résumé in person rather than by mail or e-mail. It puts a face to the paper and may provide you with an early opportunity to make a positive impression.
- Quantify your accomplishments where possible. How many children did you care for or supervise? For how long? How many children were you responsible for at camp? How many newspapers did you deliver? When the numbers help to convey the scale of your activity or responsibility, use them.
- Use action words to describe your responsibilities and accomplishments, words such as: organized, created, demonstrated, supervised, managed, co-ordinated, developed. These words imply particular abilities and skills. Furthermore, even if the activity that you co-ordinated is unrelated to the job for which you are applying, the fact that you have served as a co-ordinator could be very relevant.
- Keep the structure of your résumé as flexible as possible so that you can easily change it. You may recall something you want to add, or you may want to tailor it for a specific job application.
- Keep it up to date. Change it when you acquire more education or experience — or when you develop a new skill.
- Offer references upon request; do not include them on your résumé. Do not put a great deal of reliance on letters of reference. Most employers feel that it is the rare person who will not be able to find someone who will say nice things about him or her. Besides, it is often difficult for employers to know if the letters are from friends. On the other hand, some references may be particularly helpful if they are from persons known by the company — or who are with a company in a similar line of work. Often an employer will contact references before making the final decision to hire you. They will do so to make sure your references help support their decision, and to make sure there are no surprises.

Suppose now that you have organized your job search, you have prepared an effective résumé, you have developed a network of contacts, and you have been asked in for an interview. The following are some tips related to job interviews.



Assume that you are applying for a job as a camp counsellor at Camp Buckhorn. The Camp specializes in offering programs for children with discipline problems. Write a covering letter outlining why you are interested in this job and why you think you are suited for it. Then develop a résumé to accompany your letter. If a school counsellor is available, ask for a review of your letter and résumé. If a counsellor is not available, a teacher or a family member should be able to offer a knowledgeable review.

## Tips On Job Interviews

The interview is usually the last step in the job search process. Everything up to that point – contacts, cover letter, résumé, and so on – has been designed to give you a chance to meet with the employer and show why you should be hired. Virtually no job will be attained without going through an interview process. It is a fearful experience for some, but an enjoyable experience for others. If it is a fearful experience for you, you have got to change that. When you are fearful or overly nervous, you will seldom put your best side forward. The most important piece of advice regarding interviews is to be you.

If you go into an interview trying to give the “right” answers, you will almost always enter in a nervous state as you try and think of “right” answers when you don’t even know the questions you will face. If you go in knowing who you are and what you believe in, then you can feel confident that you will always give the best response you can based on what you truly believe. Therefore, be confident about who you are. A key recommendation is to go into an interview prepared to be yourself and answer questions on the basis of what you honestly believe. Now here are some others.

- Dress appropriately. You are out to make an impression. Don’t work against yourself by giving the impression that you don’t care or that you don’t respect the people who are interviewing you.
- “Mind your manners.” Once again, you are selling yourself.
- Be prepared for different interview styles. You have to realize that it is not easy to hire good people. Employers will use a variety of methods to try to ensure that they hire the best person for the job. Hiring is an important responsibility for any employer.
- Know your rights. There are certain questions that you cannot be asked and certain things that employers cannot do in screening potential employees.



Some interviewers use the “good cop, bad cop” technique. This is an interview by two people, one of whom appears to be friendly and supportive of things that you say while the other will tend to disagree with you and be somewhat unfriendly. The aim of this may be to see how you cope in both situations and how you react to criticism. Sometimes you will be interviewed by a team of people. Each member of the team may have something in particular that he or she is looking for. A team interview means that you will face a variety of approaches and objectives all in the same interview.

And there are other interview techniques. Be prepared for a variety of approaches. This is another reason to be yourself – you never know the type of situation that you may face.

### Be Prepared:

#### Sample Questions Employers May Ask in a Job Interview

- I. Why do you want to work in this field?
2. Why do you specifically want to work for this company?
3. What do you know about our company?
4. Why do you feel you are the right candidate for this job?  
What do you think you can bring to this company?
5. What things are important to you in the type of position you want?
6. How has your education prepared you for this type of job?
7. Which school courses did you like most and why?
8. Do you plan to continue your education?
9. What are your short-term goals?
10. Where do you see yourself in 5 years?
- II. What do you like to do in your leisure time?
12. What are a couple of accomplishments in your life that have given you the most satisfaction and why?
13. What are some skills that you feel you have gained from your past employment and education?
14. What motivates you to put forth your best effort?
15. What is your greatest strength?
16. What is your greatest weakness?
17. What are your salary expectations?
18. What hours are you willing to work?
19. Are you flexible in these hours? Can you work overtime if necessary?
20. Are you willing to travel?

(Source: The Government of Manitoba [Copyright Notice: [www.gov.mb.ca/legal/copyright.html](http://www.gov.mb.ca/legal/copyright.html)];  
Disclaimer Notification: [www.gov.mb.ca/legal/disclaimer.html](http://www.gov.mb.ca/legal/disclaimer.html))



## Questions Employers Are Not Able to Ask in a Job Interview

1. What health problems do you have?
2. Do you have any disabilities?
3. Have you ever been denied health insurance?
4. When were you hospitalized the last time?
5. Is any member of your family disabled?
6. Do you have AIDS?
7. Have you ever been addicted to drugs?
8. When was your last medical checkup?
9. How old are you?
10. When were you born?
11. When were you married?
12. How old are your children?
13. Where were you born?
14. What church are you a member of?
15. Does your religion prevent you from working weekends or holidays?
16. Are you a member of any religious group?
17. What's your sexual orientation?
18. Are you married, divorced, separated, or single?
19. Were you ever arrested?
20. What is your economic situation or status?

(Source: [www.careerblueprint.com](http://www.careerblueprint.com))

- Go to as many interview situations as you can to become familiar with the processes/styles that employers use. This will help you to become more confident. Each interview can be a learning experience.
- If you are turned down after an interview, try to follow up. If the interviewer will take the time, ask for suggestions about how you could improve your interview skills; ask if you might be considered again in the future; and so on. Learn as much as possible from each interview experience.
- Role play in advance. That is, work with someone if you can to rehearse an interview. Ask a parent, teacher, counsellor, or friend to ask you questions so you can practice your responses.
- Be enthusiastic. Appear as if you want the job.
- Don't be long-winded. Keep your answers informative, concise, and to the point. Be sure to answer the question asked but don't go on and on. Try to avoid yes and no answers. The interviewer is trying to find out about you and will become frustrated by yes and no responses.

And, don't be afraid to ask your own questions. If you have particular questions about the job, ask them. This shows you are interested and have put some thought into the job. At the same time, don't be overly anxious about asking questions about raises, holidays, and so forth. These are important questions, but you will have a chance to ask them once you have been offered a position. Most employers would consider it appropriate for you to ask about the starting wage/salary if you don't already know it.

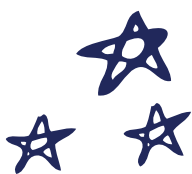
- Don't be afraid to have, or take, notes during the interview. But don't do this to the point of distraction.
- Give yourself time to prepare, time to think, and time to organize yourself in advance for an interview.
- Don't oversell yourself. Be forthright and honest. Put your best foot forward, but avoid the "hard sell" of you.
- Maintain your self-control at all times. Don't argue. Keep cool and keep your composure should any disagreement arise.
- Enter an interview assuming you will receive equal treatment with others. Don't assume that the employer will not be fair. If he/she isn't, it will probably soon become apparent. At the outset, give the employer the benefit of the doubt, which will make you feel more confident, too.



**SUPPOSE YOU HAVE BEEN SUCCESSFUL IN GETTING AN INTERVIEW FOR THE JOB AT CAMP BUCKHORN. IMAGINE HOW YOU WOULD ANSWER THE FOLLOWING QUESTIONS.**

- Why do you think that you would be able to work effectively with these children?
- What do you think are your greatest strengths?
- Do you foresee any situations in which you would have problems?
- What experience have you had with children?
- If you are given the opportunity to develop some programs for these children, give me an example of something you might do.
- What would you do if a child refused to do what you told him/her?
- Do you feel your education has prepared you in any way for this job?
- What would you see as your major responsibilities in this position?
- Do you take criticism well?
- In which situations are you "your own best friend"?
- In which are you "your own worst enemy"?

That concludes our tips on career planning, résumés, job search, and interviews. These will hopefully help if your goal is to get a job working for someone else. But maybe you are interested in creating your own job — and starting a business. That is, maybe you are interested in becoming an entrepreneur. Let's turn our attention to the topic of entrepreneurship. And, even if you aren't interested in starting and running your own business, you may be interested in developing your entrepreneurial and enterprising skills. They can help you in any job or career.



## Chapter Summary

### Say What? Possible New Terms!

1. **Career plan:** the steps and strategies taken to explore career options, set career goals, and obtain the required education, training and experience to achieve career goals.
2. **Career path:** various career stages over the course of one's life. Many people will have multiple jobs over time building up to a career path.
3. **Covering letter:** a letter written to accompany a résumé and is written specifically for a job for which you are applying.
4. **Résumé:** sometimes called a "curriculum vitae," or "CV," this is a summary of your work, education, and experience as well as other abilities you have that make you a candidate for a particular job.
5. **References:** letters or comments from people you know regarding your abilities, characteristics, skills, etc. that an employer may refer to in making a hiring decision.

### Did It Stick? Can you recall ...?

1. Why is it important to have confidence in yourself?
2. How can school experiences affect one's self-confidence, goals, and hopes?
3. What are some key tips in putting a career plan together?
4. What are some key tips when trying to find a job?
5. What are some key tips when putting together a résumé?
6. What are some key tips when preparing for, or participating in, a job interview?
7. What are some questions that employers are not able to ask you in a job interview?

### Thinkabout ... or discuss:

- |   |   |
|---|---|
| 💰 Overall, has your school experience had a positive or negative effect on your self confidence?  | 💰 How would you assess the quality of career counselling provided to students? How do you think it could be improved? |
| 💰 How could schools do a better job of reaching, engaging, and motivating a broader range of students?  | 💰 What are the most important steps in a career plan?   |
| 💰 To what extent do you think schools should be preparing students for careers and work compared with other responsibilities assigned to education? | 💰 What are the most common mistakes young people make with résumés and in job interviews?                             |

### Tips and Suggestions

- 💰 Self-confidence is key in getting a job and succeeding in the workplace. Find ways to build your self-confidence.
- 💰 Don't pressure yourself at an early age "to know" what you are going to do in terms of a career in life. You may know — and that's great. But many people don't get into their ultimate career field until post-secondary years — and beyond. Keep your eyes, ears, and options open.
- 💰 Do what you can to explore a range of career options. Don't find out years later about a career possibility that you would have loved to pursue.
- 💰 Most young people have a very limited knowledge of the kinds of careers that are available or evolving. Use the CFEE "VECTOR" web site, or any other site or resource you can, to learn as much as possible about the range of careers available.

### Tech-Talk

You may wish to do Internet searches to learn more about:

- 💰 Career planning
- 💰 Looking for a job
- 💰 Preparing a résumé
- 💰 Preparing for a job interview
- 💰 Career networking

**The following are some web sites that might be helpful to you.**

**Federal Government  
Service Centres**

[www.servicecanada.gc.ca/cgi-bin/hr-search.cgi?app=hme&ln+eng](http://www.servicecanada.gc.ca/cgi-bin/hr-search.cgi?app=hme&ln+eng)

*To find information about a location, you can search the web site. You may search centres by province or territory, city or town, or postal code.*

**Web Sites Providing Job  
and Employer Information**

**Alberta Jobs**

[www.albertajobs.com](http://www.albertajobs.com)

**British Columbia Jobs**

[www.britishcolumbiajobs.com](http://www.britishcolumbiajobs.com)

**Canada Jobs**

[www.canadajobs.com](http://www.canadajobs.com)

**Manitoba Jobs**

[www.manitobajobs.com](http://www.manitobajobs.com)

**New Brunswick Jobs**

[www.atlanticjobs.com](http://www.atlanticjobs.com)

**Newfoundland Jobs**

[www.atlanticjobs.com](http://www.atlanticjobs.com)

**Northwest Territories Jobs**

[www.nwtjobs.ca](http://www.nwtjobs.ca)

**Nova Scotia Jobs**

[www.atlanticjobs.com](http://www.atlanticjobs.com)

**Nunavut Jobs**

[www.nunavutjobs.net](http://www.nunavutjobs.net)

**Ontario Jobs**

[www.ontariojobs.com](http://www.ontariojobs.com)

**Prince Edward Island**

[www.atlanticjobs.com](http://www.atlanticjobs.com)

**Quebec Jobs**

[www.quebecjobs.com](http://www.quebecjobs.com)

**Saskatchewan Jobs**

[www.saskjobs.com](http://www.saskjobs.com)

**Yukon WorkinfoNET**

[www.yuwin.ca](http://www.yuwin.ca)

**List of Job Search Sites**

**Canada Job Bank**

[www.jobbank.gc.ca](http://www.jobbank.gc.ca)

**Canada Jobs**

[www.canadajobs.com](http://www.canadajobs.com)

**Canjobs**

[www.canjobs.com](http://www.canjobs.com)

**CareerExchange**

[www.careerexchange.com](http://www.careerexchange.com)

**EmployCanada.com**

[www.employcanada.com](http://www.employcanada.com)

**HotJobs.ca**

[www.hotjobs.ca](http://www.hotjobs.ca)

**Jobboom.com**

[www.jobboom.com](http://www.jobboom.com)

**Monster.ca**

[www.monster.ca](http://www.monster.ca)

**Workopolis**

[www.workopolis.com](http://www.workopolis.com)

**Current “Hot Jobs”**

**Labour Market Information**

[www.labourmarketinformation.ca/standard.aspx?pcode=lmiv\\_main&lcode=e](http://www.labourmarketinformation.ca/standard.aspx?pcode=lmiv_main&lcode=e)

**Making Career Sense of**

**Labour Market Information**

[www.makingcareersense.org](http://www.makingcareersense.org)

**Alberta Occupational Profiles**

[www.alis.gov.ab.ca/occinfo](http://www.alis.gov.ab.ca/occinfo)

**Canadian Careers Industry Information**

[www.canadiancareers.com/sector.html](http://www.canadiancareers.com/sector.html)

**JobProfiles.org**

[www.jobprofiles.org](http://www.jobprofiles.org)

**National Occupational  
Classification (NOC)**

[www5.hrsdc.gc.ca/NOC/](http://www5.hrsdc.gc.ca/NOC/)

**The Alliance of Sector Councils**

[www.councils.org](http://www.councils.org)

**Associations in Canada Helping Those  
with Disabilities to Find Employment**

**National Educational Association of  
Disabled Students**

[www.neads.ca](http://www.neads.ca)

**Neil Squire Society**

[www.neilsquire.ca](http://www.neilsquire.ca)

**Persons with Disabilities Online**

[www.pwd-online.ca](http://www.pwd-online.ca)

**Workink**

[www.workink.com](http://www.workink.com)

**Helpful Organizations if You  
Are Interested in Volunteering**

**Charity Village**

[www.charityvillage.com](http://www.charityvillage.com)

*Charity Village Volunteer bulletin board posts current volunteer positions available across the country.*

**Volunteer Canada**

[www.volunteer.ca](http://www.volunteer.ca)

*Volunteer.ca is Volunteer Canada's Web Site for information on volunteering. Volunteer Canada is the national voice for volunteerism and has provided leadership on issues and trends in the Canadian volunteer movement since 1977. Volunteer Canada actively engages in research, training, and other national initiatives designed to increase community participation across the country. Volunteer.ca provides details and links to the Canada Volunteerism initiative, national events, a directory of organizations, and statistics and facts about volunteering in Canada.*

# Are You an Entrepreneur?

Let's discuss...

- |  |   |
|--|---|
| What is an entrepreneur or an enterprising person? | Hunting for and assessing opportunities               |
| Contributions of entrepreneurs                     | Generating and assessing ideas                        |
| Common entrepreneurial skills and characteristics  | The importance of planning — and planning for success |
| What's involved in creating a venture?             |   |

You may or may not be familiar with the term “entrepreneur.” Even if you are, you may have some misperceptions of entrepreneurs because there are many myths about them. For example, many believe that entrepreneurs only start up small business enterprises. Although many entrepreneurs set up and run small businesses, you can also apply entrepreneurial skills to other kinds of activities — within companies, within governments, running a not-for-profit organization, and so on.

Let's take a closer look at entrepreneurs and entrepreneurship and whether or not it is an option of interest to you. Let's start with a quick quiz. The answers follow the quiz — but try the quiz first without looking at the answers. The goal is to help you decide if being an entrepreneur is something of interest to you.

## A. Entrepreneur's Quiz

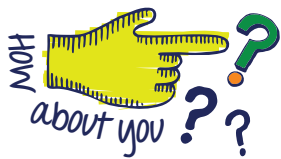
- Faced with a problem, the entrepreneur is most likely to:
  - go to a close friend for help;
  - get help from a stranger who is known to be an expert;
  - try to work through the problem alone.
- The entrepreneur is most like the distance runner who runs mainly:
  - to work off energy and to keep in good physical condition;
  - to gain the satisfaction of beating other competitors in the race;
  - to try to better his or her previous time over the distance.
- Entrepreneurs are motivated most by the need to:
  - achieve a goal of greater personal importance;
  - gain public attention and recognition;
  - control wealth and other people.
- Entrepreneurs believe the success or failure of a new venture depends primarily on:
  - luck or fate;
  - the support and approval of others;
  - their own strengths and abilities.
- If given the chance to earn a substantial reward, which of the following would entrepreneurs be most likely to do:
  - roll dice with a one in three chance of winning;
  - work on a problem with a one in three chance of solving it in the time given;
  - do neither (a) nor (b) because the chances of success are so small.
- The entrepreneur is most likely to choose a task:
  - which involves a moderate level of risk but is still challenging;
  - where the risks are high but the financial rewards are also very great;
  - which is relatively easy and the risks low.
- Money is important to entrepreneurs because:
  - it allows them to develop other ideas and take advantage of other opportunities;
  - monetary measurements provide an objective measure of how successful they have been;
  - the main reason they accepted the risks of starting a new venture was to accumulate personal wealth.

## Answers To Quiz\*

### QUESTION 1:

Entrepreneurs do tend to be independent, self-reliant individuals. They may try to work through a problem alone. They do have a high need to achieve. But successful entrepreneurs are not so focused on doing things alone that they won't seek help when they need it.

Being a successful entrepreneur is a challenge and usually requires the help of others. Successful entrepreneurs will seek out those who can be most helpful whether they are friends or strangers. They are usually good "team-builders" and "team-leaders." They put together the talent they need to succeed. And the need to achieve will likely be greater than the social need to work with friends. The best choice is (b).



ARE YOU AN INDEPENDENT, SELF RELIANT PERSON?

Not Very                      Yes, Very

1      2      3      4      5

.....

### QUESTION 2:

Entrepreneurs often have a great deal of energy and drive. They are usually able and willing to work for long hours. Good general physical health is necessary in order to withstand the stresses of running their own ventures. One of the risks they must evaluate is that their work will likely put physical, social, and emotional strains on them. Few entrepreneurs pursue initiatives for the good of their health although many seem to thrive on the work-related stress.

Entrepreneurs tend to compete against standards of achievement they set for themselves rather than standards set for them by others. Entrepreneurs are most like the runner who races to beat the clock. To achieve a new "personal best" time will likely be more rewarding than beating others. The best choice is (c).



DO YOU TEND TO COMPETE WITH YOURSELF? DO YOU CONTINUOUSLY TRY AND DO BETTER? ARE YOU MORE FOCUSED ON DOING YOUR PERSONAL BEST THAN COMPETING WITH OTHERS?

### QUESTION 3:

Those who are motivated by a need to gain attention, get recognition, and control others are motivated by power. They are more active in political life or large organizations where they concentrate on controlling the channels of communications both up to the top and down to the bottom so that they are more in charge. By contrast, entrepreneurs are motivated more by their need for personal achievement than personal power. Power and power recognition may be the result of success, but they are not usually the motivating goals for an entrepreneur. The best answer is (a).



ARE YOU MOTIVATED BY A DESIRE TO SET AND ACHIEVE GOALS AND OBJECTIVES? DO YOU GET A STRONG SENSE OF PERSONAL SATISFACTION WHEN YOU ACCOMPLISH SOMETHING? DOES IT MOTIVATE YOU TO WANT TO DO MORE?

### QUESTION 4:

Successful entrepreneurs likely have a high level of self-confidence and "self-efficacy." Self-efficacy is the belief in yourself that you are able to accomplish things — that you will be able to achieve goals you set for yourself. Therefore, entrepreneurs tend to believe strongly in themselves and their own abilities. They also believe that what happens to them in their lives is determined mainly by what they do — not by what others do. They are not reluctant to place themselves in situations where they are personally responsible for the success or failure of an operation. They will take the initiative to solve a problem and provide leadership where none existed before. The best choice is (c).



WHAT IS YOUR LEVEL OF  
SELF CONFIDENCE AND  
SELF EFFICACY?



#### QUESTION 5:

The entrepreneur is thought of as a risk taker. There are many risks involved in entrepreneurial activity. But psychological testing of entrepreneurs has indicated that they are no more motivated to do something that involves risk than anyone else. They are not daredevils or reckless gamblers.

Successful entrepreneurs are very good at assessing the amount of risk involved in a venture and will choose to accept that risk if they feel their personal chances for success are relatively high. They may well choose to do something when the odds of success are only one in three if they believe they have the abilities and experience needed to succeed.

The entrepreneur would most likely choose (b), to work on the problem even though rolling dice is obviously less work. Entrepreneurs avoid situations where the results depend mainly on chance or the efforts of others. The opportunity for personal achievement is more important than the size of the reward offered.



ARE YOU (A) A RISK AVOIDER,  
(B) A HIGH RISK TAKER, OR (C)  
A CALCULATED, MODERATE  
RISK TAKER?

#### QUESTION 6:

Entrepreneurs tend to be positive, optimistic types who focus their attention on their chances of success rather than the chances of failure. Individuals who fear failure tend to select tasks that are either very easy or where the risk is very high. By selecting an easy task, the chances of failure are reduced. By selecting a task with little chance of success, failure can be rationalized, "Oh well, it was just a long shot

anyway." The entrepreneur avoids both extremes and selects those tasks that are challenging but where the opportunities for success are reasonably good. The best choice is (a).



ON A SCALE OF OPTIMISM,  
WITH "1" BEING A PESSIMIST  
AND "5" BEING AN OPTIMIST,  
WHERE DO YOU FALL?



#### QUESTION 7:

It is a popular misconception that entrepreneurs are, at heart, greedy individuals who enter into ventures for the purpose of accumulating personal wealth. Such a description would be more aptly applied to some promoter who's a "fast buck" artist.

Entrepreneurs are driven to build a venture rather than simply to get in and out in a hurry with someone else's money. They will enjoy the benefits of a higher income but will usually spend only a portion of their gain on personal consumption. Entrepreneurs are primarily interested in the creation, not the consumption, of wealth.



WHAT MOTIVATES YOU MOST –  
THE DESIRE TO MAKE MONEY OR  
THE DESIRE TO ACCOMPLISH YOUR  
GOALS AND MAKE A DIFFERENCE?

So, what is entrepreneurship? The statement below provides one definition.

*Entrepreneurship involves the recognition of opportunities (needs, wants, and problems) and the use of resources to pursue an idea for a new, thoughtfully planned venture.*

Does that describe something that interests you? Might you be a prospective entrepreneur?

## B. Contributions Of Entrepreneurs To Society

In addition to your own personal interest, everyone should probably know something about the contributions entrepreneurs make. Even if you never become an entrepreneur, you will probably have the opportunity to interact with a great many.

In our society, entrepreneurs may:

- create new ventures that provide new, improved products and services
- find new ways of making products and services available to more people
- compete with each other to be the “best,” which improves the quality of goods and services and keeps prices down
- create jobs for others in the community through the new ventures they create
- increase the quantity of products and services we produce in our economy (that is, help us to achieve “economic growth”) by creating new ventures
- create new opportunities for others through their initiatives and innovations
- provide a spirit of energy, initiative, and potential for progress to a community



WHAT ENTREPRENEURS DO YOU  
KNOW OF IN YOUR COMMUNITY?  
WHAT CONTRIBUTIONS ARE THEY  
MAKING TO YOUR COMMUNITY?

Can you think of others? Do these spark an interest? Do they motivate you? To help you consider the entrepreneurship option, it would probably be helpful to review some of the key characteristics and skills associated with entrepreneurship.

One important point to note is that it is possible for virtually anyone to develop and apply entrepreneurial or enterprising skills. You can also be an entrepreneur by starting with/or running an entrepreneurial not-for-profit company – or a government department. You don’t have to set up and run your own business to be entrepreneurial or enterprising.



DO YOU THINK YOU TAKE AN ENTREPRENEURIAL OR ENTERPRISING  
APPROACH TO YOUR WORK? DO YOU TAKE INITIATIVE? ARE YOU CREATIVE?  
DO YOU LOOK FORWARD TO MAKING THINGS BETTER?

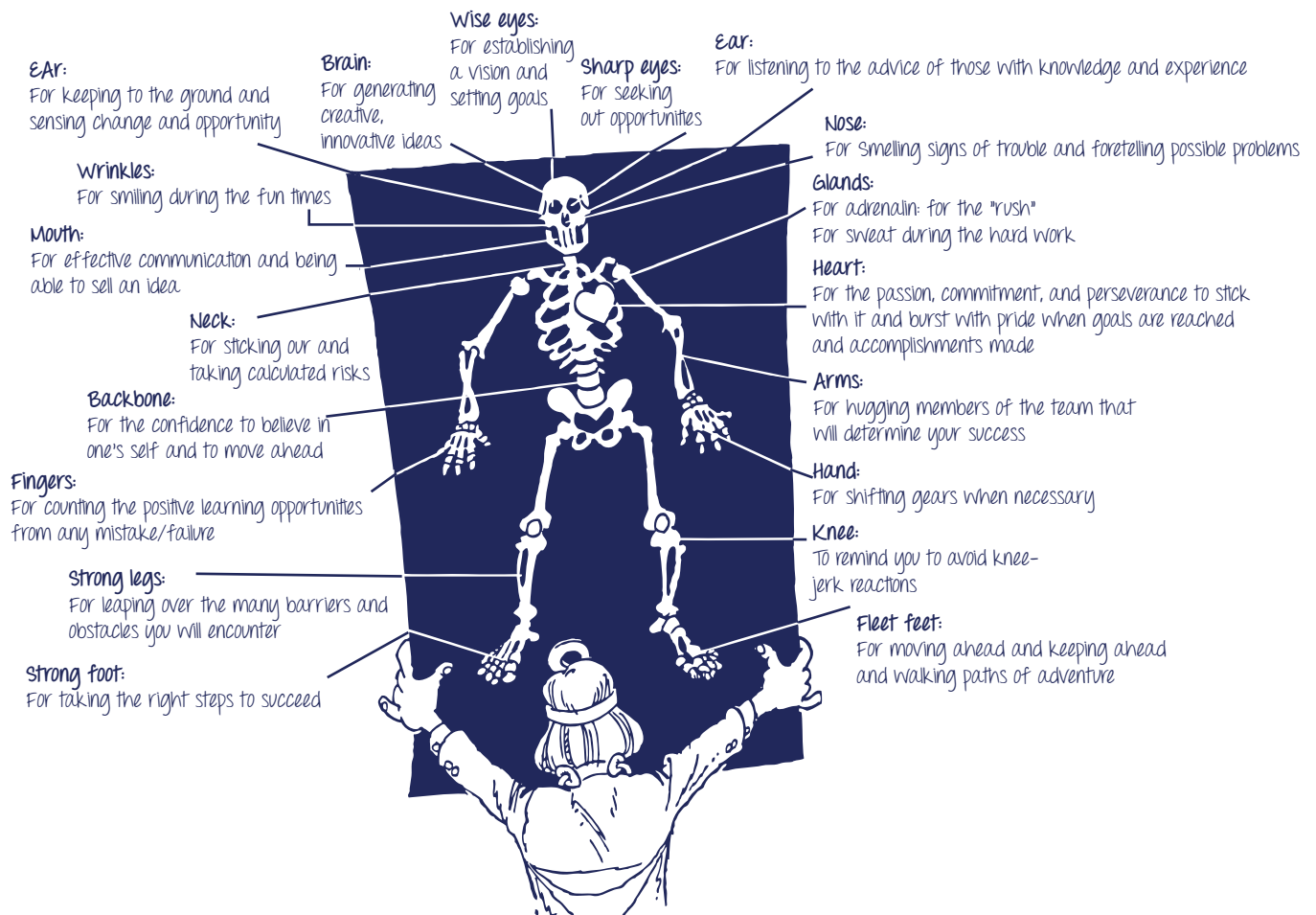
You can be an enterprising employee. You can even apply many enterprising skills in the home – or, to how you run a sports team, or an acting company, or .....the list could go on and on. So, while entrepreneurs look to start and build successful businesses, entrepreneurial or enterprising skills can be developed and applied by virtually anyone – and applied to any kind of endeavour.



WHO DO YOU KNOW WHO IS  
VERY ENTREPRENEURIAL OR  
ENTERPRISING – BUT WHO DOESN'T  
RUN THEIR OWN BUSINESS?

## C. The Entrepreneurial Person: Common Skills And Characteristics

Let's begin our look at enterprising skills with the image provided of an "entrepreneurial person."



**IDENTIFY FIVE ENTREPRENEURS IN YOUR COMMUNITY AND DETERMINE THE CONTRIBUTIONS EACH IS MAKING TO THE COMMUNITY.**

With this image in mind, let's summarize some of the key characteristics and skills that tend to be important for entrepreneurs or enterprising people. Note that few, if any, entrepreneurs possess all of these characteristics and skills. One entrepreneur will often form a partnership with one or more other entrepreneurs to complement his/her own talents. Alternatively, the entrepreneur may hire and employ additional needed talent. The key thing will be to bring as many of these characteristics and skills as possible to the venture.



ON A SCALE OF 1 TO 5, RANK YOUR OWN CHARACTERISTICS AND SKILLS WITH “1” INDICATING A VERY LOW LEVEL OF APPLICATION TO YOU AND A “5” INDICATING A HIGH LEVEL.

A Desire To Be An Entrepreneur	1	2	3	4	5
Belief In One's Ability To Influence/ Affect Events And Outcomes In Life	1	2	3	4	5
Sense Of Self-Confidence	1	2	3	4	5
Belief In One's Ability To Handle Most Situations	1	2	3	4	5
Positive Self-Esteem	1	2	3	4	5
Belief In One's Ability To Achieve One's Goals (Self-Efficacy)	1	2	3	4	5
High Level Of Self-Awareness	1	2	3	4	5
Passion	1	2	3	4	5
Willing To Act	1	2	3	4	5
Willing To Take Initiative	1	2	3	4	5
Strong Sense Of Commitment	1	2	3	4	5
Perseveres	1	2	3	4	5
Focuses On Change	1	2	3	4	5
High Drive/Motivation For Accomplishment	1	2	3	4	5
Willing To Work Hard	1	2	3	4	5
Willing To Learn	1	2	3	4	5
Ready To Learn	1	2	3	4	5
Willing To Seek Out Relevant Knowledge	1	2	3	4	5
Willing To Acquire Relevant Experience	1	2	3	4	5
Capacity To Transfer Knowledge And Experience	1	2	3	4	5
Goal-Oriented	1	2	3	4	5
Creative	1	2	3	4	5
Opportunity-Oriented	1	2	3	4	5
Willing To Assume Risk	1	2	3	4	5

#### SKILLS ONE SHOULD HAVE TO BE A SUCCESSFUL ENTREPRENEUR:

Capacity to plan	1	2	3	4	5
Communication	1	2	3	4	5
Marketing	1	2	3	4	5
Interpersonal	1	2	3	4	5
Basic management	1	2	3	4	5
Quantitative/analytical	1	2	3	4	5
Personal effectiveness	1	2	3	4	5
Team building and leadership	1	2	3	4	5

#### SKILLS ONE CAN USUALLY ACCESS/EMPLOY:

Specialized management talent	1	2	3	4	5
Advanced planning	1	2	3	4	5
Specialized marketing advice/services	1	2	3	4	5
Recordkeeping	1	2	3	4	5
Legal help and advice	1	2	3	4	5
Accounting	1	2	3	4	5
Research	1	2	3	4	5
Technical skills	1	2	3	4	5
Financial help and advice	1	2	3	4	5
Information management	1	2	3	4	5
Specialized talent	1	2	3	4	5

## D. “The Entrepreneur’s Dozen”

Next, let’s consider what an entrepreneur actually does. It sounds simple to say “starts and builds a business.” But the reality is far from simple.

One way to consider what an entrepreneur does is via “The Entrepreneur’s Dozen” – or the 12 steps in entrepreneurial or enterprising activity.

### An entrepreneur:

**E**xamines needs, wants, and problems for which he/she feels something can be done to improve the way things are.

**N**arrows the possible opportunities down to one specific opportunity.

**T**hinks of an innovative idea.

**R**esearches the opportunity and idea thoroughly.

**E**nlists the best sources of advice and assistance that can be found.

**P**lans the venture and looks for possible problems that might arise.

**R**anks the risk and the possible rewards.

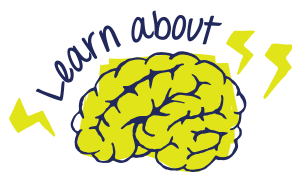
**E**valuates the risk and possible rewards and makes a decision.

**N**ever hangs on to an idea, as much as it is loved, if research shows it's not likely to work.

**E**mploys the resources necessary for the venture if the decision is made to go ahead.

**U**nderstands that any entrepreneurial venture will take a great deal of long, hard work.

**R**ealizes a sense of accomplishment from successful ventures and learns.



**RESEARCH AND LEARN ABOUT SOME OF CANADA'S MOST SUCCESSFUL ENTREPRENEURS.  
WHAT OPPORTUNITY DID THEY FIND IN ORDER TO SUCCEED?**

It is important to emphasize that one of the most essential ingredients of entrepreneurial success is making sure you have found a good opportunity. An entrepreneurial opportunity is a need or want that needs to be satisfied (or that can be satisfied in a new or better way) or a problem that needs to be solved. You may have a good “idea” – but if few want it, need it, or see it as a problem, your chances of success will be low. How do entrepreneurs seek out, find, and assess potential opportunities? The following are some suggestions for you to consider.

## E. An Entrepreneurial Safari • On The Hunt For Opportunity

### **SAFARI TIP #1:**

Recognize patterns as they are forming. The entrepreneur has an advantage if trends, patterns, and changes are detected before others have noticed them — perhaps even before they have happened.

### **SAFARI TIP #2:**

Look at the small things. Many of the best opportunities lie in what has been overlooked by others.

### **SAFARI TIP #3:**

Don't overlook the obvious. There is a saying that "only a foolish mouse would hide in a cat's ear, but it is the foolish cat that fails to look there."

### **SAFARI TIP #4:**

Watch for good ideas that are poorly executed. Some people find good opportunities but just don't know how to take advantage of them. You may know how to.

### **SAFARI TIP #5:**

Combine two or more things/thoughts together. Somebody came up with the idea for combining a bar and a laundromat. Someone else came up with a coffee shop and book store. Opportunities can often arise when two things are brought together for examination and thought — and a possible new venture.

### **SAFARI TIP #6:**

Look for new, generally unknown information. The best information is what is new and/or generally unknown — or that most others are unaware of.

### **SAFARI TIP #7:**

Talk with people. What better way is there to identify needs, wants, and problems than by talking to people and finding out what they have to say.

### **SAFARI TIP #8:**

Read journals, trade magazines, and so on to keep on top of things and to gather new information that may give rise to an opportunity or idea.

### **SAFARI TIP #9:**

Look for what has worked elsewhere. It may be needed and could work where you are.

### **SAFARI TIP #10:**

Look for new ways to meet old needs and wants.

### **SAFARI TIP #11:**

Look for ways to overcome barriers that blocked a good idea in the past. People tend to resist change, and some other entrepreneur may have been unable to overcome the resistance to a good idea. You may find the way.

**SAFARI TIP #12:**

Look for “left-behind” markets — products that are no longer produced but many people still have. As long as people continue to use certain things, they continue to have needs.

**SAFARI TIP #13:**

Look for good ideas that others have had that can be improved.

**SAFARI TIP #14:**

Look at “why” people buy something rather than “what” they buy. The idea is to get at what motivates people — what prompts them to buy something — what the underlying needs and wants are. Therein lie the opportunities.

**SAFARI TIP #15:**

Look for new uses for old products — old tires, end pieces of lumber, vinyl records, TV antennas, and so on.

**SAFARI TIP #16:**

Look for what’s not working. You may find a way to make it work.

**SAFARI TIP #17:**

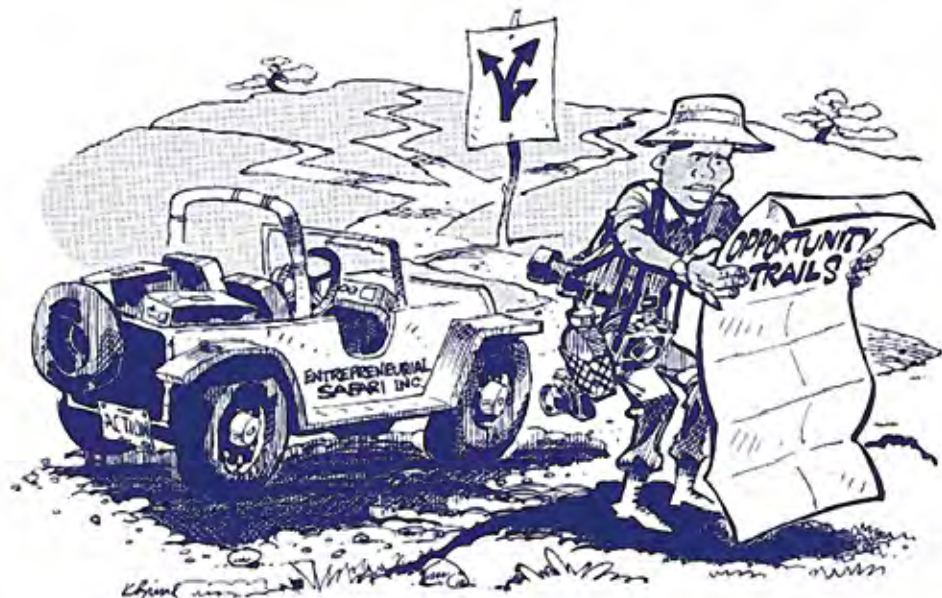
Look for unhappy, dissatisfied people. Here you will find needs and wants that are still to be addressed.

**SAFARI TIP #18:**

Look for happy, contented people. Here you will find insight into what has worked and what might work better.

**SAFARI TIP #19:**

Keep your eyes and ears open to things that are around you — what people say — what you see — what you read. There is no more important tip than this one!





Look around your community. What needs, wants, or problems exist? Identify five opportunities that you believe exist right in your local community.

## F. Assessing Your Opportunities

Once you have found an opportunity, it is important to assess it. Is it a good one? Is it a great one? Is it the best one that can be found? To start out as an entrepreneur, the most important thing to have is a good opportunity. Your idea is also important. But, as we have noted, if your idea doesn't fit with an opportunity, it will be hard to succeed. The following represent some of the key questions you can consider when assessing an opportunity you have found.

### "Assessment"

**A**ctual: Is it really an opportunity?

**S**een: Has it been seen by others?

**S**elected: If seen, have others acted upon it? If not, why not?

**E**nduring: How long will it last?

**S**atisfied: Are you satisfied that you have accurate and sufficient information?

**S**pecific: Have you specifically defined the opportunity?

**M**any: Do, or will, many care about the product or service you will provide?

**E**xperience: Do you really know what you're doing in this area?

**N**umber 1: Is it the best opportunity you can see?

**T**hink: Can you come up with a good idea that fits with the opportunity? Once you have a good opportunity, you need a good idea.



Apply this assessment activity to the opportunities you identified earlier. Which is the best opportunity among those you identified?

## G. Generating Ideas

Armed with a good opportunity, you also need a good idea. Most entrepreneurs start with finding a good opportunity. Then they look to develop a good idea. How can you look for, find, and create ideas? Here are some tips for generating, and evaluating, ideas.

1. Believe you are creative and don't be afraid of being wrong.
2. Listen, really listen, to what others have to say.
3. Listen to, accept, and think about criticisms you receive from others.
4. Break with your habits and routine. Force yourself into something new to gain a new perspective.
5. Role play. Pretend you are someone, or something, other than who you are.
6. Relax. Have fun. Kid around. Humour and fun allow the mind to venture down new, previously untraveled pathways.
7. Practice coming up with ideas for every problem, challenge, etc., you see, hear about, or come up against.
8. Daydream. Let your mind wander and see where it ends up.
9. Look at two things that are totally unrelated. Can you link them together in a new, innovative way?
10. Ask lots of questions – and then listen to the answers.
11. Ask new and different questions – ones that are unexpected, perhaps illogical, perhaps a little crazy – perhaps ones that will make you think.
12. Try to come at a problem from an entirely new perspective.
13. Write all your ideas down. Don't let them get away.



IT HAS OFTEN BEEN NOTED THAT ONE OF THE BIGGEST BLOCKS TO CREATIVITY IS THINKING YOU ARE NOT CREATIVE. DO YOU THINK YOU ARE A CREATIVE PERSON?

Not very creative

Very creative

1

2

3

4

5



## H. Evaluating Ideas

Once you have an idea, or a bunch of ideas, you have to evaluate or assess them — just as you would evaluate an opportunity. The following are some suggestions for evaluating the ideas you are able to generate.

1. What do others think of the idea?
2. Has the idea been tried before?
3. If not, why not?
4. If so, with what success? Can you improve on that?
5. What information was used to generate the idea?  
Was it accurate, dependable, reliable information?  
Was it sufficient?
6. How confident do you feel about the idea?
7. What are the risks associated with the idea? Are they controllable?
8. Is the idea directly related to an opportunity?  
Specifically define the opportunity.
9. Is there a “user-market” for the idea? Define it.  
How large is it?
10. Will there be much resistance to the idea? From where?  
Why? Can such resistance be overcome?
11. Is much money necessary to finance the idea?  
Will it likely be available?
12. Have you made any questionable assumptions in formulating your idea?
13. Is there a better idea available?



Try and come up with five ideas for the best entrepreneurial opportunity you identified. Then, assess your ideas and pick the best one.

## I. The Importance Of Planning

Once you have a good opportunity and a good idea, the important next step is to put together a good plan. Having a good plan is crucial to being a successful entrepreneur. You can find sample plans at the Canadian Foundation for Economic Education's (CFEE) MVP web site. It will show you the different parts of a plan that you can include in a “Venture Plan.”

One thing to remember though is to keep your plan flexible. You don't want it to be too rigid. You don't want it to be a strait-jacket on you as you try to succeed. Very seldom will things ever go exactly as planned. You will have to adapt to the things you didn't expect — or that you encounter. So have a plan — but have a plan that can change as your venture unfolds.



ARE YOU A PLANNER? HAVE YOU PLANNED SOMETHING IN YOUR LIFE?  
IF SO, HOW DID IT GO? WHAT DID YOU LEARN FROM THE EXPERIENCE?

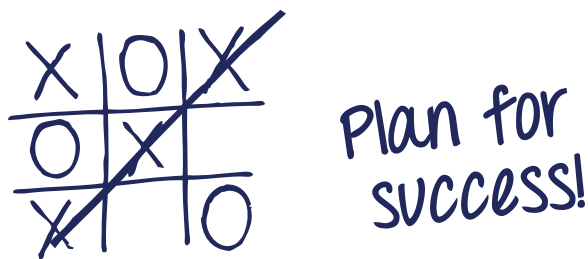
A key part of your plan will also be to identify the resources you need. Entrepreneurs can fail by trying to do too much themselves. Be honest about the talent and skills you have. Then make sure you partner with, or hire, people with the other skills you need. The quality of the resources you employ, acquire, and use will affect the success of your venture.



ARE THERE SUCCESSFUL COMPANIES YOU CAN THINK OF THAT WERE NOT ABLE TO BUILD ON THEIR SUCCESS?

Finally, if you try your hand at being an entrepreneur, be prepared for success. Some entrepreneurs fail because they didn't plan for success. What if things go well? What if things go very well? Are you prepared for the impact that success may have? Experiencing success, and handling growth and expansion, are some of the biggest challenges entrepreneurs can face.

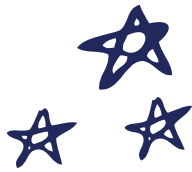
So be prepared, and plan for, success. And be cautious in managing the challenges of growth. Getting a venture started is one thing. Managing its success is a whole other set of challenges.



There you have it – a basic primer on entrepreneurship and what it takes to be an entrepreneur – or an entrepreneurial person. Of course, there is much more you can learn about being an entrepreneur or an enterprising person. There are many other resources that can help you. CFEE's "Mentors, Ventures, and Plans – MVP" web site has a great deal of information and resources – including some tools to help you explore your entrepreneurial potential. There are also a wide range of videos to help you learn more about entrepreneurship at: <http://www.mvp.cfee.org>

In addition, remember that entrepreneurial and enterprising skills can be applied by virtually anyone – to any kind of venture. You will have to decide if you are interested, and have what it takes, to be an entrepreneur. Or, are you more interested in being enterprising – in the work you will do for others?

In either case, working for others or working for yourself, you will likely look to earn an income. If so, try to work at something you enjoy. Remember the importance of passion and working at something you really enjoy. It makes success more likely – and makes life more enjoyable. That won't be possible for everyone. It may not be possible at some points in your life. You may have to take whatever job you can to get income you need – for yourself and possibly other family members. But, when you can, and as it is possible, try and work where your passion lies. It may require some hard work and creativity to get there – but it will probably be worth it.



## Chapter Summary

### Say What? Possible New Terms!

1. **Entrepreneur:** a person who recognizes an opportunity (need, want, or problem) and uses resources to pursue an idea for a new, thoughtfully-planned venture.
2. **Enterprising person:** someone who applies entrepreneurial characteristics and skills to any kind of endeavour.
3. **Self-efficacy:** your belief in your ability to accomplish goals and tasks.
- 4 **Entrepreneurial opportunity:** a need, want, or problem for which a reasonable number of people (to make a venture viable) would welcome a solution.

### Did It Stick? Can you recall ...?

1. What skills and characteristics are common to many entrepreneurs?
2. What contributions do entrepreneurs make to society?
3. What skills can an entrepreneur often “employ” rather than develop in themselves?
4. What are key steps in setting up a venture?
5. What are some tips for identifying entrepreneurial opportunities?
6. What are some ways to go about generating entrepreneurial ideas?
7. Why is planning so important for an entrepreneur — or enterprising person?

### Tips and Suggestions

- 💰 Don't worry if you don't have an interest in being an entrepreneur. Most people won't be entrepreneurs. And we don't need everyone to be an entrepreneur. We need many people to work for and help our entrepreneurs. But that doesn't mean you can't be an enterprising person.
- 💰 Don't get down if things don't go well, if you make a mistake, or if you try at something and fail. Most entrepreneurs fail 3–6 times before they succeed. But they regard each failure as a learning experience — and a stepping-stone to success. Keep your spirits up. Persevere. Be determined. And try again.
- 💰 As noted, the number one factor related to entrepreneurial success is a passion — doing what you love to do. If you have a passion, be creative in looking for ways to turn that passion into a venture or a career.

### Thinkabout ... or discuss:

- 💰 Are there entrepreneurial people/leaders in your school? If yes, what makes them entrepreneurial?
- 💰 What are some entrepreneurial opportunities in your own community?
- 💰 Who are some of Canada's most famous entrepreneurs? What contributions have they made to Canada?
- 💰 What major Canadian companies were started by an entrepreneur? Who were those entrepreneurs?
- 💰 What are some of the most common mistakes made by entrepreneurs?
- 💰 What enterprising skills do you have? What ones would you like to work on? How could they help you as an employee working for someone else?
- 💰 Who are some of Canada's leading “social entrepreneurs” — past and present — who have made a difference in our society, living conditions, and the well-being of Canadians?

### Tech-Talk

- 💰 Visit CFEE's MVP web site at <http://www.mvp.cfee.org>
- 💰 Visit the web site of the Canadian Youth Business Foundation at <http://www.cybf.ca>
- 💰 On the Internet, you may wish to search:
  - Entrepreneurship in Canada
  - Canadian entrepreneurs
  - Contributions of Canadian entrepreneurs
  - Common mistakes made by entrepreneurs
  - Entrepreneurial and enterprising characteristics and skills