

LCBB5001: Entrepreneurship

Assessment 1

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Table of Contents

Introduction	3
Main Body	4
Conclusion	9
References	10

Introduction

An individual having the collection of unique ideas for doing business and having the potential to bring the change into the traditional approaches of the business environment is known as an entrepreneur. The role of an entrepreneur in the modern business environment and an economy is to transform the latent resources in the environment like labour, land, capital etc into useful business operations (Jansen et al., 2021). Also, entrepreneurs give an important contribution to the boosting of the GDP of the country. There are specific skills and traits of modern entrepreneurs like being self-reliant, opportunity taker, risk-taker, passionate, team worker, decision-maker, analytical thinker, multitasked and also strategic analyst. All these skills and traits make a person a complete entrepreneur (Olanrewaju et al., 2020). The PEST Analysis is a management approach for identifying the external threats and opportunities to the business to evaluate the future operations of the company accordingly. The report focuses on the conduction of PEST Analysis for the UK macro environment and addresses the required skill set and traits to become a successful entrepreneur in the UK.

Main Body

Political Factors: The latest factor affecting the macro environment of the UK and the market performance of the entrepreneurs in the UK is the war between Ukraine and Russia. Due to the sudden war imposition, there will be a direct impact on the import and export between the Russia and UK because Russia imports most of the vehicles from the UK and this war will result in a pause in the trade between the two countries. The UK is responsible for 0.7% of the export to Russia (Kuzio, 2022). Another macro factor that may become an obstacle for the growth of an entrepreneurial business in the UK is Covid-19. However, now the situation is better in comparison to the past 2 years of Covid-19 in the UK. There will be the removal of all the Covid-19 related restrictions in the UK from 18th March 2022 which is good news for the entrepreneurs as they could perform their operations without any barrier or threat. The market expert's estimation says that after the removal of all the restrictions it is expected that the UK economy will be developing with faster speed and will gain 13.67% f growth by the end of 2025. Both factors are essential for the entrepreneurs to study and analyse before entering the markets of the UK so that the successful inlet can be done in form of a new business manager (Jansen et al., 2021).

One of the guest lectures mentioned some of the traits and skills that a person must possess for dealing with the political and other issues in an economy for the smooth entry of the business in the market. an entrepreneur before making the launch of the new product and services in the market needs to perform the research and development about the market and identify all possible threats and opportunities to the company (Audretsch et al., 2022). Intense research and development skills in an entrepreneur can be developed through discovery sessions and gathered feedback from the customers purchasing products in the market. as the political environment of the UK is highly uncertain thus the entrepreneur must follow the policy of starting small and slow. That means at the initial level the entrepreneur should always that the risk of a small amount of investment and then gradually take steps for further growth of the business. therefore, both the research skills and risk-taking skills are the essential traits an

entrepreneur must have to be successful in the comprehensiveness of the market (Kraus et al., 2020)

Economic Factor: There will be a direct influence of Ukraine war with Russia seen on the UK economy because the United Kingdom is considered to be one of the biggest exporters for Russia for the products like a vehicle where is the UK also makes Import of certain goods like oil and petroleum from Russia. To date, there has been an increase in the inflation of the UK by 12.12% only because of the Ukraine war with Russia. One more impact because of the Ukraine War on the UK is with the energy and natural gas-related because one of the prominent exporters of oil and rush gas is Russia which accounts for 17% of the world's natural gas export (Kuzio, 2022). Because of the Ukraine war, there is an increase in the 12% of prices to all the natural gases and oils which is not economically proven good for the UK. The UK economy endangered its employment or workforce capacity mostly because of the sudden impact of covid-19. The research of the market and statistical analysis state that around 24% of the workforce in the UK that number to be 7.6 million have risked their jobs while pend make. does the pandemic was considered to be a long-lasting external factor affecting the economy of the UK adversely (Cox, 2021).

As per the lecture given by our guest, there are certain skills that the new entrepreneur must puzzle and keep in mind while starting up the business and entering the new market. As discussed in the economic factor about the Ukraine war and covid-19 one of the impact full reasons in the recent time to UK economy, therefore, the guest stated that an entrepreneur can be successful when he or she will leave the comfort zone. An individual has to leave the comfort zone to be successful in life because the comfort zone gives very slow opportunities for growth rather challenges and the new environment will increase the speed of an individual of learning and experience a lot (Kraus et al., 2020). One more learning that the guest lecture gave regarding the successful entrance of entrepreneurs to the UK market is that failure is the part of the success that means an entrepreneur need not be afraid regarding the failure of a business idea because there will be chances of failure but on the other hand after twice or thrice there will be a successful growth to the business. a person will learn from the mistakes

only their food when should not be afraid of failure because it is an intrinsic part of the success only (Olanrewaju et al., 2020).

Social Factor: The social factors that are making invoice directly to the UK macro and fluctuating the performance of the different business sectors is that demographic population of 68 million at present but soon the increasing speed of population is outnumbering the death rate in the UK and it is expected that by the year and of 2039 the population of the UK will reach to 74 million. The growing concern about social factors to the UK economy is that the population is growing older and now the issues will be regarding the labour market and Healthcare system of the UK (Cox, 2021). As it is mentioned about that due to covid-19 there were numerous deaths in the UK and also loss of employment was about 24% in the UK. To meet the current expectations of customers and highly changing business environment there is a requirement of highly active youth and having a high level of intelligence but because of getting the UK population older and increasing health issues, the business sector of the UK seems to be endangered. The diverse culture of the UK is also considered to be a social factor that becomes a barrier many times in the growth and expansion of business. for instance, Burberry experiences a lot of diversity and cultural issues to make its business smooth and sustainable in the UK market and as an outcome, the company has hit the downfall of 7% in the year 2021 in its revenue (Shtal et al., 2018).

To improve the social factor that has been affecting the business environment of the UK are guest lecture mentioned that proper research and development needs to be performed by an entrepreneur before the market entrance and also the skills of diversity should be there in an individual. While giving the lecture the guest stated some of the films as an example for motivation and encouraging the entrepreneurship to the UK environment that are named as self-made, the Founder, the hidden figure, Joy etc (Olanrewaju et al., 2020). An entrepreneur needs to arrange certain group activities and teamwork tasks for its workforce to get a chance to mix and no about each other this will strengthen the working people of the company and will make it easier for the entrepreneurs to deal with the other challenges of the Macro environment. Diversity is one of the biggest challenges that an entrepreneur has to face in the

market and to resolve this problem teamwork and innovation will be the best-suggested solution as per August for the entrepreneurs to become successful in the comprehensive market of the business (Kraus et al., 2020)

Technological Factor: Technology is considered now to be the internship part of the business environment Especially in the Macro environment of the UK because after the Covid-19 eruption Technology was adopted by the business people as one of the solutions to the pause in their business operations and economic activities. Due to covid there was imposed locked down and then on every economics activity which is done by going outside like offices and shops and to make up this problem Technology was found to be the only solution there for most of the employees were given out working and also companies allotted laptops and other facilities to search employees at their home so that the functioning of the business should not stop (Jansen et al., 2021). More than 50% of the UK employees were working remotely making optimum utilisation of Technology for example digital marketing was done by the marketing employees by sitting at home and managing the social media accounts and their content remotely. Digital marketing has grown by 24.67% during the pandemic times resulting in an increase in digital job opportunities for the youth of the UK by 31.2% in the UK. Thus, Technology has proven both positive as well as negative for the UK macro environment (Kowo et al., 2020).

The guest lecture mentioned some of the skills and knowledge areas that an entrepreneur must have regarding the technology factor mentioned above. for example, technological innovation was a new experience for all of the people in the UK however there is also technology was used in the UK macro and moment but specifically post Covid it has increased its usage to the business environment of the UK to large scale, therefore, the guest said that one should not avoid the new experience is only because of this year of failure because challenges are not failure they are seen as the opportunity for growth and progress in the future (Bosma et al., 2018). Many of the business experts in the UK were fearing about the technology implication and remote working an allotted to employees that will it work or not during Kuwait but they all took at as a great challenge and now remote working is considered to be the most feasible and

flexible working approach of employees that has increased the employee's productivity by 50% in the UK macro environment thus it is recommended that entrepreneurs should always accept the new change your experiences rather take it as an opportunity and baby ride and experience and explore the new adventure for new learning and self-enhancement as an entrepreneur (Lipset, 2018).

Conclusion

The report concluded about the business environment and the macro-level factors of the UK that will be affecting the entrepreneur and its new start-ups in the UK in coming future. starting a business is no easy task and everybody is the cup of tea because there is a requirement of specific skills, expertise, knowledge and experience in an entrepreneur that will incorporate a person to become a successful entrepreneur in the time where the challenge is common and impact the business on daily basis. The report has mentioned a detailed pest analysis of the UK macro and moment with the suggestions of skills and improvement by our guest to become a successful entrepreneur and the current times. The resources used to mention the best analysis in the report are different websites magazine articles etc which means all are secondary resources.

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