

## Unit 4: Resources

### Subunit 4.1: Self-awareness and self-efficacy

#### *Learning goals*

- Identify and understand the concepts of self-awareness and self-efficacy.
- Increase our self-awareness and self-efficacy thanks to the tools and techniques provided in the present subunit.
- Reflect on the way a company that we create could respond to the society's need through the circular economy principles.

#### Definition

This competence embraces two aspects: self-awareness and self-efficacy. Both are linked to each other and represent a great tool for personal and entrepreneurial development.

**Self-awareness:** it refers to the understanding and conscious knowledge of one's own character and feelings. It is our capacity to distinguish who we are, the character traits we own, our values and our strengths and weaknesses.

The fact that this competence appears to be the first in the Resources area is probably because it can be considered as a basis for personal success: we are our first and main resource in life, and we need to know who we are, what we want to be and create a path to it. Without self-awareness it is harder to achieve any type of objectives, as we go forward without knowing fully our potential and the aspects that we could improve to reach those objectives.

Self-awareness helps us to clarify our thoughts and emotions and to become more responsible of our way of acting. When we get to know ourselves, we can plan how to improve certain aspects of our behaviour to achieve some goals which are essential to us. Furthermore, self-awareness has an impact on our relationship with ourselves, but also in our relationship with others. Indeed, we can manage our behaviour and our impact and influence on others.

**Self-efficacy:** it refers to the capacity to believe in ourselves to reach specific goals. Self-efficacy means analyse ourselves, determine what we want to be or to do, and find the way to achieve our goal in the most efficient way.

Self-efficacy is a competence that can be worked on once we have achieved a certain level of self-awareness. That is, when we know well ourselves and we set up objectives to reach, self-efficacy allows us to plan and organise the steps that will lead us to success.

### EntreComp's guidelines

EntreComp gives us the following hint:

*"Believe in yourself and keep developing."*

#### How?

- Reflect on your needs, aspirations and wants in the short, medium, and long term.
- Identify and assess your individual and group strengths and weaknesses.
- Believe in your ability to influence the course of events, despite uncertainty, setbacks, and temporary failures.

### Competence step by step

#### **Follow your aspirations.**

When you aim to create a business, you should reflect on your aspirations in the short, medium and long term. Write down your objectives for your business in three columns: in 1 year, in 5 years and in 10 years. You can name one or two main aspirations and 3 secondary objectives for each term. Under each column, list all the needs (work and resources) it will suppose.

#### **Identify your strengths and weaknesses.**

Based on the previous step, create a S.W.O.T analysis for your business to reach the short time aspiration that you have specified.

#### **Believe in your ability.**

When you have determined your position among the competitors thanks to the S.W.O.T analysis, write a sentence which clearly defines your company's ability, that is, what makes it different and better than the competitors.

#### **Shape your future.**

Write a list of possible setbacks and problems that can appear and how you would face them.

## Methodologies and tools

### 1. How to improve your self-awareness?

Most of us think that we are self-aware people, but the truth is, most of us aren't. Self-awareness is the competence that underpins social relationships, it is crucial to develop it to be our better self. Whatever personal or professional plan you have, from being hired in the company of your dreams to creating your own business, self-awareness will be an essential competence to manage. Here are a few tips to increase your self-awareness. It's not difficult to implement, all you will need is a bit of implication and steadfastness:

#### **Write an event/emotion journal.**

For a few weeks, analyse the events that have particularly drawn your attention and your relation to it, shall it be positive or negative. Be honest and put a concrete name on your emotions. It can be a hard thing to do when complicated events have happened, but it will help you a lot to know your reactions in case of negative context or event. For example, you had to speak in front of a group of people and you got nervous, so finally you made it short and didn't explain your ideas.

Draw conclusions of what can positively and negatively affect you, and how you could lower the negative impact of some situations on yourself.

#### **Ask yourself the right questions.**

According to your events/emotions journal, ask yourself: which actions and feelings would I like to change? How could I avoid...? Or: How could I improve...?

#### **Analyse your strengths and weaknesses.**

See the second tool below "What is S.W.O.T analysis?"

#### **Ask for honest feedback.**

Try to figure out the impression you leave on others and the influence you have on them. This exercise is difficult, as every person gives their subjective opinion and you have to ensure that you ask people that will try to be honest and fair. Then, ask yourself how you could improve certain aspects that you don't like.

#### **Draw a plan, step by step.**

If there are some weaknesses that you think can be deleterious for your personal or professional evolution, draw a short plan with a few actions to take to improve those aspects. Go step by step and focus on your progress.

Be patient.

Every change takes time. It is crucial to remember that no one is perfect, and some long-term behaviours or habits take time to change. Be patient and kind to yourself if you make mistakes or fall on the way, this is part of the learning experience.

## 0. What is S.W.O.T analysis?



### Circular economy application

In the practical activity, we will use 5 of the 7 Rs of the Circular Economy:

- **Reduce:** reduced carbon footprint and times for deliveries.
- **Reuse:** Reuse of old clothes instead of throwing it away.
- **Recycle:** Careful recycling of the parts that cannot be remanufactured.
- **Recover:** second-hand section in the store to promote circular use of goods and avoid waste.
- **Refurbishing:** Old clothes are transformed into lining and serve for new clothes.

### Practical activity: S.W.O.T Analysis

**Objective:** to systematically assess and understand the strengths, weaknesses, opportunities, and threats facing a business, organization, or project.

**Materials:** download the S.W.O.T analysis template pdf [here](#).

**Time:** 30-45 minutes

### *Methodology:*

1. Keep in mind that self-awareness and self-efficacy is a lifelong learning process, and the activities we propose are a kick-off to start working on it.

If you have an idea of a company that you would like to create, start to write the strengths that you think your company has. Then, focus on thinking about the weaknesses that it may have. This is a very important internal analysis because it will allow you to see more clearly if you have a weakness that you should work on or take some measures and actions to tackle it.

If you have no business creation idea, then you can use the SWOT tool for yourself. It is a good tool to develop self-awareness. You should first write on a paper what your main goal in life is (you can also write 2 or 3 of them). Then, list your strengths and weaknesses. Try to be the most honest possible, because this is the best way to identify your weak points and to work on them so that you can achieve your goal(s).

For example, if you want to open a skateboarder clothes store, you could write the following:

#### **Strengths:**

- I have a special design that makes the clothes look very good.
- It is produced locally with good quality fabrics.
- I have the know-how and the materials.
- Thanks to local supply of fabrics, delivery is fast which reduces costs and carbon footprint.
- We propose a “Greencard footprint”. The concept is, that people can give back their used clothes in exchange of a few euros gifted on the shop card. Used clothes are reused and remanufactured to make lining for jackets and coats.
- In the store, we have a second-hand section. We can buy and resell used clothes which are still in good condition.

#### **Weaknesses:**

- My products are a bit more expensive since they are locally manufactured and use local resources.
- My store is on a street that is not very busy.
- I don't have enough time and knowledge to invest in social networks to reach my target customers.

- My brand is unknown, and I have to gain a reputation.
- I lack treasury and I can only afford a very limited stock.
- I have a lot of designs, but I am not sure about the costs of producing each one of them.

2. On this basis, you could work on limiting the impact of these weaknesses. For example, if your store is on a street where there are not many passers-by, then you should give them a reason to come to your store. You could take the decision to develop your social media advertising, make an important communication campaign and create an attractive website. If you lack treasury, have a limited stock and you are not sure about the production costs for each piece of clothes, then make a market investigation to figure out which pieces are the more demanded and focus on producing a limited variety of pieces until the sales increase and you get more cash-flow to introduce new ones.

All companies have weaknesses, but sometimes the combination of several can be determinant for their survival. You can work on these aspects before starting your business and try to decrease them previously (social media training, funding campaigns etc.)

3. The next step is now to work on the opportunities and threats. These aspects refer to the external factors that influence the company's viability. For example, you may have a lot of strengths but realise that competitors have other strengths that could ruin your effort.

Let's keep with the same example:

**Opportunities:**

- There are no physical skateboarder clothes stores in my city. All sales are online.
- There are many skateparks in the city, full of skateboarders.
- Online skateboard clothes firms are quite expensive, so I propose a cheaper product with similar or higher quality.
- There will be a skateboarder event in 6 months, I could sponsor it.

**Threats:**

- My brand is unknown, and the online brands are very famous with a developed social media network.
- The online brands could decide to open a physical store or make a very aggressive prices policy.
- Inflation is rising, increasing the production cost, and reducing household consumption.

- Tense global economic and financial context due to armed conflict and post-pandemic.
- When you have your S.W.O.T analysis template fully completed, draw conclusions that will help you settle priorities to work on.

### *Food for thought*

The objective of a SWOT analysis is to inform strategic thinking and action, helping organizations make informed choices that maximize their chances of success and resilience in a dynamic environment.

As for you, have you ever thought that this method can help your personal and professional chances to succeed?

### *Learning materials suggestions*

The power of self-efficiency: <https://blog.cambridge.es/poder-la-autoeficacia-cap-1/>