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A New Business in the UK

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## **Introduction**

The purpose of this study is to evaluate the mindset of an entrepreneur who wants to set up a new business in the UK. It is observed that the entrepreneurs are increasing in rapid growth in the UK business environment and from a survey report by the World Economic Forum and the United Nation that the entrepreneurs reached a record in 2021. Because of the covid pandemic all over the world, the business organizations have suffered a lot and the entrepreneurs are achieving their goals and are successful in their business. To become successful in their business they need to set up their mind and technology plays an important role in their success. The external environment is responsible for the present condition of the business organization. The external conditions of the country that can be both an opportunity and threat for an entrepreneur to run their business are discussed in this study. This study sheds light on the mindset of an entrepreneur and the PEST of the country UK.

The UK, is a constitutional monarchy and parliamentary democracy with the monarch being the state head. There are several political parties mostly dominate politics are Scottish Nationalist Party, Liberal Democrats, Conservative , Labor. Political stability is the biggest strength of the country (Tenentrepreneurs 2022). Also, Brexit has created some political debates and uncertainties. In the UK, some of the analysts believe that Brexit already has created big chaos as well as the country always maintains a great relationship with the US and also with other countries all over the world. In the UK, PEST analysis is a massively useful tool that helps in the business strategy as well as an understanding of the business macro-environment factors. It has the great power with the considerable influences on political, scientific, military, cultural, and global economic affairs. It has some positive impacts on the country such as split local and national administrations, proactive government, politically stable and the negative impacts are some well-hidden corruption, uncertainty in whether or not to stay in the country.

In the UK, the economical factor is the key area of the discussion of a PEST analysis. In between the lockdown period of last two years, the abundant pressure on treasury as well as ruined several businesses across several industries in the UK. It is the 6th largest economic country by nominal GDP all over the world (Statista, 2022). Usually, it increases on an annual basis which is

immensely useful to the people who are on a lower income. In the UK, the recent corporation tax rate for the profit of the company is almost 19%. In the year 2023, the tax rate is going to be almost 25% financially (Statista, 2022). In the UK economy, the sectors of financial services play an essential role and along with the related sectors like law employees, account for over 2 million people. Some of the positive factors are a free market, a large population that allows small profitable markets, increasing foreign direct investment, and a diversified economy with both private and large public sectors. Some of the negative impacts are that there is lots of money spent on providing financial aid and public services also for the migrants and slow recovery.

In the PEST analysis the next issue with some social factors in the social environment in the UK. It has the wide range of consumer market and the recent population is almost 68.5 million (Jones, Ram, and Villares-Varela, 2019). With these factors, organizations can develop a variety of new products and their market area in business. That is needed for several religions and races and there are several types of opportunities that the organization explores. It is one of the topmost countries that is perceived to have the most educated population all over the world. It is worth mentioning that higher education and costs of living are on the rise. Recently, the UK has had a relatively higher degree of social mobility. There are some disadvantages for those people who are grown up in low income and poverty families. In the UK, inequality is quite pronounced and sometimes it is difficult to keep up with the pace of change in society. In the UK, the population is getting older and the implications are both the health care system and the labor market (Haans, and van den Oever, 2021). Also, there are several opportunities for an organization. Some positive impacts are high standard of living, many free public services and the negative impacts are ever-increasing the further education costs, increasing and the high dependency ratio, social unrest with regard to ethnic and migration groups.

It is the major contributor to the UK economy. Technologically it is the most advanced country in the world. The advanced technological infrastructure offers entrepreneurs unlimited opportunities in business. In the UK, it creates a higher level of internet connectivity for the people who are using the online services for their business, social and personal needs (Eunice Abdul, 2018). Also, in business, they provide several opportunities to find their new customers through social media and digital marketing channels. It is an economically developed country that has technologically good access. Also, it helps in making strategic decisions in business. In the country, it is the detailed analysis to address some of the economical, technological, political, social factors that

affect business. There are some of the essential factors that affect the UK, the positive impacts of effective laws with regard to intellectual property, plenty of internal competition, quality innovation skills and the negative impacts are slow technological development.

As it is observed from the report that there will be almost 5.6 million private business organizations opened in the UK in 2021, which is a decrease of almost 400 thousand compared to the previous year 2000 (Statista, 2022). In the case study, it is observed that there is a decline of almost 1.5 % in the businesses led by entrepreneurs. In the situation of covid 19 pandemic, all the business organizations suffered but the entrepreneurs kept their business maintained and continued and to continue their business they needed to set up their minds. Entrepreneurs need to have some necessary and common skills that will help them to run their business in any situation. To start a business as an entrepreneur there are a few aspects that they need to know: the mindset of an entrepreneur that depends on his skill and traits, barriers of entrepreneurs, challenges that they can face in the 21st century in the UK and other things related to this. Skills are those tasks that an entrepreneur learns and can forget also depending on their practice and learning, while traits are those which are the characteristics of an entrepreneur that are inborn and natural. Some of these natural traits can be included in the list of the skills also. The skills that an entrepreneur needs to carry are communication skills, problem-solving skills, decision-making skills, risk-taking, creativity, imagination, innovation, knowledge of technology, time management, team management, curiosity, motivation, strategic planning and many other skills (Almahry *et al.* 2018). These skills can be categorized into four parts: cognitive skills, technical skills, social and rational skills and management skills. All these skills are the characteristics of the entrepreneur's mindset. **A positive mental attitude** is necessary for an entrepreneur because with the help of a positive mental attitude an entrepreneur can face any situation in the business organization and an entrepreneur must cultivate this mindset. A positive attitude is a key to success for an entrepreneur as it helps to set a tone of influence in the company both for the employees and the clients (Aofund, 2022). Attitude affects an organization highly, the employees and the clients always expect a positive attitude from the entrepreneur as always success does not lie in the effective production or accomplishment of goal but most of the time it depends on the healthy relationship that helps to create trust among them. This positive attitude leads the entrepreneur to motivate the staff and employees of the company. It is obvious that risks, problems, difficulties are natural in an organization but these risks and difficulties can be overcome and solved only when all the members

of the company will work together as a team and support each other. This support comes from motivation and good relationships and this peaceful environment results from the positive attitude of the entrepreneur.

**A creative mind** is another important trait or mindset that an entrepreneur needs to cultivate (Hatthakijphong and Ting, 2019). Though creativity is a natural trait and skill, it can be developed through observation. Creativity or the creative mind of an entrepreneur helps him to set an effective and creative goal, mission, vision and objective of the company. After setting the goals and objectives, an entrepreneur needs to plan an effective way to fulfil the goal which is possible through the creative mindset of the entrepreneur. The company can face difficulty and challenges at any time but the entrepreneur always needs to be ready with his creative strategies and creative mind to solve the problems and take an efficient decision for the betterment of the company. Another benefit of the creative mind is innovative ideas for the company as at present everyone wants something new and innovative (Kier and McMullen, 2018). The competitive market becomes tough for the business organizations because every organization tries to bring something innovative in their products and services that will help them to achieve success and stick to the competitive market. For this reason, creativity is necessary for an entrepreneur.

**Communication ability** helps an entrepreneur in various ways and forms (Odewale *et al.* 2019). With the help of this communication ability, they can increase their sales, make healthy and powerful relationships, help in negotiations, and many other things. It is observed that a good leader is a person who can motivate and drive one's mind with his speech which is part of communication. In difficult situations, the entrepreneur can motivate the employees and the staff of the company with the help of his communication skill. Communication helps an entrepreneur to understand the current situation of the workplace through the feedback that he gets from the employees and the customers. Employees and staff of a company can face various sorts of problems that an entrepreneur needs to know and set strategies to solve these problems so they can work properly and it is possible only through communication.

**The ability to learn from failure** is one of the important mindsets of an entrepreneur (Lifhack, 2022). Sometimes failure can cause depression and the decline of a company. Because when an entrepreneur is not ready to adopt change and accept failure there is a possibility to lose confidence and become depressed. In this situation, an entrepreneur needs to set his mind to accept the failure and learn from yeh failure which will help to perform better in the future development of the skill

and with the lesson achieve success by rectifying the mistakes. Failure teaches the weakness and the mistakes and only a good entrepreneur can understand these mistakes and rectify them. After learning from failure, an entrepreneur can develop his skill and project both keeping in mind all the potential negative situations he can face shortly.

### **Conclusion**

The above study shows that enterprise and entrepreneurship will focus on their importance to the business economy. The entrepreneurial skills and traits help organizations to develop their business in the market. They can organize some new products and they have the opportunity in their recognition process. The global entrepreneurship monitor found the adult percentage is increasing and running in the young business has hit almost 12.6 per cent in the last few years. While the business is a rapidly changing environment due to the rise of technology, the number of entrepreneurs are increasing despite the challenges of the competitive business environment.

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