

Olufolake Moses 1817316

MBA

Fola Moses (1817316

Entrepreneurship Assignment B

Lecturer Ejiro Eshwode

Colonel Sanders

Colonel Sanders was born on the 9th of September 1890, in Henryville, Indiana. He picked up many cooking skills following the death of his father at the age of 6 years old, in order to cope with the responsibilities of the household. As a teenager he worked on several jobs including farming, car conductor, insurance man and railroad fireman, including mule handler in the US army. Richard Feloni 2018, Hartland Sanders

His mum remarried when he was 12. His stepdad never wanted the boys around. His two brothers were sent to live with an aunt while he was sent to a farm owned by his father about 80 miles away. Richard Feloni 2018

In 1930, his entrepreneurial career began with an idea, (Begley and Boyd, 1987; Venkataraman, 1997; Shane, 2000), of set up of a service station where he served chicken in a diner. He later developed his own recipe and moved his trade into a restaurant. He developed his own recipe with eleven herbs and spices. He later added a motel to the restaurant. The café couldn't run for as long as required which meant loss of potential income. He eventually sold the restaurant but that wasn't the end of his business idea. In 1935, he was made an honorary colonel due to his culinary skills. Richard Feloni 2018

He decided to take the recipe from restaurant to restaurant across the country. He faced a lot of rejection and ridicule but did not give up. He was able to convince Pete Herman to be a partner after having made about 1000 visits to restaurants and Kentucky was subsequently born in 1952 when he was 62 years old. The restaurant made a lot of money and profit from the fried chicken. He died in Louisiana, Kentucky aged 90 on September 16th 1980 due to pneumonia but had been diagnosed with leukaemia a year before. Famous Entrepreneurs

By 1963, he had reached 600 restaurants with his recipe. He sold his franchise rights for \$2million in March 1965. As stated in the contract he would get £40000 lifetime salary which later raised to \$75000. The recipe was to also be sold in KFC own restaurants around the world and a seat on the board and majority ownership of KFC's Canadian franchises and the the brand's ambassador. He spent the latter part of his life giving interviews around and appearing in commercials all over the country. Richard Feloni

He possessed certain unique qualities of entrepreneurs that made him stand out

Rejection

He was rejected 1009 times before he was finally able to sell his recipe. Prior to starting KFC, he has started and failed on many occasions. Dan Western Wealth Gorilla <https://wealthygorilla.com/7-success-lessons-colonel-sanders/> He had a lot of resilience which is one of the qualities of an entrepreneur born out of the desire for achievement. No family influence, environment not conducive for starting a business in his time but he had

the dedication as a result of a loss. He decided to be an agent of change through his circumstances and experimenting with new combinations of his recipe. J.A.Schumpeter

Age is no barrier

Age is certainly no barrier. Colonel Sanders started his Kentucky Fried Chicken business with his first old-age security cheque. He was 75 years old when he sold his franchise for \$2million. He remained on the board and as the spokesman for the company after the sale. It was said at the time that he sold out too cheap but today he is the face of brand. Mary Kaye started her cosmetics business after she had retired. Dan Western

Success is not defined by our past

Despite failing in many ways including in marriage, brought up under negative circumstances, he still made something of his life. He never gave up. He once said 'Hard work beats all the tonics and vitamins in the world' Colonel Sanders. Starting could be hard and exhausting. His prior practice of cooking definitely gave him an edge. He had a passion for cooking and made a business out of it. Dan Western

Risk

Taking risk in order to follow one's passion is the key to success. He foresaw an opportunity that there was no fast food business in America that enabled people to eat whilst travelling. His accomplishments paved the way for numerous fast food businesses to start. Many fast food owners today began life at KFC, an example is the owner of Wendys International, Dave Thomas who worked in one of the franchises in Ohio. Badrul History of Colonel Sanders. In my opinion he took a risk by differentiating his brand with the '11 recipe' herbs and this paid off. Taking risk involves choosing what to do and what not to do. (Porter, 1996). Choices which appear attractive may have to be abandoned for long lasting result oriented opportunities. Dan Western

Challenges

He faced a lot of challenges which could have forced him to close down but kept forging ahead and never up. The interstate forced the closure of his restaurant and made him end up on social security and his savings but he was able to come up with the idea of the franchise through personal visits to restaurants to cook his chicken recipe. His resilience and determination to succeed gave him another twist of the original vision. During the world war II as gas was being rationed, he was able to discover frying with pressure cooker which helped to prepare the food faster and reach more customers.

Hardworking

Having tried everything he could lay his hands on as a child, his dream of success was not quenched by failures. He continued to work hard to the end. Some would say why try so

many times before succeeding? The most important thing is not giving up. Today millions of people are benefitting from that resilience and hard work through franchises all over the world.

He was not afraid to take advantage of opportunities and it could be said that his positivity in the midst of failures pulled up through. I also believe the environment he found himself has a lot to do with his success later in life and the fact that he had no parental figure around. In some cultures *failing so many times would be seen as a sign a weakness and he would have been asked to focus on something else.*

His story clearly shows that success is a journey and not the destination. Even though he managed to sell the franchise at a price which many believed was low, I believe his desire was not necessarily to make profit and relax but to continue to be involved in the business one way or another. This has made the brand well known as he continued to ensure he attended interviews and was the spokesman for the brand till his death.

It is also said that nothing worthwhile in life comes without a struggle. Helping a butterfly out of a cocoon is not helping the butterfly but depriving the butterfly of natural development and strength. Such help has also been known to end in the death of butterflies. CA Hemant C Lodha. In the same way an entrepreneur may be subject to many alternatives and have to choose the best alternative he or she thinks will yield the highest expected benefits. (Porter, 1980)

Conclusion

The drivers of entrepreneurship are gender, education, age, racial and ethnic background, personality differences and to other resources at the disposal of the entrepreneur. The story of Colonel Sanders and Mary Kaye does show that entrepreneurship can be followed by anyone at any age. Education can play a role but that has also been questioned as some of the well-known entrepreneurs today are drop-outs. It can be argued that they have had to engage educated individuals for their enterprise to grow big. Depending on culture men are more proven to be entrepreneurs than women.

What is important is that the environment does play a role in influencing the outcome of any entrepreneurial journey. Resources available can place a bigger role in determining how far a people realises their dream and how big that idea can grow. Availability of resources like money can hinder the growth of any enterprise. Above all it has been proven that entrepreneurs do possess some psychological traits that enhances the motivation needed to make people achieve success, in addition to hard work and the desire to succeed. (Stevenson, Roberts and Grousbeck, 1989)

Internal factors have also been identified like one's education background or desire to gain new skills through additional education, age, as people grow older there may be desire to be independent, racial or ethnic background, people from a certain racial background where

entrepreneurship is highly promoted tend to see find it easier than people from ethnic background where being employees is promoted, personal differences and traits like desire to do something different, desire for recognition, independence, desire for change and occupational experiences all influence decisions to be an entrepreneur.

External factors like government interferences through programmes, finance, availability of support, encouragement from big business, technological changes promoting innovation, opportunities play an important part in promoting entrepreneurship. These are alternatives that have to be explored. (Kirzner, 1973; Rosenberg, 1994).

There are alternative approaches to commercialization, Sanders discovered he could commercialise his idea through restaurants when his business was forced to close. Starbucks coffee original idea was to sell coffee beans for home brewing, Howard Schultz party saw a different approach of café idea. The two parties had to split to pursue their individual idea, which proves that for a given idea, there are multiple options. Schultz and Jones Yang, 1999

Recognising opportunities and being ready to take advantage turns ideas into products and makes an achiever regardless of what failures may await the actions taken. Traits possessed by people like Colonel Sanders are possessed by many in the world but these traits need to be harnessed and developed. Entrepreneurs can be developed with the right resources, environment and opportunities even though they already possess internal values of entrepreneurs.

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Richard Feloni Jun 25, 2015, 9:47 PM *Businessinsider*:<https://www.businessinsider.com/how-kfc-founder-colonel-sanders-achieved-success-in-his-60s-2015-6?r=US&IR=T>

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