1. Factors considered when preparing a business plan
2. Competitive analysis – it is important in gauging the existing strengths and weaknesses of a competitor. It gives a clear indication of the success of the competitor and how it impacts your business. Therefore, giving you a distinctive strategy to fight against weaknesses that can exploit and create barriers to guard your business.
3. Operation and management – a business plan should be created in a way that would describe the functioning of the business. You must highlight the logistics of the business. Right from the responsibilities of managing a team, allocation of capital that runs different operations and assigning specific tasks to different people within the business organization.
4. Market strategies – by analyzing the existing market trends and operations, one is able to set the target market and to familiarize with it; hence giving a chance to set up and start making sales.
5. Financial factors – it is the backbone of the plan. Finances give a picture of what to venture in in terms of what amount is used to build the organization? Which areas to invest more? What assets will you acquire? Also helps to predict future ventures.
6. Design and development plan – it should be distinct enough to be understood such that your investor would know the advantage of your product or service. Also, by writing how you can develop the product and center development budget to accomplish the set goals.
7. Entrepreneurs are made

Theories in support

1. Sociological entrepreneurship theory

it focuses on social context (Reynold 1991) such as social networks, the life course stage, ethnic identification and population ecology.

Social networks focus on building social relationships and bonds that promote trust and opportunism.

The life course stage is involved in analyzing the life situation and characteristics of individuals who have decided to become entrepreneurs. The experience of people would influence their thought and action so doing something meaningful with their lives.

Ethnic identification indicates that one’s sociological background is a ‘push’ factor to become an entrepreneur. Therefore, marginalized groups may violate all obstacles and strive for success making their lives better.

Population ecology – it is governed by environmental factors such as political systems, customers, employees, competition and government legislation that impacts the success of an entrepreneur.

In conclusion, the social context pushes one to be an entrepreneur for a better life.

1. Anthropological theory

it emphasizes on the cultural entrepreneurship model. The model says that new venture is created by the influence of one’s culture. Cultural practices lead to entrepreneurship attitudes such as innovation and creation of behavior. Individual ethnicity affects attitude and behavior (Baskerville, 2003) and culture reflects particular ethnic, social, economic, ecological and political complexities in individuals (Mitchell et al, 2002). Hence, cultural environments can produce attitude differences as well as entrepreneurial behavior differences (North 1990; Shane, 1994).

1. Opportunity-base theory

this theory says that entrepreneurs do not cause change (The Schumpeterian or Austrian school) but exploit the opportunities that change create such as technology, consumer preference. The entrepreneur always searches for change, responds to it and exploits it as an opportunity. An entrepreneur thus has an eye for more possibilities created by change than the problems. (Stevenson, 1990) extends it into resourcefulness based on entrepreneurial management and administrative management. He concluded that half of entrepreneurial management is the pursuit of opportunity without regard to resource currently controlled.

In summary entrepreneurs grab any opportunity they come across which are made available through the changes in technology, society or culture.

1. Psychological theory

The level of analysis in psychological theories is the individual (Landstrom, 1998). it emphasizes on the personal characteristics that define entrepreneurship.

Personality traits, need for achievement and losses of control are reviewed, also taking innovativeness and tolerance for ambiguity are associated in entrepreneurial inclination.

Personal traits are stable qualities that a person shows in most situations (Coon, 2004). they are enduring inborn qualities of an individual that naturally makes one an entrepreneur.

These characteristics associated with entrepreneurs that tend to be more opportunity driven, demonstrate high level of creativity and innovation, and show high level of management skills know-how.

Loss of control is an individual perception about underlying main causes of events in his or her life (Rotter, 1960). In this context, the entrepreneur’s success comes from his or her own abilities and also support from outside.

Need for achievement explains that human beings have a need to succeed, accomplish, excel or achieve (McClothnd, 1961). Thus entrepreneurs are driven by a need to achieve and excel in their lives.

1. Consideration that must be made in selecting the right location for a business enterprise.
2. Economic consideration – one should consider income that will be available for buying goods and services. Competition should be analyzed for quality, quantity and extent of aggressiveness in the type of business present in the entire location.
3. Social characteristics – one should be able to consider the population willing to spend on one’s business. Thus, one should draw an attitude and be able to build good relations with potential customers.
4. The population and its mobility – consider whether there are planned regional centers. Also by checking on the neighborhood shopping centers that serve the purpose which will finally give a possibility of having customers.
5. Traffic flow and its analysis – one should consider the volume of customers available and traffic passing that particular site. Number of potential customers for specific goods and services can be estimated.
6. Availability of basic infrastructure. For example, roads for easy transportation of goods and accessing of the services to be offered. Also, proper buildings for safety and well-being when offering services.

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