

Entrepreneurship

Assessment 1: Essay

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Through this entrepreneurship, I will be advocating for General haulage transports which will be based in Birmingham in the UK. The transportation industry in the UK is showcasing high growth rates which lured me into venturing into this industry. According to statistics, in 2022, the gross value added (GVA) of the transportation and storage sector in the UK amounted to approximately 70.6 billion British pounds.

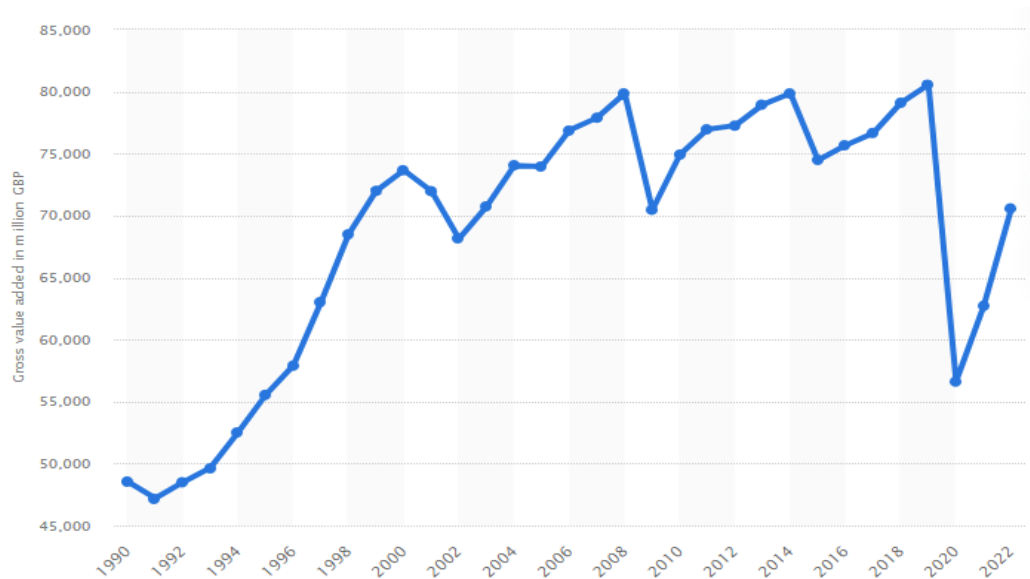


Figure 1: gross value added for the transport industry in the UK

As compared to the statistics reported in 2021, it recorded up to 62.7 billion pounds (Clark, 2023). Furthermore in another research, despite its decline in the generation of revenue during the Covid 19, this industry has showcased a gradual increase in growth that show that this is an industry with sustainability (Milani and Sandri, 2021). According to the figure below, the number of units is continuously improving, with 2022 having up to 154,665 business units, having road transport leading with 60,930 units. With the numbers increasing at such a pace, it shows that the industry has great potential to sustain growth.

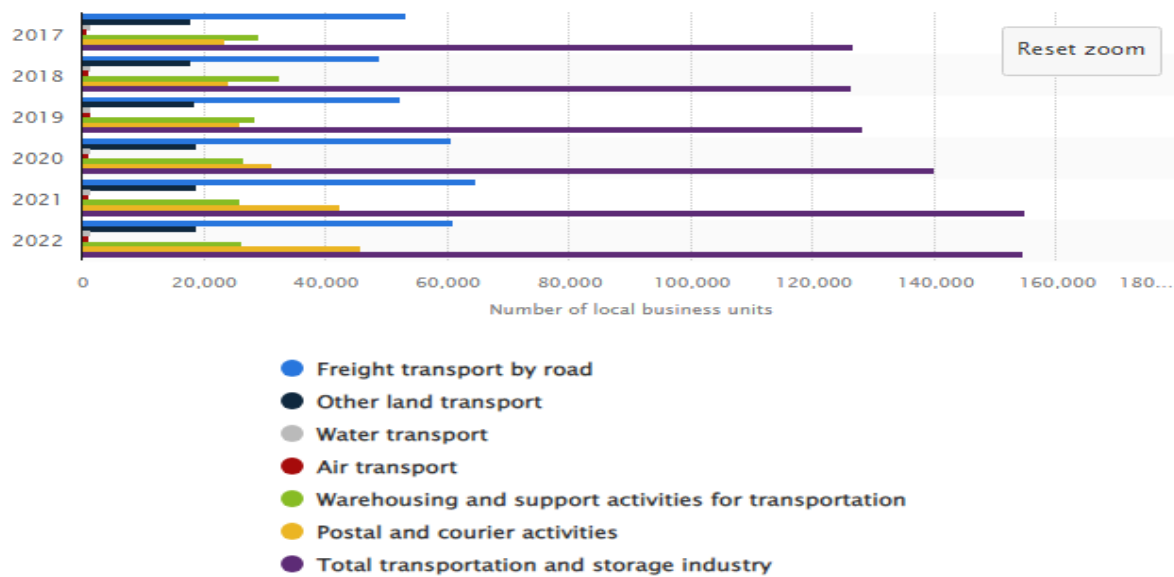


Figure 2: Number of local business units used for transportation and storage in the United Kingdom (UK) from 2011 to 2022

Furthermore, according to other statistics, public transport in the UK is expected to grow by 3.01%, giving a market value of \$17.18 bn by 2027 (Statista, 2022). However, this is only for public transport. With such statistics, it showed me that inventing a business in this industry is a wise idea that will lead to a successful chain of businesses. Furthermore, during my invention process, I wanted an idea that will generate jobs and create an impact on the UK economy. With the impacts of Covid, the economy of the UK lost up to 251 bn, which can be replaced currently, the number of travellers is increasing as well as the return of tourist activities that raises the need to travel (The Guardian, 2021). Furthermore, I wish to create a brand that will assure people of their security during travelling that they will get to their locations safely having highly qualified drivers to operate the buses trucks and cars.

PEST analysis

To better understand the UK external environment, the research will consider carrying out a PEST analysis, having, Political, Economical, Social and Technological factors that impact the operation of the businesses as well as the launching of new businesses

Political Factors:

This is a significant factor that is to be put into consideration before providing the logistic services, as there are different laws such as labour laws, legislations, trade-related policies, restrictions on the Logistics Company, taxation policies, tariffs as well as customs duties. Furthermore for every company offering logistics company has to ensure that it operates in an environment with state political conditions. In our case study, Europe has a stable political condition with rules which are not as strict which will be an added advantage as it will enhance the growth of companies as well as an increase in the market share (European Union, 2023). Furthermore, with factors such as Brexit, there are challenges that the business will face when integrating into the UK market. During transportation, the customs requirements have increased the transit time between the UK and the EU (Jozepa, 2023). For example, the double check of trucks comes with 50 pallets. This shows that it comes with 50 times more paperwork. In case where one piece of paperwork has an error, the whole trailer has to wait until the documentation issue is resolved which means that the transportation from the UK to the UK could take more time that could delay delivery of services in other countries in the EU. Furthermore considering policies such as when the government declared a lockdown, this led to shutdown of all travel companies; hence the invention is putting in consideration of such factors.

Economic factors

The economy of the UK is of an advantage to the success of the new business. After the decline in growth during Covid 19, the economy has shown great potential as many people have now gained the courage to reinvest in the economy again. The economy is growing at an increased rate of 2.2% higher as compared to the pandemic levels (Harari, 2023). However putting into consideration that the consumer price inflation rates fell to 8.7% on 2023 April, which rates remained significantly higher than the Bank of England target of 2.0% it has considered tightening campaigns to ensure that the bank's ongoing have been maintained (Beckett, 2023).

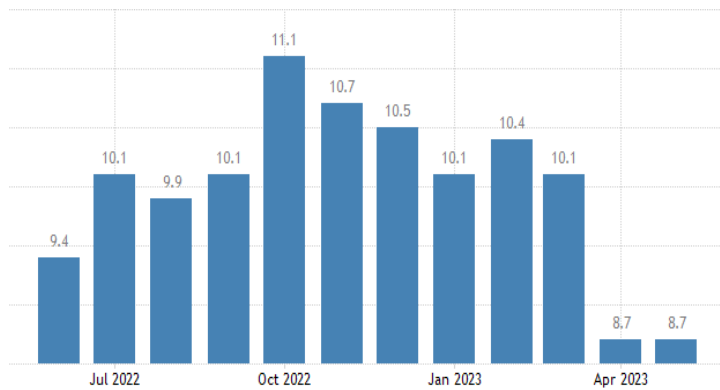


Figure 3: UK inflation rates

With the lower rates, it means that the economy is more stable as the citizens have more money to purchase goods and services. This shows that when investments are made in the UK more sales will be experienced. Furthermore being that the Bank of England has lowered the loan interests which have made it easier for new ventures to access loans and facilitate their operations while still being promised profits due to lower rates of loan repayments (Nicola and Agha, 2020). Furthermore, the rates of unemployment in the UK have reduced being that new companies and businesses are being formed. However, despite those statistics stating that the rates have increased by 0.1% in the 2023 quarter increasing the number to

3.8%, the rates are way lower considering that in 2020 the rates were higher at 4.9% (Leaker, 2023). With these factors, it shows that choosing the UK logistics industry will be an effective choice that has a well-formed economy to enhance the success of the business

Social

Under this part, we will analyse the social trends, lifestyles, attitudes, level of education, and other factors that impact the social behaviour of the citizens. In the UK transportation is about dealing with imports and exports that come and go as a result of sales peak seasons which comes in and goes within a particular time. It then becomes difficult to have a consistent sales curve to ensure that the business keeps on increasing its sales gradually. With such factors, it shows that getting into this environment means that at some point they will be lower sales for the company. Furthermore, being that people in the UK are becoming more environmentally conscious that is advocating for the use of public transport. This is advocated in a manner that when 30 people travel using one bus, it lowers the rate of release of carbon to the environment as to when everyone takes their car. Hence with such social issues, this has increased the demand for public transport. This also means that introducing such a chain in this environment will not be a unique idea that will struggle to be accepted as long as high-quality services are being offered its acceptance in the market is assured.

Technological

The UK is among the countries that have been rated top 5 countries with high rates of innovation in technology. Furthermore, companies need to have advanced technologies to ensure that their operations are running faster and more uniquely. This has brought the demand for electric cars in the UK. According to statistics, in 2016, only 0.4% of the cars that

were bought were electric, however, in 2022, this number had increased to 16.6% for electric car registration (Ratnavira, 2023). This means that when a transport company is launching its services in the UK, they have to consider having electric cars. However on the contrary this could be a disadvantage to the company being that buying electric cars requires high capital. However, with the incentives that the state has input on everyone who buys an electric car, this could somehow help in cutting the cost of funding revenues. Furthermore, when including the cars, they need to have technologies such as screens for watching when the clients are travelling for long distances. With such factors, it then becomes easy for the company to succeed, however despite the venture initially aiming at helping create a sustainable environment, the introduction of the eclectic car was earlier considered.

PART TWO

How entrepreneurship skills and knowledge gained will help in starting the business

Communication and listening skills

Through the course, I have learnt that communication is an important skill that determined the success of a business. According to research, it is reported that up to 70% of projects fail as a result of poor communication (Guest, 2022). Being that I have gained this skill, I will use it in ensuring that all my employees are being managed approximately as well as also influence my employees to ensure that they communicate with the clients effectively. Furthermore, this is also focused on statistics that up to 72% of managers believe that communication skills impact employee job satisfaction (Pumble, 2023). With the help of this skill, I will use to ensure that I increase employee productivity by giving clear directions. Furthermore being that up to 28% of employees who perform poorly have cited poor

communication as one of the reasons why they fail (Gitnux, 2023), I believe I have a better understanding of the impact of communication and I will use it in giving appropriate instructions and ensure that all employees understand the values and even the culture of the company to help in meeting the needs of the client. Furthermore, I will use listening skills, to ensure that I understand all employees and know all the needs and their motivational factors that will help in designing a comfortable workplace for everyone.

Teamwork skills

Collaboration is among the skills that are required for the success of any company. When employees work together more efficiency is experienced. This is considered on the statistics that individuals who work in a collaborative environment have an effective rate of more than 50% when carrying out tasks as to those who are working individually (The Alternative Board, 2023). With this, I will use this skill to ensure that I delegate tasks within teams considering their expertise. I will use teamwork to increase creativity among my employees. When they are working in teams they will showcase more creative levels while discussing through and coming up with creative ideas. This is also focused on research by (Tolson, 2023) that states that workplace collaboration increases innovation by 15%. Furthermore, I will also use these skills, to ensure that the trust within my employees has increased. While employees get to discuss and propose different strategies, they get to trust each other's ideas; hence they all have a common goal. Furthermore, I will also use my teamwork skills to increase my company's problem-solving skills. This is based on the fact that with collaboration effectiveness in decision making is increased by 25%. As such when finding solutions I will gather teams and ask them to give suggestions of the best solutions that they

think, with this, I have a higher chance of getting advanced decisions that will improve the competitive ability of the company

Financial skills

In business, it is all about managing finances including knowing the operational cost and the profit margins that the company has. Using this skill, I will be able to create income statements, balance sheets and cash flow statements that will give a general view of how the company is performing. With the help of financial skills, I will also be able to read and interpret these statements that are provided by employees and analyse my profitability level, efficiency level, liquidity level and solvency levels (Kriemadis and Haritos, 2022). With this, I will be able to identify opportunities, strengths and some of the weaknesses within the business. This will then follow the implementation of strategies to help improve the weakness. With these skills, I will also be able to uphold financial practices as well as ensure that financial stability within the company has been maintained. This will also be of significance in making decisions in terms of business diversification or when the company wishes to introduce a new type of service

Problem-solving skills

Being the manager of the company that is in charge of employees, I will now and then experience conflicts among employees. Having this skill is important as up to 85% of employees experience workplace conflicts (Harrington, 2021). This could be a result of various reasons which include, 77% of conflict is caused as a result of disagreement in opinions (Zipdo, 2023). Being that there will be a lot of teamwork in my company, this shows that there will be high rates that the company will experience conflicts as a result of conflicts

in opinions. Hence I need this skill to ensure that all my employees are in an environment that motivates them to come to work and not let motivating them due to existing conflicts.

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Appendix

Appendix 1

SWOT Analysis	
Strengths	Weaknesses
• I work well under high pressure • I have good communication skills • I have good teamwork skills • I have good problem-solving skills • I am quick to learn new concepts	• I am poor at budgeting that I end up overspending • I have poor time management skills • I get nervous when doing presentations
Opportunities	Threats
• The transportation industry in the UK has developed poor ratings in client satisfaction • I will be going to a marketing conference in the next two weeks • Being that I have a chance to take up leadership duties will create more impact • With the coming technology high results are expected	• Limitations in finances could make it impossible to launch this business • High competition within the logistics industry • The challenge of keeping up with new technologies

Appendix 2

Skill Audit

Skill area	Description of specific skill	Evidence of skill	How am I doing?
Communication skills	Showcase effective verbal and non-verbal communication skills	I have carried out various conference talks for large audiences During the presentations, I receive positive feedback	I am currently performing well in this but there is still room for improvement
Personal and interpersonal skills	Manage my workload as well as balance work and family life	I will set aside some mandatory to-do lists. I will set some time aside to work on particular projects(However this usually does not happen)	I aim at improving
Teamwork skills	Manage teams effectively, and ensure that a high level of collaboration is being experienced	I have managed effective teams during my work as well as during class teamwork projects	I am doing well, however, there is still room for improvement

Finance skills	Ensure that the cost of production and the revenue generated are aligning with expectations	I have found myself budgeting impacting the expected cost of production as well as revenue and profits generation	I aim at improving this
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Appendix 3

Personal Development Plan

Development goal	How important it is	Activities to be undertaken	Resources I need	Start Date	Target End Date	Criteria for Success
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Improve time management skills	It will help in accomplishin g tasks on time improving efficiency as there will be no rush hours completion of projects	Buy a diary Note down all the tasks regarding the relevance Ensure that deadlines have been considered	Diary Alarms	15/7/202 3	30/7/202 3	Effectively managing my time and ensuring that projects have been completed on time
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Improve financial skills	It is important because if I fail to manage the business finances I will end up being bankrupt	Stick to the budget, Ensure that I have high bargaining power with the suppliers Ensure that I use a chance if there are promotions	Budgeting diary Cash flow templates Operational expenses templates	1/8/2023	15/8/2023	Efficiency in budget preparations, No budget overruns Efficiency in outlining the cost of production as well as being able to distinguish profit from operational
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