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Introduction

Entrepreneurship refers to the approach of conducting something new utilising and combining existing or available resources. In the last three decades, the success rate of entrepreneurs particularly the young ones has seen huge growth. The following assessment is going to discuss the macroenvironmental factors of this country that have a significant impact on the upcoming business scenario for entrepreneurs. It will include essential skills and personal traits that are required to be present in an entrepreneur to be a successful business person. It will also discuss the difference between skills and traits and how they help an entrepreneur attain success.

PEST analysis of the UK

Analysis of the macro environment of the UK can be beneficial to identify the scopes and gaps that aspiring entrepreneurs can get to achieve their entrepreneurship goals. A brief overview of the *political, economic, social, and technological* environment has been established in the analysis below.

FACTORS	DESCRIPTION	IMPACT
<i>Political</i>	- The inflation rate in the UK in 2021 stands at 2.19% which is less than it was 5 years ago and it indicates a growing opportunity for entrepreneurs (O'Neill, 2021). One here needs to comprehend that one of the primary traits of an entrepreneur is to confront financial issues that may culminate, courtesy to the current pandemic times. The profitability of numerous enterprises has declined in the recent times and a successful entrepreneur always carries a blueprint of strong financial analysis. The analysis may contain a clear judgement of breakeven point, budget, cash flow and funds for counter losses. - The interest rate in the UK has decreased from 0.5% to	High

	0.75% which indicates a lower inflation rate for the business industries and consumer spending as well (Bank of England, 2022). The inflation rate of the nation may incite entrepreneurs to consider frugal innovation. This happens to be another major instance of an entrepreneurial trait. It emphasizes on the application of methods to minimize the use of scarce resources, while generating superior business or social value. It is nothing more than solving the ever transcending, the paradox of doing more with less. Economic cell phones delivered by local no name companies, and essential prosthetic legs fashioned from the irrigation piping, happen to be an example of frugal innovation. • <i>The reformation of regulation</i> has brought stability in the business and political environment as well. • The political environment in the UK stands at a stable rank among the other countries. According to the Global Economy (2022), in the country ranking of The World Bank, the political stability index, the UK, besides the Brexit, in 2020 is ranked as 70th with the index 0.47 (in 2019 was 0.53), where -2.5 indicates a weak stability and 2.5 a strong stability. • <i>The absence of strict trade barriers</i> has been another reason why the business environment in the UK has grown in recent years (Trade, 2022).	
<i>Economic</i>	• GDP growth in the UK has <i>increased by 6.5% in 2021</i> which indicates wide opportunities for the business industries (ONS, 2021).	

	• The labour cost values at 22.80 euro per hour at the whole economy level which establishes a positive scope for the aspiring entrepreneurs (Ons, 2022a). Entrepreneurs are often required to consider a solid business plan. Therefore, cheap labour expenses may incite entrepreneurs to consider mass production at lower price, thereby, enabling them to adopt cost leadership strategy. Having a solid business plan thereby, happens to be another crucial trait of an entrepreneur. • The number of employment vacancies increased to 1,219,000 from September to November in 2021 which represents a wider scope of increased employment in start-up businesses (Ons, 2022b). Entrepreneurs are often required to exhibit sound paradigm to employ staff. Therefore, it is crucial for the entrepreneurs as able employers to staff and recruit based on their needs and demands. • 5.9 million startups were found to be established in the UK in 2019 (Startups, 2019).	High
Social	• Population growth in the UK in 2021 was 0.6% which indicates a stronger customer base for small and medium-sized businesses (Worldbank, 2022). Marketing on shoe string budget happens to be another crucial trait for entrepreneurs. For an instance, if the country's population is booming and boasts of substantial social media presence, incorporating social media content and word of mouth promotional endeavours could help. Social media marketing as well as word of mouth promotion suffice the requirement of marketing in a shoe	

	string budget. • A culturally diverse country is a necessary factor for entrepreneurs to establish successful business expansion and increase target customer base as well. An entrepreneur needs to harbour a firm idea about customer segment strategies, and therefore, having a diverse population renders more scope. This again addresses the analytical traits of an entrepreneur. Furthermore, comprehending about which segment demands which product is an entrepreneurial trick, which if considered could be beneficial for any start-up. • <i>Openness to a more active and healthier lifestyle</i> has created a wide scope for entrepreneurs to create valuable brand vision and identity. An entrepreneur needs to ascertain the recent trend and fathom services or products accordingly. Therefore, the current British Population is indulged in physical health aspects and wellbeing, which again may incite many entrepreneurs to consider health-based products. • Education plays a major important role in entrepreneurship and the literacy rate in the UK stands at 99% which indicates a stable country for education and career growth as well (Una, 2022).	Medium
<i>Technological</i>	• One of the most <i>technologically advanced</i> countries in the world with a great adaptation to <i>big data analytics and artificial intelligence tools</i> in the business sectors (BBC, 2022). Entrepreneurs often encourage employee motivation. For an instance, an entrepreneur may	

	consider motivating the employees to use recent technology like big data analytics to automate numerous work procedures. This further aids in frugal innovation and cost cutting methodologies, another crucial traits of an entrepreneur. ● Robotic process automation has been one of the most recent inclusions in small and medium businesses which is a progressive step for aspiring entrepreneurs. ● Machine learning is an essential factor that creates wide opportunities and competitive advantages in the business process. ● Cloud computing and mobile accounting are two of the most innovative inclusions in the recent business sectors.	High
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Table 1: PEST analysis - The UK

(Source: Self-developed)

Skills and traits of entrepreneurship

Entrepreneurship requires certain skills that are essential in developing start-up businesses. The skills determine the success path of the entrepreneurs. **Entrepreneur competence and creative skills** have been considered as one of the primary skills that transform an individual to use and apply certain knowledge that is beyond norms in a specific context (Ghafar, 2020). Other than that, **business management skills** are a core skill that can enhance operational skills which is essential in a start-up business. Possessing a good understanding of every business function is a major component in building a successful business environment. **Delegating responsibilities, multitasking, and critical decision-making** are some of the most essential tasks that are essential to building a successful business. According to Almahry *et al.* (2018), entrepreneurship is not science or art, it is a knowledge-based practice in which the integrated skills and knowledge of an

individual play the main role. **Active listening skills and interpersonal skills** are considered to be some of the most essential skills of an entrepreneur which establishes several scopes for expanding a business in a new market. According to Pardo-Garcia and Barac, (2020), in the era of digitalization, it is an essential factor to adapt to constant changes in the business environment to cope with market challenges.

Risk-taking skills are acknowledged as one of the key skills of an entrepreneur which is driven by the capabilities to acknowledge the potential risks in a business and find ways to mitigate them.

Risk-Taking inclination provides critical thinking ability and explores the unknown areas of the chosen business market (Shabbir and Kassim, 2019). Other than that, **networking skills** require building and managing connections that help an entrepreneur grow and promote their business. Fostering opportunities in such a competitive market requires solid industry knowledge which is an essential part of entrepreneurship. The objectified analysis is a primary requirement of an entrepreneur which is a pivotal part of the entrepreneurship process. On the other hand, **creative thinking skills** are an essential part of an entrepreneur which requires an individual to think out of the box and eliminate the business forms. **Technical skills** are another essential skill of an entrepreneur that enables the ability to adapt to the marketing and budgeting software in a company. It can be concluded from the overall discussion that the effectiveness of the business processes can be determined by the integrated skills of a successful and efficient entrepreneur.

Entrepreneurship traits involve some of the most essential qualities that affirm the career growth of an entrepreneur. For instance, **strong leadership quality** is a necessary trait of an entrepreneur which enables an individual to create an efficient team for effective business results (Østergaard, 2019). On the other hand, the self-motivation trait is another pivotal aspect of a successful entrepreneur which enables the teams in a business to establish a meaningful connection with every individual. Strong establishment of communication and ethical consideration is another essential factor in the business which is an essential component in providing beneficial insights for the business. **A competitive spirit** is an essential trait of an entrepreneur which needs to develop market share as the rapid increase in business sectors can be hard to handle for a new entrant (Hidayatullah *et al.* 2019). **Valuing a strong peer network** to foster scopes to build connections with industrial partners and financial partners is a necessary trait for an entrepreneur as well. It can be concluded from the discussion above that increased market growth and business establishments have widened

the opportunities for the entrepreneurs which has enabled the capabilities of the entrepreneurs to adapt to new technologies for business.

Theories on entrepreneurship

Innovation theory was proposed by Joseph A. Schumpeter which assumes that the entrepreneurs are born with the strong desire to do something that is contemporary and to establish a business owned by themselves (Keklik, 2018). This theory believes that entrepreneurs like the sense of pleasure doing something creative for which they try hard to gather experience and knowledge as well that are required for conducting innovative tasks.

Social change theory has been proposed by Max Weber who believes that the entrepreneurial behaviours in an individual emerge from the ethical values of the society (Beetham, 2018). He highlights the religious faiths and beliefs that affect the occupation, business life, enthusiasm and energy of entrepreneurs. He has mentioned that communities that emphasise materialism, capitalism and currency rationalisation are more likely to emerge as entrepreneurs.

Behaviour theory was proposed by John Kunkel who believes that the development of entrepreneurs depend on the society that they belong to and past experience and economic social aspirations. According to this theory, some major facts and aspects influence the behaviours in an individual to become entrepreneurial that are aspiration and attitude, family circumstances, government policies and incentives etc. Hughes *et al.* (2021), believe that entrepreneurial behaviour also depends on the scopes or competitive factors regarding labour markets, skills, training opportunities, production methods etc.

“An understanding of the difference between traits and skills and their role in establishing a successful entrepreneurial venture”

Skills and traits act as the unit components in a professional person. Traits and skills are often used as the same perspective but these two have significant differences in terms of conceptual understanding. Traits refer to the personality features that are mental and physical characteristics that the person is born with whereas skills refer to the tasks and activities that a person learns throughout their lives (Selvi and Jegan, 2021). Traits in an individual include energy level, empathy, independence, creativity, integrity, responsibility, accuracy etc. that are required in

individuals to become a successful entrepreneur. The energy level in entrepreneurs is important as the whole functional operations in entrepreneurship are generally conducted by one person at all. Creativity is the most important feature in an entrepreneur that helps one to make the business stand out from the common ones and to become exclusive and unique. Skills include the understanding and knowledge on several task performance such as computing skills, data analysis skills, technical skills in the context of handling equipment, technology skills in terms of the knowledge on software integrity etc. Different skills are required for different business sectors but there are some common skills that are expected to be displayed in entrepreneurs such as risk-taking abilities, software integration, multitasking abilities etc.

“A critical analysis of entrepreneurial traits and skills with regards to how they help in navigating the macro environment”

Entrepreneurs use their personality traits in the process of learning various skills. An example can be given in this context, that is a person who is assertive in nature is more likely to conduct the marketing activities such as giving demonstrations or presentations rather than one who is introverted. Individuals who are good at language are more likely to be successful entrepreneurs for displaying a better communication skill that is capable of convincing the customers. Entrepreneurs having a good power of attending the details are more likely to be successful business persons as they consider each minute details in the market research facts and statistics that help them in conducting better business strategies. Traits and skills help entrepreneurs in navigating the macroenvironment as well in terms of accommodating themselves according to the socio-cultural nature of the country in which they are trying to start a business (Selvi and Jegan, 2021). Entrepreneurs need to be aware of the political condition of the UK with the knowledge of **trade policies, tax rates and business regulations provided by the government** for starting a business in this country. They are also expected to have a knowledge of the economic condition of this country in terms of the **unemployment rate, inflation rate, GDP** of the country as well as **GDP per capita** etc. Entrepreneurs have to consider all these factors **before fixing the prices of their products** or services so that the consumers in this country can afford those products or services.

Instances of Entrepreneurial intents in UK could **be David and Simon Reuben. Business: Property investment and Philip Green, Business: Retail.**

Recommendations

As per the Global Entrepreneurship Monitor, enterprises that are run by the young entrepreneurs of the United Kingdom has enhanced 12.6% which has declined 7.8% in 2020 due to the global pandemic caused by Covid-19 (Gem, 2022). This pandemic has caused a high inflation rate in the UK which indicates a requirement for changing business approaches for the young entrepreneurs of the UK to survive in this critical condition and for those who are willing to start a new business as well. Suggestions for upcoming entrepreneurs of this country are mentioned in the following

- Entrepreneurs have to show a strong desire for high achievement
- Entrepreneurs have to believe that they are controlled more by themselves rather than by luck
- Entrepreneurs need to be prepared for uncertainties and unexpected situations ambiguities
- They need to avoid making hurry to reduce the pressure of doing something immediately
- Avoid getting aggressive and hyperactive is also suggested
- Changes in the educational design considering students' insights towards entrepreneurship is suggested by Schneider *et al.* 2021

Conclusion

This can be concluded that entrepreneurship is like an opportunity for individuals that provide the scope for discovering themselves in terms of their own potentials and capabilities that can help them to become a successful business person in their career. This essay has made a discussion on the macroenvironmental factors of this country that have a significant impact on the upcoming business scenario for entrepreneurs. This essay has included essential skills and personal traits that are required to be present in an entrepreneur to be a successful business person. It has also discussed the difference between skills and traits and how they help an entrepreneur attain success.

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