

f. **Research and development (R&D)** - To compete in the global market, businesses are spending a lot of money on R&D projects today.

g. **Technological developments** - Industries are introducing computerized production and process controls and increasing automation significantly. Industries and services are being brought about by the geographic reach and the demand for the items.

The business that has made the most technological strides benefits from economies of scale in manufacturing and marketing.

h. **Communicational** - The lack of knowledge causes many businesses to fail. Without knowledge of market potentials, market competition, technology advancements, and other developments, an entrepreneur has a low chance of success.

Government agencies, business associations, financial institutions, and consultants to the private sector all have a part to play in this. The success of an organization depends on many factors.

i. **Availability of resources**- Enterprises not only need sources of funding but other resources too. In addition to selling shares, businesses need external resources to survive. Typically, raising capital is substantially more difficult for smaller enterprises.

j. **Time** - The amount of time required can have an impact on the source of funding. For instance, you might use trade credit if you only need money for a short time to buy some stock. However, if

the following discussion is to give the prospective business owner knowledge of this kind of business operation.

Type of Enterprise	Advantages	Disadvantages
Sole Proprietorship	• Total Control of the Owner • Simplicity of Organization • Least Regulated of all Business	• Risk to the Assets of Sole Owner • Potential Difficulty in Obtaining Loans • Lack of Continuity
Partnership	• Greater Opportunity for Business • Tax Advantages • A Simple Form of Business	• Potential for Conflict between Partners • Unlimited Personal Liability • Legal Liability
Limited Liability Company (LLC)	• Limited Liability • Limited Risk • Easier to Attract Investors	• Conflict among members • Limited Liability • Subject to more Paperwork requirements
Corporation	• Limited Liability • Perpetual Existence • Corporate Stock can be freely sold or traded without the other member's consent	• Loss of Individual Control • Technical Formalities • Profits are distributed to all the shareholders