

Starting a new company essay



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An entrepreneur is a person starting a new company who takes on the risks associated with starting the enterprise, [www. moneycnn. com](http://www.moneycnn.com).

According to Wickham 2001 ' Entrepreneurship is then what the entrepreneur does. Entrepreneurial is an adjective describing how the entrepreneur undertakes what he or she does. The entrepreneurial process in which the entrepreneur engages is the means through which new value is created as a result of the project: the entrepreneurial process'I have interviewed Allen Smith and he gave me details about his life career and hobbies so far. I have also observed some of is personality traits as well and asking him about his personality. We discussed the business he runs and the strategy used in the running of the business on a day to day and long term basis. He is not the sole owner of the business, the business PST Supplies is run as a partnership.

Allen left school at the age of sixteen and a half upon leaving school he looked for jobs and finally settled on taking an apprenticeship. The company he joined was a forge factory that was owned and run by one man, the owner had lots of money but ran the business as a hobby to keep himself busy. The factory had around 200 employees was a forge factory. Allen started as an apprentice and progressed through the levels in the business up to a management position.

The job he had trained for was highly specialised in the field of cast iron welding. Allen worked at the company for some time as a specialist.

Eventually he was used in his specialist area to give other people who need it the information that they needed about the area. He went to work to

basically have his brain picked by other people. He decided the he had gone as high as he could in the company he was with and that he wanted to change his job as he was not happy. Still working in his specialist area he joined the Ministry of Defence working as an advisor.

He advised the buyers of materials at the Ministry of Defence to make sure they were not overpaying for cast iron. Allen said that he has always enjoyed his working life and has always seen himself as a worker and always would. He enjoyed his job at the Ministry up until the last few years when he did not feel like he was doing a job worth his time. Allen decided he wanted to retire from the Ministry at 60 however he was not able to collect his pension from his previous job until he turned 65.

This means he was left with only his pension form the Ministry of Defence for him and his wife to live on for the next 5 years. As she also could not collect her pension till they were both 65. The pension offered by the Ministry of Defence is only calculated as one 80th of the person's salary for each year of service. As Allen had only worked there for 28 years and could only collect that retirement pay he and his wife to live on.

He commented that this gave them a huge quality of life gap where they would be living beyond there means. Thought they do have savings they decided that they did not want to dip into them and that was when Allen decided that he needed to continue working. He looked into his options of jobs he could take during this time he contacted a friend who was also at the time looking for work though he is younger than Allen by a few years he became interested in the initial idea of starting a new business. They spent

time deciding what business to start looking to use their experience and contacts. The main reason was to maintain the quality of life they were used to and the same for his partner is also in the same situation. Wickham (2001) states the tasks that entrepreneurs undertake which are to own organisations, found organisations, bringing in new innovations to markets, identifying new market opportunities, applying expertise, providing leadership and work as a manager.

Allen and his partner are the only members of the business they do all the work required for the business. The business they own supplies personalised stationary and apparel to other businesses. However Allen did say that he has enjoyed his whole working life and even once he retires all together and does not work at all he will still work. He needs to keep himself busy and he always has something to do.

Apart from his last few years at the Ministry of Defence. The company they started was a supply company for businesses. They started out small with just diaries that were personalised for the specific companies. They started by going around local garages and small business building a client base. They had around 50 diary suppliers and they took along all the possible designs to the customers and they ordered for their customer from the supplier adding on only 10% taking a small amount. After a while they realised that they were working at only certain times of the year due to diaries being seasonal.

They decided to expand their product line to increase their sales opportunities. They purchased two houses one to let out as offices and one to

use as offices themselves. They have a large customer base from sole traders to large companies one of their customers being Rolls Royce. They have expanded to ties t-shirts not pads diaries pens and anything else needing to be personalised for the companies. They run the whole account coordinating the designs and colours for all the products to get a match. They have a large supplier base of around 67 to order from and a good relationship with all of them.

They rely mainly on networking and word of mouth for advertising. They do advertise in the management directory and locally but they have gained customers from around the country where people have met and seen products. For example they have a customer in Scotland who saw another company's tie at a conference and took PST supplies number off the label on it. PST Supplies prides themselves on quality reliability and service. Allen is of the opinion that you can sell person rubbish once but they won't want to buy from you again so they treat each customer well and maintain their custom. They do get challenging orders for example they have one company with 400 branches they have to coordinate all the stationary so that each branch gets the correct amount and address on their supplies.

Allen admits it can be difficult however they get everything sorted and don't find it a major problem. Allen has a flamboyant character and is externally orientated he is proactive when it comes to the business workings. They help the customers choose to suit their image. The Characteristics of a successful entrepreneur hard work, self starting, resilience, confidence, receptiveness of new ideas, assertiveness, information seeking, eager to

learn. Attuned to opportunity, receptiveness to change, comitment to other
peoploeand comfort with power. References <http://money.cnn.com>