# ENTREPRENEUER

WHO IS AN ENTREPRENEUER?

* A person who is able to identify business opportunities, mobilize the necessary resources and initiate a business activity hoping that it will be successful i.e. an optimistic person.
* An individual or group who tries to create something new-who organizes the production and undertakes risk involved in the establishment of a new business enterprise.
* The word entrepreneur is derived from the French word “entreprendre” which means to undertake; i.e a person who undertakes the risk of new enterprise.
* According to Peter F. Drucker, an entrepreneur is one who always searches for change, responds to it and exploits it as an opportunity.
* May be applied to those who incubate new ideas, start enterprises based on those ideas and provide added value to society based on those ideas and provide added value to society based on their independent initiatives.
* According to **David Silver,** a successful venture capitalist and author described an entrepreneur as “an energetic and single minded person having a mission and a vision”. That he intends to create out of this vision a product and service in a field that many have determined is important to improve the lives of millions.
* He suggests that entrepreneurs venture out on their own from a sense of dissatisfaction with their organizations but they are not necessarily unhappy with their career fields i.e. they leave established companies to pursue private enterprises yet do so within the scope of their profession.

# ENTREPRENEURSHIP

WHAT IS ENTREPRENEURSHIP?

* Entrepreneurship is a process of creating something new of value by devoting the necessary time and effort, assuming the accompanying financial, psychic and social risks and receiving the resulting rewards of monetary and personal satisfaction and independence ( Hisrich and Peters, 2002)
* The process of opportunity recognition and translating it into a way a company does business .i.e. identifying opportunities and actualizing it.
* A personal quality which enables people to start a new business vigorously and innovatively expand an existing one.
* Essentially consists of doing things that are not generally done in the ordinary course of business routine.(Joseph Schumpeter,1934)
* The dynamic process of creating incremental wealth by assuming the major risks in terms of equity, time and \ or career commitment of providing value for some product or service.(Robert Ronstadt)

# THEORIES

**ENTREPRENEURAL BEHAVIOUR THEORIES**

Several theories have been developed to explain why entrepreneurs behave the way they do. The common ones are as below. Further, there has been a lot of debate whether entrepreneurs are born or made.i.e genetically influenced or environmentally influenced by where they are born.

These include the following;

* 1. Economic theories
  2. Psychological theories
  3. Sociological theories
  4. Management theories

*ECONOMIC THEORY***.**

This theory believes that entrepreneurial behavior is influenced by the economic factors.

An entrepreneur is a person who brings together the resources or factors of production into a combination that makes their value better than before i.e. the fourth factor of production.

According to **Joseph Schumpeter** (1934), “an entrepreneur is an innovator and develops untried technology”. He says that;

Entrepreneurs can introduce new service or product by;

* + 1. Introducing new methods.
    2. Finding new sources of materials of creating a new business.
    3. Opening new markets.
    4. Providing some kind of industrial re-organization.

**Richard Cantillon** (1725), observed that an entrepreneur is a person bearing risks and is different from one supplying capital. They are seen as the bearers of risk or insurers. According to him, an entrepreneur is a combiner of factors of production in such a way that wealth is created.

The economic perspective is important since there are several businesses starting up and so for one to succeed, there has to be an enabling environment in areas of government policies, infrastructure etc

PSYCHOLOGICAL *THEORY*

It says that entrepreneurs have unique values, attitudes, and needs which drive them. It is mostly concerned with personality traits as the main determinants of entrepreneurial behavior. People are likely to be entrepreneurs due to their high liking of independence attitude and having unsatisfied needs.

According to **David McClelland**, high need for achievement is the main determinant for entrepreneurial behavior. This high need for achievement tends to make them desire to take personal responsibility and calculated risks (moderate risks). They are people with little interest for routine activities and tend to work hard and take challenge. It is an inner concern that exists within a person and creates within a person a desire for success or accomplishment.

According to him those people who have high need for achievement are those people whom the parents set high standards for children to achieve.

*SOCIOLOGICAL THEORY*

It maintains that environmental factors such as beliefs, culture, social structures of organizations are the main determinants of entrepreneurial behavior. This is according to **welser** (1904). For example, within the Asian community one who succeeds in business is respected and seen as a leader.

**According to Kent** (1981), for one to be an entrepreneur, he has to have an association or relationship with another person who is an entrepreneur. He found it was more likely when this other person was a close relative of and especially a parent. This linkage provides social support which is imp ortant in business.

*MANAGEMENT THEORY*

**Albert Shapero** (1975), noted that entrepreneurs takes initiative, organizes some social and economic mechanisms and accepts risks of failure.

It emphasizes organization of resources in a specific way to attain profits. It emphasizes that entrepreneurs are organizers of economic undertakings. They see entrepreneurs as leaders or as people with leadership traits.

According to this theory, Entrepreneurs are visionary and make others see what needs to be achieved.

* + - Leaders are seen as pioneers-being able to achieve goals with and by others.
    - Leaders must have a vision.
    - Leadership has an impact on the behavior of leaders.

**ASPECTS OF AN ENTREPRENEURS’BACKGROUND THAT DIFFERENTIATE THE ENTREPRENEUR FROM THE GENERAL POPULATION OF MANAGERS.**

**CHILDHOOD FAMILY ENVIRONMENT.**

* Birth order.
* Parents’ occupation's)
* Social status.
* Relationship with parents.

**EDUCATIONAL LEVEL.**

* Level of education obtained.
* High educational level enable entrepreneurs cope with problems they confront.
* Female entrepreneur’s popular college majors are English, Psychology, education and sociology.
* Male entrepreneurs/ female entrepreneurs require an educational need in the areas of finance, strategic planning, marketing and management.
* Ability to deal with people and communicate clearly in the written and spoken word.

**PERSONAL VALUES.**

* Honesty and ethics in business practices.
* Opportunism.
* Flexibility.
* Quality services to customers/ provision of superior products.
* Adaptability to changes in the market place.
* High caliber management.

**AGE.**

* Age of entrepreneur reflected in the experience is the best prediction of success especially when new venture is in the same field as the previous business experience.
* In terms of chronological age, most entrepreneurs initiate their enterpreneural carriers between 22 – 45 years of age.

**WORK HISTORY**

* Negative displacement in the decision to launch a new venture.
* Also may play a role in the growth and eventual success of the new venture.
* Dissatisfaction with various aspects of one’s job e.g lack of challenge or promotional opportunities, frustration and boredom – motivates launching of new venture.
* Previous technical and industry experience is importance once decision to launch has been made.
* In addition to management experience, enterpreneural experience becomes important as the complexity of the venture increases. Most entrepreneurs indicate that their most significant ventures was not their first one.

# CHALLENGES FACED BY SMALL BUSINESSES.

* **Inappropriate physical infrastructure.**
* Due to low access to the supply of electricity.
* Poor maintenance of access roads to the premises.
* Inadequate availability of industrial/commercial land/site.
* Industrial estates/shades not build based on needs assessment
* Industrial estate and shades not owned by entrepreneurs.
* **Poor access to appropriate technology.**
* Insufficient sources of technical information.
* Lack of institutional counseling.
* Lack of appropriate technical skills among entrepreneurs.
* **Market constraints**.
* Inadequate access of Jua Kali to government and parastatal schemes.
* Poor linkages between Jua Kali, medium and large companies.
* Monopolistic practices of marketing boards.
* **Cumbersome laws and regulations.**
* Centralized registration and licensing of enterprises.
* Cumbersome and expensive regulatory procedures.
* Ignorance of law.
* **Lack of incentives for banks to lend to Jua Kali.**
* Low spread between interest paid on saving and that charge on loans to Jua Kali.
* Banks and DFI’s not allowed to use training levy to train their Jua kali borrowers.
* Lack of sound business plans.
* Lack of security for the loans.
* Lack of trust.
* **Inadequate loan able funds to Jua Kali.**
* Conflicting demands on loanable funds in banks.
* High domestic government borrowing.
* Inadequate level of savings.
* Underdeveloped secondary markets.
* High foreign exchange risk to banks.
* **Stringent collateral requirements**.
* Restricted collateral procedures.
* No track records available for new clients.
* Inadequate cover of Jua Kali credit risks.
* **Negative perception.**
* Negative attitudes of bank officers towards MSEs.
* Lack of business skills and management experience by the entrepreneurs and bank officials.
* Jua Kali are not familiar with having bank relationships.
* Scarcity of risk capital.

# THE CHALLENGES FACED BY WOMEN ENTERPRENEURS IN DEVELOPING ECONOMIES LIKE KENYA

* Lack of security e.g Title deeds to use for borrowing money. Women rarely inherit land and other property in their own right.
* Limited education. Women entrepreneurs have limited education and a few educated ones have no entrepreneurial skills. They therefore engage in traditional entrepreneurial activity which is normally cut-off and have no link with technological innovation.
* Lack of time- due to the multiple roles of women in Kenya. The traditional delineation of lab our persists with women assuming the entire responsibility of child care, the largest share of family activity in the provision of food, water, and fuel – wood and the general maintenance of the homestead in addition to their other economic activities.
* Women are also over burdened with frequent pregnancy and child birth which takes their toll on health.
* Social attitudes and practices – Traditional and modern practices of marriage tend to view women as subordinate to and dependent on their husbands. For similar reasons, family land and property is frequently registered in the names of men. These are all deep rooted cultural factors which will take a long time to change.
* Negative attitude by banks and financial institutions – It is assumed that women are supported by their husbands. Those borrowing money need their husbands clearance if they are to borrow easily yet facts are that women usually are better borrowers than men and their pay back rates are much higher.
* Location of financial institutions – majority of existing financial institutions are located in urban areas which majority of women entrepreneurs live in rural areas. Most women are therefore unfamiliar with institutional banking and credit systems.
* Lack of appropriate technology for diversification – Women entrepreneurs orient towards perennial sewing, embroidery, and handicrafts. There is lack of more marketable and more remunerative items.
* Lack of information and awareness on small scale entrepreneurship matters – existing office channels of communication do not necessarily reach all women, especially in rural areas.
* Inadequate exposure on their rights – women need to know more about their rights, inheritance laws, how to form women’s groups how to form a company and how to get into tendering and sub-contracting.
* Lack of policy on gender specific issues – e.g the need to review licensing requirements for women entrepreneurs among other policy.
* Inadequate physical infrastructure – to enhance this growth of small scale women enterprises e.g commercial.
* Limited markets for the products and services – overseas markets for possible exports of women products
* Lack of managerial skills – need to develop and implement innovative curriculum materials and methods of training related to self-employment and entrepreneurship for women.

# National Policy Initiatives in Entrepreneurship

A National policy can be generally defined as a system of laws, regulatory measures, courses of action, and funding priorities concerning a given topic promulgated by a governmental entity or its representatives. It is a statement of goals, objectives, and recommendations on a specific subject area.

A policy can also be defined as a principle or rule to guide decisions and achieve rational outcomes. Examples of policies include;

* Corporate privacy policies
* Parliamentary rules of order
* Presidential executive orders

**Importance of policies**

Policies help translate the intentions of government into actions.

1. Improve decision making- Good policy work relies on powerful tools such as the use of evidence, analysis and evaluation.
2. Explains why things need to change- effective policy development, documentation, and communication help government and government agencies to communicate their intentions and explain their actions.
3. Help us to focus on what is important- Policy work shows how the department is implementing change and how it is dealing with new challenges.
4. Inform judgment and guide actions- Policy guidelines helps decision makers across organization to solve problems, to plan ahead and to make appropriate judgments.
5. Make risks and entitlement- Good policy always considers risk to people and organizations.
6. Strengthen relationships and build capacity- Policy activity engages people and organizations within and outside government in an exchange of ideas and information.

**Government policies on entrepreneurship development in Kenya**

1. Licensing and regulations

The government has harmonized trade licensing and regulation services. The local authorities have also decentralized issuing of licenses in order to cut down on time and costs.

1. Health and safety in work places

Occupational health and safety is critical for enhance productivity, enterprise growth and expansion. The factories and other places of work act Cap 514 was reviewed in 2007 in order to cover SMEs.

1. Markets and marketing

The government recognizes that the growth and development of MSE sector depends on the existence of a vibrant market for MSE products and services. The government will allocate at least 25%of its procurement requirement to the sector.

1. Financial services

Establishment of credit guarantee schemes for loans given by commercial banks. The government also provides incentive to attract savings and investment development of venture capital.

1. Skills and technology

The government is ensuring transfer of technology into the country through relevant institutions such as KIRDI, National council of science and technology, KBS,etc.

1. Infrastructure development

The govt is continually improving infrastructure development which in turn promotes businesses.

1. Creating and strengthening institutions and schemes for the assistance of the small enterprise sector
2. Establish procedures to improve small scale training through the ministry of technical training and Applied Technology.
3. Overhaul the education system i.e introduction of the 8.4.4 system and integrating entrepreneurship into the education system.
4. Establishment of a full-fledged small industrial division in the ministry of commerce and industry – which gave rise to the District focus for rural development.
5. Registration to encourage risk taking
6. National companies to promote entrepreneurship
7. Support of entrepreneurs through friendly loans at the appropriate time.

**Importance of entrepreneurship in national development**

1. ***Economic roles***

1. Capital formation

2. Improvement of per capital income

3. Generation of employment

4. Balanced regional development

5. Improvement of living standards

6. Economic independence

7. Improvement of backwards and forward linkages

8. Creating demand as well as supply

9. Contribution to increased participation of indigenous people economic activities in a country.

10. Offering excellent opportunities for entrepreneurial and managerial talent to mature, critical shortage for which is often a great handicap to economic development

11. Supporting industrialization policies that promote rural-urban balance

12. Increasing savings and investment by local Kenyans and encouraging use of local resources, thus leading to more effective use of capital.

13. Adapting quickly to market changes

14. Creating special subcontracting arrangement and acts as auxiliaries to large firms.

***b) Social roles***

1. They are vehicle /force to mobility.

2. Discourage class, ethnic or gender differences of citizens as they all participate in economic activities together.

3. Bring the socially deprived into mainstream activities e.g. the poor, women, disabled etc.

4. Contribution to equal distribution of resources i.e. creates harmony, leads to reduction of crime etc.

5. Creates unity- through integration and interaction of communities

**c) *Political roles***

1. Have potential for industrialization due to the number and spread of small enterprises

2. Provide a base to balanced relations between rural and urban areas, the rest of the society and the government.

3. Government policies can be channeled through the enterprises or entrepreneurs

4. Provide balanced government.

**Importance of entrepreneurship in an economy**: (summary)

* Increase in per capita output and income
* Product evolution process-Is the process of developing and commercializing an innovation, which in turn stimulates economic growth.
* Generation of employment opportunities
* Creating demand as well as supply
* Economic independence
* Enhances balanced regional developments of industries
* Better living standards hence social stability
* Increase in savings and investments.
* Encourages use of local resources
* An avenue for rural development
* Enhances export promotion and import substitution

# Economic, Social and Political Factors Affecting Entrepreneurial Development

**a)** High taxation levels for business and personal incomes

Which in effect reduce profits earned making it unattractive to engage in business

Taxation of raw materials and other inputs raise production costs.

1. Corruption and official harassment

Occurs where entrepreneurs are forced to bribe officials in various government departments to allow operation or start up.

**c**) Unregulated competition from the outside world due to liberalization which opened importation competing locally produced goods.

**d)** Declining personal incomes of people dueto ever-increasing cost of living

**e)** A rise in unemployment

**f)** The high cost of finance **-**The cost of borrowing is high. Business collapses because they lack ability to repay loans.

**g**) Lack of necessary skills and knowledge due to;

* lack of training opportunities
* high education costs

**h)** Poor transport and communication network

# The entrepreneur: entrepreneurial attributes and behavior

***Entrepreneurial characteristics:***

1. Risk-taking- They take decisions under uncertainty and thus they are willing to take risks, but they never gamble with the results. They choose moderate risks.
2. Locus of control- They believe in their own ability to control the consequences of their endeavor.
3. Need to achieve- They have strong desire to achieve higher goals.
4. Independence-Most of them start on their own because they dislike to work for others. They want to be responsible for their own decisions
5. Perseverance-They have the quality of sticking to the job, solving the problems that arises until the whole project is successfully implemented.
6. Flexibility-They measure the pros and cons of a decision and tend to change if the situation demands.
7. Stress takers- They are capable of working for long hours and solving different complexities at the same time.
8. Innovators-They constantly put their efforts in developing new products, new method of production, opening new markets and re-organizing the enterprise.
9. Leadership-They the ability to guide, inspire, motivate and directing others towards the success of the enterprise.
10. Pro-active- They are not surprised by events.
11. Time orientation- They stick to their time pragmatically while doing their jobs.
12. Decision making- They choose a particular course of action out of several alternative courses for purpose of achieving specified goals.
13. Self-confidence- They have the confidence to accomplish the tasks effectively and efficiently.
14. Future oriented-They exercise the foresight perspective.
15. Opportunistic- they are always alert to opportunities.
16. Business secrecy-an entrepreneur must be able to gourd business secrets.
17. Objectivity- An entrepreneur should have clear objectives of the business.
18. Organization: Are good at bringing together the components (including people) of a venture.

**Entrepreneurial Behaviors**

Entrepreneurs exhibit many different personality types; searching for a specific personality pattern is very difficult. There are probably as many personality varieties among entrepreneurs as there are entrepreneurs.

Researcher David McClelland, a noted social psychologist, determined that founders of high-growth companies appear to share a distinct cluster of personal characteristics.

They include;

• **High Need for Achievement:** Growth-oriented entrepreneurs have a high need for achievement.

* They need to succeed, to achieve, and to accomplish challenging tasks.
* The strong desire for achievement leads to a desire for independence.
* The need for achievement may help explain why growth-oriented entrepreneurs are not

satisfied with founding or working in one firm; they need to prove themselves again and again.

• **Low Need to Conform**: Growth-oriented entrepreneurs listen, but they are able to ignore others’ advice. Also, handling skeptics is easy for entrepreneurs.

* Taking the unpopular course of action, if they consider it best, is the way they do business.

• **Persistence:** Growth-oriented entrepreneurs are focused and persistent, doggedly doing what is

best for the business to succeed. They work hard on the details and relentlessly attempt to find

ways to become more profitable.

• **High Energy Level:** The capacity for sustained effort requires a high energy level.

* The necessary work, planning, organizing, directing, creating strategy, and finding funds, can only be accomplished on a demanding schedule.
* The sixty-hour to eighty-hour workweek is common to entrepreneurs who have the drive to succeed no matter what it takes from a physical stamina perspective.

• **Risk-Taking Tendency**: McClelland’s findings suggest that people with a high need for achievement tend to take risks. Growth-oriented entrepreneurs believe so strongly in their ability to achieve that they do not see much possibility of failure. Thus they accept risk and find it motivating.

**Types of entrepreneurs;**

***1.*** *Craft**Entrepreneur –*Exploits and utilizes personal skills without expanding the business. Based on skill acquired from technical institution or the traditional apprentice system- working with a master craftsman. The business could just grow as long as the owner can control it. Such entrepreneurs deal in woodwork, metalwork, tinsmith etc.

***2.*** *Opportunistic (environment-based) entrepreneur -*is more of coordinator who is interested in business growth and expansion-delegating responsibility to others increasing the number of employees working in the business. They pursue opportunities and are likely to own more than just one business. They like using professionals.

*3. Ego oriented entrepreneur -* go into business to boost their ego or esteem. He is in the business to show off and would like to be recognized driving big cars, living in posh residential areas and belonging certain clubs or groups. Working for such entrepreneurs can be difficult because they view the job as a favor. They create barriers to entrepreneurship since they send wrong signals to the younger generation.

**Distinction between entrepreneurs and managers**

**Points of distinction entrepreneurs managers**

* Venture sets up new venturedoes not take a new venture
* Risk bearing assumes risks does not assume risks
* Reward profits salary
* continuity continues with innovation continuous management
* Innovations applied as change agent run on routine basis
* Status his own boss servant

**Intrapreneurship**

Refers to enterprising within an organization. It is also called internal corporate venturing.

* Many large companies have lost the entrepreneurial spirit as they started with. As they grow larger, their ability to be innovative and flexible may have been stifled by the very size and success of the organization.
* Managers can keep the organization from stagnating by making them adaptive and promote organizational climate that support creative learning (intrapreneurship). An organization seeks to expand by exploring new opportunities of existing resources. It is an obvious play of intrapreneurship and is the practice of beginning and developing new business ventures within the structure of an existing organization. Both terms intra and entre are based on the people, that human beings are endowed with the urge to create (bring into being something that have never existed or never like worked so well before). It follow then that corporations can foster profit making innovations by encouraging employees to think like entrepreneurs and then giving them freedom and flexibility to pursue their projects.

**Points to be undertaken by managers to encourage intrapreneurship**

* An emphasis of individual responsibility
* Rewards for creative efforts – giving incentives to motivate employees.
* A system of information exchange between managers and intrapreneural process (from elements of the mission statements).

**Difference between an entrepreneur and intrapreneur**.

* An entrepreneur is an independent business where as an intrepreneur works under a chief executive.
* An entrepreneur raises the required funds where as an intrapreneur uses the funds raised by the firm.
* An entrepreneur assumes the risk of his enterprise while an intrapreneur may not bear the risks of his business.

**Entrepreneurship and self-employment**

Self-employment is a concept that has arisen as a result of entrepreneurship. The process of entrepreneurship eventually brings self-employment to the fore. The entrepreneur becomes self-employed when he begins to derive his livelihood from his business venture. Given that the entrepreneur bears all the risks associated with the business, then it comes as given that he has the right to enjoy all the benefits that ensue from his business venture. This success can be trickled down, not just to himself, but also to the business and others who are job seekers. In this way, not only does the entrepreneur become a self-employed person, he also does something positive for the community by employing others.

The small enterprise sector has a vital and important role in promoting the social and economic well-being of Kenya. Because small businesses in Kenya are labor intensive, more people are needed to conduct their operations than the more capital intensive large scale businesses.

Introducing self-employment and entrepreneurship concept may stimulate more students to consider self-employment as a future career option. By creating jobs, through self-employment, the number of unemployed people should decrease as these new enterprises are initiated. Therefore small enterprises can make a major contribution to the nation’s economic well-being. Job creation depends upon the birth and expansion of small enterprises and entrepreneurs have the ability to spark new ideas and develop new products and services that create new enterprises.

*Advantages of self-employment*

* Personal satisfaction
* Independence
* Profit- control own income
* Job security
* Status- above the other types of workers
* Leads rather than follows
* Can implement ideas
* Can be creative
* Can take initiatives
* Control work environment
* Gives orders

*Disadvantages*

* Possible loss of invested capital
* Uncertain or low income
* Routine chores
* Long irregular hours of work
* Broad responsibility
* Must take risks
* No fringe benefits
* Always involved in finances
* Uncertain future
* Hard to delegate responsibility
* Dependent on employee

# 2.1 A new venture; assessment and evaluation

**Basic requirements for starting, running and expanding an enterprise:**

1. Product/service
2. Clear objectives-Determination of objectives is one of the most essential prerequisites for the success of the business. Objectives should be realistic and well defined.
3. Business plan- This is a predetermined line of action.
4. Market- An entrepreneur should not start a business before knowing whether the market for its products/services exist
5. Sound organization- This is a harmonious combination of man, machine, material, money, management, etc. so that they all work as one unit.
6. Finance-This is the life blood of business enterprise. It is like a lubricating oil to keep the business wheel on the move. Capital requirements should be considered carefully.
7. Infrastructure- there is need to consider: availability of power, transport (accessibility), communication facilities and social amenities.
8. Security- They need to be assured of the continuity of the business.

**Procedures of Starting a Business** 

1. Identification of a business idea /opportunity
2. Development of a business plan
3. Location of a business -demand evaluation
4. Business name
5. Registration of the business
6. Choice of the business organization
7. Trading licences / permit
8. Start-up and management of the business.

**Identification of business opportunity**

An opportunity is a chance that an entrepreneurs utilizes after a thorough research through which he can manifest his ideas.

A business opportunity is a viable business potential to create something new by engaging new technologies in the industry. The process of new venture is embodied in the entrepreneurship process which is more than just problem solving in a typical management position. He must find, evaluate, and develop an opportunity by overcoming threats that resist the creation of something new. The process has four distinct phases;

* Identification and evaluation of the opportunity
* Development of the business plan
* Determination of the required resources
* Management of the resulting enterprise.

1. ***Opportunity identification***- This is quite a difficult task. Most opportunities don’t suddenly appear, but rather result from an entrepreneurs’ alertness to possibilities or in some cases, the establishment of mechanisms that identify potential opportunities. i.e research

**Sources of new business ideas;**

* Personal interests and hobbies – These are activities that one has a lot of interest in and can easily develop into a business e.g making hair can lead one to starting a saloon, baking, photography.
* Previous jobs- a research done revealed that 45% of business people got the idea from their previous employment before starting the business.
* Suggestion from people- This could be from consumers and business associates, members of the distribution system and technical people.
* Education course- What one has done in the process off training
* Family business- branching from a family business
* Friends and relatives- ideas from these people on how to start a business will enable one to do a feasibility study and write a business plan.

**Business idea**- Coming up with something that was not there/related to the product/ customer/ service.