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ENTREPRENEURSHIP, MOST IMPORTANT TOPICS OF THE BUSINESS PLAN

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ABSTRACT

The main idea of this research is to define which are the most important points of the Business Plans and with this facilitate the focus of tasks directed to these topics, this without detriment to also treat the other requirements; However, with this the entrepreneur will be able to focus more activities and research on the requirements that need more emphasis and development time. Since, if these points are not adequately developed, it will be difficult to achieve the desired success in the venture.

It was found that the order of difficulty in the development of a Business Plan is the following: the Financial Analysis of a Business Plan is the item that is most difficult, understanding that 397 students representing 55.14% put it as the main topic in degree of difficulty, followed by Procedures and Compliance with Legal Requirements, which is considered the most complicated item by 202 people, which represent 28.26%; being the Market with a choice of 65 students as the most difficult topic to cover, while 56 people indicated the other items, Strategic, Organizational and Processes as the most complicated.

KEYWORDS: Business Plan, Financial Viability, Legal Requirements, Commercial Viability, Structural Organization.

INTRODUCTION

Entrepreneurship is a topic that is increasingly being disseminated by the academic, business and governmental media, thus encouraging more and more people to try to develop business initiatives that allow them to improve their income, develop their personal and professional skills, this through the creation of companies, which also allows the generation of new jobs and consequently the economic development, both personal and of the region where these enterprises are generated.

The essence of business entrepreneurship begins with the fact that it is a generator of both economic and social development, both because of its importance in job creation and because of the effects of entrepreneurial activity on social behavior.



Within the arduous task of undertaking, it is of vital importance to analyze the activities inherent to entrepreneurship, which are carried out mainly during the process of creation, initiation and development of the business project.

These activities can be classified as points or requirements of a Business Plan,

For Filion (1999), entrepreneurship can be defined as the field that studies entrepreneurs. It examines its initiatives, characteristics, social and economic effects, as well as the support methods used to facilitate the expression of entrepreneurial activities.

He also comments that the entrepreneur is one who differentiates himself in the market through the launch of a new product or service, achieving a better strategic position in relation to the competition. Filion, Cisneros and Mejía-Morelos (2011) make a distinction between the entrepreneurial role and the small business owner. They also highlight that many people have an entrepreneurial role without having created a company and recognize that at the end of the 1980s there was a change that placed entrepreneurship as a subject of study in almost all areas of knowledge. In this way, the entrepreneur is a "visionary", he is a creative person with the ability to establish and achieve objectives who maintains a high level of awareness of the environment in which he lives, using it to detect business opportunities. This is how they consider that a Business Model must be developed and explained by the creators of the idea, said business model must be seen as a conceptualization of the offer, a set that shows, specifically, how the money is going to be recovered. and, at the same time, how the exchange relations with the business participants are going to be developed.

MATERIALS AND METHODS

The nature of the investigation was mixed, with an inductive method beginning with the individual study of the facts and formulating general conclusions and proposals. It was a non-experimental investigation that was carried out with information generated during 10 semesters, beginning with the January-June 2018 semester until the August-December 2022 semester; the information is related to the generation of Business Plans in the Entrepreneurial Development Courses, from which information was taken on the points that are most difficult in the development of the course.

The type of sampling was probabilistic, since the observation or sampling units had the same chance of being selected. The results of this research can be generalized to the rest of the population related to the process.

Sample Size, based on the above, 720 opinions from a total of 179 teams integrated into 47 groups



were analyzed during the 10 aforementioned semesters.

The measurement instruments for this research were both the evaluation and the answer to the question: Please list the topics in the order in which it was most difficult for you to develop during the course; in addition to analyzing the result of the final evaluations of the Business Plans and their content in general. With this, the indicators to be investigated were evaluated and a specific order was concluded on the issues that are most difficult for students when developing a Business Plan in the Entrepreneurship Development Course.

RESULTS AND DISCUSSION

According with the Global Entrepreneurship Monitor 2021/2022 Global Report “Context and Where We are Now”, the focus of this Global Report so far has been on the personal decision to start a business. That decision, with its many influences and multiple consequences, is not made in a vacuum. The context of that decision, or the entrepreneurial environment in which it is made, will be an important influencing factor in how that decision plays out, and in the progression (or otherwise) of the nascent entrepreneur towards becoming a new business owner, and then into the owner of an established business. That context may support the entrepreneur — for example, through the encouragement of family and friends, and by providing access to resources including finance, expertise, premises, etc. — or may burden the fledgling enterprise with excessive regulation and high infrastructure costs, within a social and family environment that is unsympathetic or even hostile to the new business. Social norms may encourage risk-taking and creativity, including personal investment in the new business of others, or may be centred on family, security and responsibility. Markets may be free and open, with low-cost easy access, or may be tightly controlled by a few large businesses acting to ensure that small-scale entry is prohibitively expensive.

In 2021, as in 2020, the environment for starting a business has been heavily influenced by the pervasive grip of the coronavirus pandemic, and the actions of governments in response. Some entrepreneurs have seized on new business opportunities while others have seen their business plans deferred or derailed.

This research presents an assessment of whether governmental responses to the pandemic have mitigated a decline in new business startups, as well as whether governments have been doing enough to support women entrepreneurs.

For Welter et al. (2017) While the decision to start a business may be personal to the individual, the business context for that decision is shared with others that have similar intentions. GEM summarizes “context” in terms of the entrepreneurial characteristics of that particular environment.



Place matters, and, while it is still true that some entrepreneurial activity may flourish in the most difficult or unlikely of circumstances, a supportive environment will foster ambition and growth, and can encourage the challenging transition from new to established businesses. Hence, the best place to start a business may not be the place with the highest levels of entrepreneurial activity. Indeed, some of the best places to start a business have some of the lowest levels of entrepreneurial activity, just as some of the worst places to start can be hives of Enterprise.

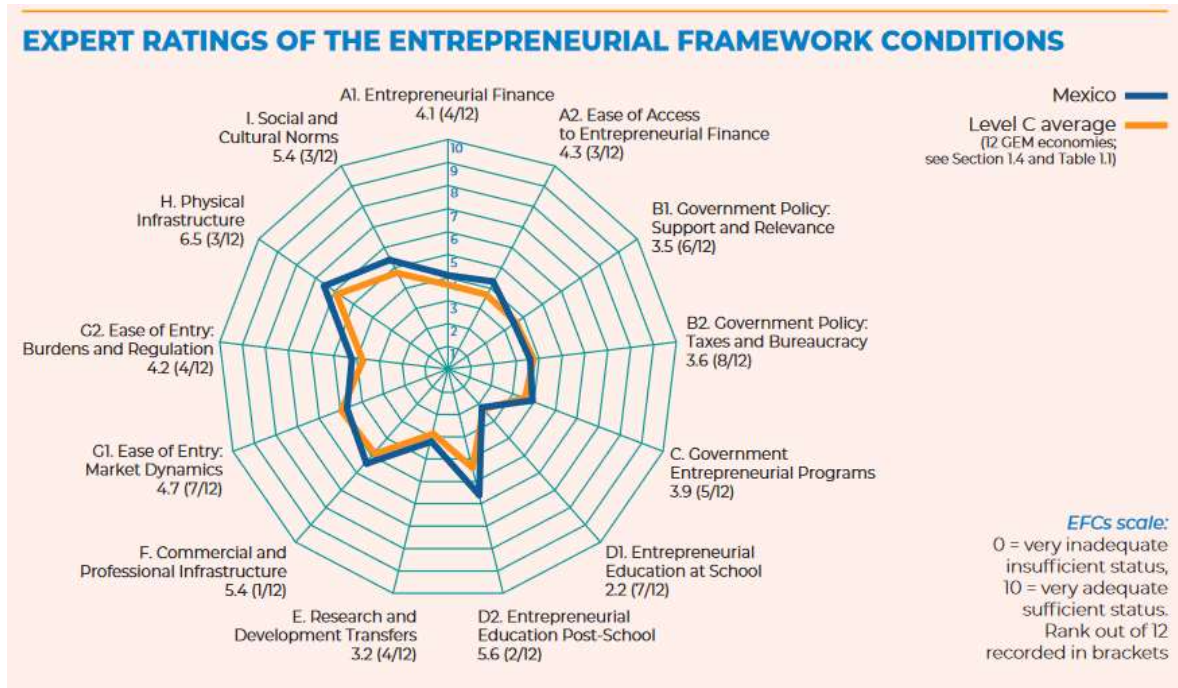
The fact of founding a company depends on the individual evaluation of the current situation (micro and macroeconomic). The success of a venture consists in the fact that, once the company is founded, it is determined by the people and their specific managerial capacities, which are integrated into the combination and complementarity of their abilities. In short: its human capital. In the short term, the survival of the company depends decisively on a balanced relationship between human capital and venture capital. The missing human capital cannot be replaced by venture capital and could eventually lead to insolvency. As the company has to invest its funds profitably within a certain period of time, the misfit company will not have enough human capital to manage the proper investment and will eventually face insolvency. However, in the long term, the economic success of a company depends on its competitiveness. Competition is represented by a heterogeneous oligopoly, as Grebel, Pyka and Hanusch (2003) also mention, who emphasize the need for vertical integrity in a balanced set of incorporated competencies and a horizontal variety that emphasizes the qualitative dimension of competition for innovation.

Entrepreneurial Framework Conditions (EFCs)

The conditions identified by GEM that enhance (or hinder) new business creation in a given economy, and form the framework for the NES. The conditions are:

- A1. Entrepreneurial Finance Are their sufficient funds for new startups?
- A2. Ease of Access to Entrepreneurial Finance And are those funds easy to access?
- B1. Government Policy: Support and Relevance Do they promote and support startups?
- B2. Government Policy: Taxes and Bureaucracy Or are new businesses burdened?
- C. Government Entrepreneurial Programs Are quality support programs available?
- D1. Entrepreneurial Education at School Do schools introduce entrepreneurship ideas?
- D2. Entrepreneurial Education Post-School Do colleges offer courses in starting a business?
- E. Research and Development Transfers Can research be translated into new businesses?
- F. Commercial and Professional Infrastructure Are these sufficient and affordable?
- G1. Ease of Entry: Market Dynamics Are markets free, open and growing?
- G2. Ease of Entry: Burdens and Regulation Do regulations encourage or restrict entry?
- H. Physical Infrastructure Is this sufficient and affordable?

I. Social and Cultural Norms Does culture encourage and celebrate entrepreneurship?



Source: Global Entrepreneurship Monitor 2021/2022 Global Report

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question: Please list the topics in the order in which it was most difficult for you to develop during the course; in addition to analyzing the result of the final evaluations of the Business Plans and their content in general. With this, the indicators to be investigated were evaluated and a specific order was concluded on the issues that are most difficult for students when developing a Business Plan in the Entrepreneurship Development Course.

Table 1. Business Plan Most Difficult Topics

Finance	55.14%	397
Legal	28.06%	202
Market	9.03%	65
Others – Strategic Management, Personal, Processes	7.78%	56
	100.00%	720

Source: Field Survey conducted during 2018-2022

According to table 1, the Financial Analysis of a Business Plan is the item that is most difficult, understanding that 397 students representing 55.14% put it as the main topic in degree of difficulty, followed by Procedures and Compliance with Legal Requirements which is considered the most complicated item by 202 people, which represent 28.26%; being the Market with a choice of 65 students as the most difficult topic to cover, while 56 people indicated the other items, Strategic, Organizational and Processes as the most complicated.

Table 1. B Most Difficult Financial Topics in a Business Plan

Financial Statements- Ratios	42.82%	170
Costs	28.21%	112
Taxes	16.88%	67
Sales, Payroll, Expenses	12.09%	48
	100.00%	397

Source: Field Survey conducted during 2018-2022

In this analysis, the specific issues of each item are taken into account, in this case the Financial issues that include the Development of Financial Statements (EEFF), generation of Indicators, such as Net Present Value (NPV), Internal Rate of Performance or Return (IRR), Minimum Acceptable Rate of



Return (MARR), Weighted Average Cost of Capital (WACC), Investment Recovery Period (IRP), among others, is considered the most complicated, which is considered by 170 of the 397 who mentioned Financial issues as the most complicated, to establish that 42.82% of those who consider financial issues the most complicated, focus on the heading of Financial Statements and Indicators or Ratios. The next financial issue is the determination of Costs in a Business Plan, since 117 people representing 28.21% of the 397 who consider it so are those who refer to this as a matter of complexity. As a third topic considered complex, it turns out to be the Fiscal topic or related to Taxes, which is considered by 67 students, which represents 16.88% of the total universe. And finally, the topics of Sales, Payroll and calculation of Expenses, 48 opinions that represent 12.09% of the people who consider the Financial Topic to be the most complex of the Business Plans.

Finally, based on the analysis of the data obtained, its interpretation and supported by the experience of the academic practice of the researchers, the emphasis on the development of Courses prior to the development of Business Plans is presented as a recommendation, both from the society in general, as well as students who focus on the creation of new ventures and the specific development of Business Plans.

Being the financial item, followed by compliance with legal requirements, the issues that present the most difficulty for the developers of the various plans and undertakings; The additional participation of experts on the subject is recommended, in addition to authorities involved, who are the ones who define said requirements for the start-up of businesses.

These decisions, together with proposals to simplify procedures, would facilitate both the economic and social development of the various regions, thus promoting the community participation of the majority of people who are concerned about generating their own businesses and ventures, both of a commercial and economic, as well as social and altruistic, since even many enterprises of a social nature see their march intentions diminished, inhibited by legal and economic obstacles and barriers, often caused by a lack of experience and ignorance of both legal and economic requirements.

For this reason, the items that must finally be addressed are presented in the following order:

- Financial
- Initial-Total Investment
- costs
- Financial statements
- Ratios - Indicators
- Legal
- Region Requirements



- Business Constitution
- contracts
- Staff
- Suppliers and Buyers

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