

Level 3 taster lesson

Enterprise

Name\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Starter

* What skills do you have? Can you sew, sing, play an instrument, juggle, drive, grow plants, write songs etc?
* What motives do you have in life? Are you motivated by your family, your friends, money, status in life?
* Are **motives** and **characteristics** the same thing?

Write a definition of an entrepreneur here:

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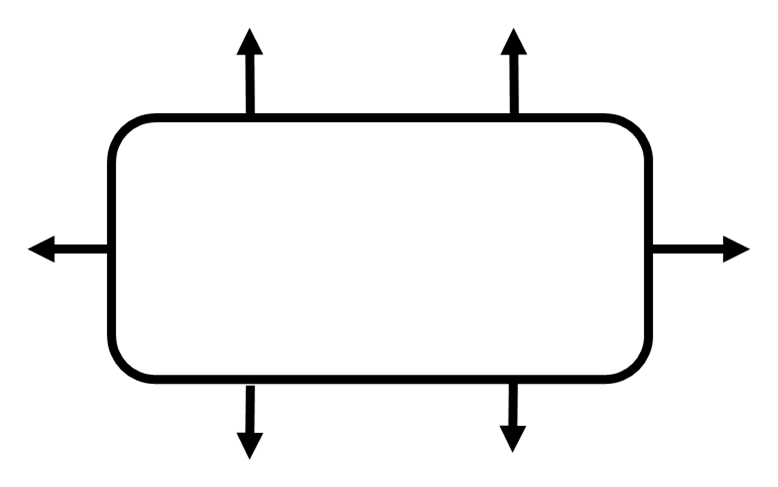
Write a definition of entrepreneurial characteristics here:

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Write a definition of entrepreneurial motives here:

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Entrepreneurial characteristics introduction



#1 creativity

* Entrepreneurs need to be creative people, it helps when designing or inventing new products or services
* In dynamic markets the consumers are faced with a huge variety of products from trusted brand names
* New products onto the market need to be more creative in the ways that they add value to stand out from the established products
* **Watch the video – why is this an example of creativity?**

#2 hard-work

* Starting a business can mean hard work. Some entrepreneurs will put 100s of hours into their own business to get it off the group and may have to continue working long hours to get the business established
* This can include time working on the website, on social media, selling to customers, developing products, or even just thinking about the next move
* **Watch the video – in what way is this entrepreneur hard working?**

#3 resilience



* Resilience means the capacity to recover quickly from difficulties
* An entrepreneur may get many ‘knock backs’ before their business is a success
* There may be problems with finding suppliers
* They may have difficulties getting the right staff
* Sales may be slow when a business first opens

#4 Initiative

* Initiative means; inventiveness, enterprise, ingenuity, or resourcefulness
* Many entrepreneurs may start a business because they have a good idea and want to take it to market
* **What are their new products? How do they show initiative?**

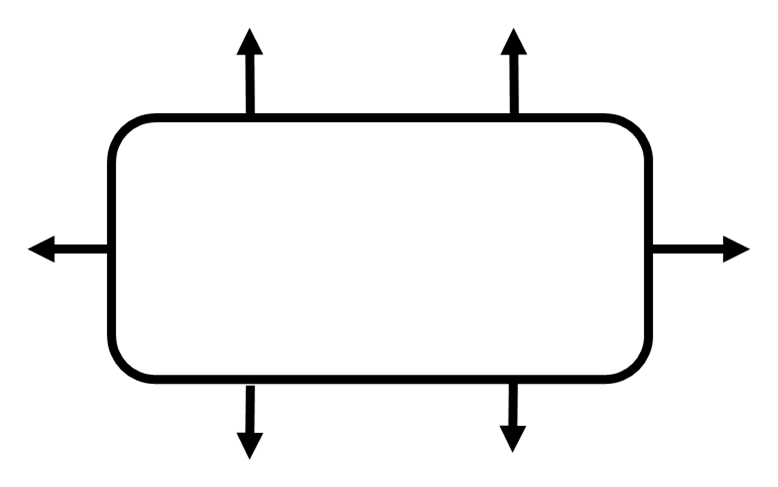
#5 self-confidence

* Self-confidence is how an entrepreneur feels about their own \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.
* It is easy for an \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ to become frustrated and give up if they lack self-confidence in their own ability and in their products and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
* **Why is Levis Roots a good example of self-confidence in an entrepreneur?**

#6 risk-taking

* Entrepreneurs who want to start their own business will need to be able to take a \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
* There is a risk of leaving a secure job to start up on your own
* There is also a \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ risk of losing any money that is put into the business if the business fails
* **What other risks do you think there may be if a person gives up a secure job to start their own business?**

Entrepreneurial skills introduction



#1 communication

* Entrepreneurs need to be good \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
* They may need to write exciting product descriptions on their websites
* They may have to talk to customers or clients fact to face or on the phone
* They may need to negotiate deals with \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_



Suggested activity - communication

* **What would be the best communication method?**
* **What problems or barriers to communication might the entrepreneur face?**

|  |  |  |
| --- | --- | --- |
| **1) The entrepreneur is trying to get a larger company to invest in the business** | **2) The entrepreneur is trying to persuade a computer programmer to work for free on a project that could ultimately make them lots of profit** | **3) The entrepreneur is trying to recruit some staff to work in the business** |
|  |  |  |

#2 Team-working

* An entrepreneur may decide not to work alone but as part of a pair or a team
* Working with others has advantages and disadvantages
* The advantages are that there are more ideas and more capital in the business
* The disadvantages are that there can be conflicts and profit has to be shared
* **Who are the guys in the photo and what did they invent?**

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#3 Problem solving

Entrepreneurs will come across many problems when setting up and running their business, they will need to be good at working out cost-effective solutions that help to move the business forwards.

James Dyson’s initial problems were in the creative process that went into creating the bag-free, "cyclone technology" design, including the **15** years and **5,127 prototypes** it took before the first model, DC01, would ultimately prove successful in 1993.

**There are countless times an inventor can give up on an idea. How many prototypes would you have made before giving up?**

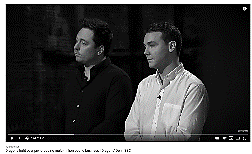
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[](https://www.youtube.com/watch?v=Lodig6J0iMU)#4 Organisation

* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ need to be organised
* When first staring the business they will have to develop a range of systems for dealing with enquiries, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and orders from customers
* They may need to buy stock, sell to customers, make products all in the same day, which takes organisation \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
* **Watch the video and explain why the entrepreneurs developing Beezer.com business demonstrates \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

[](https://www.youtube.com/watch?v=yVGHRXFf5B0)#5 Numeracy

* Entrepreneurs will need to be numerate
* They will need to complete their own tax returns when they first start
* They will have to balance sales books, keep records of goods and services purchased to keep the business running
* They will have to complete cash flow forecasts if they wish to attract more funding from lenders

[](https://www.youtube.com/watch?v=nJ4qA-S-KmE)#6 IT

* Entrepreneurs need to be IT literate
* If the business is online they will need some web design skills
* If the business is not online they may still need to know how to process an order, send and print invoices, keep databases of customers, process accounts on a spreadsheet etc.
* **Watch the video and explain why these entrepreneurs would need IT skills in their business**

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Profit maximisation

* An entrepreneur may aim to make the highest amount of profit possible
* This is the difference between revenue and costs, so they will seek to minimise costs and maximise revenue
* The advantages to a sole trader are larger wages can be drawn from the profit
* The advantages for a Ltd company and a PLC is dividends will be larger on shares, this may attract more investors

Profit satisficing

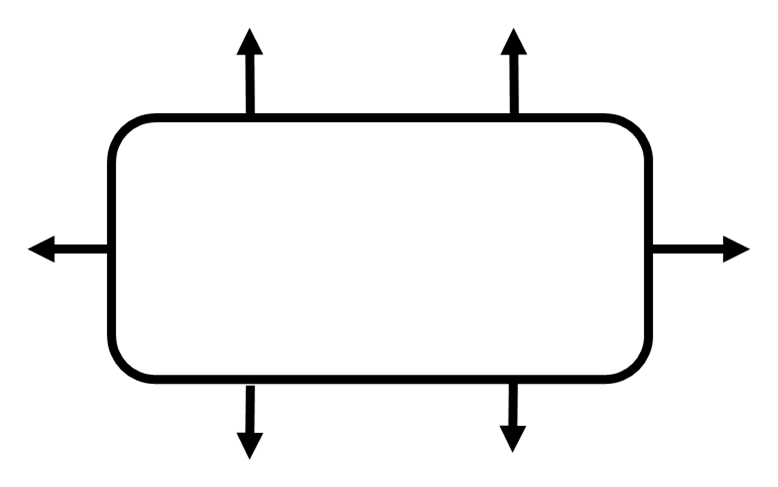
* An entrepreneur may aim to make just enough profit to keep the business moving plus another aim at the same time
* For example a business may want to make a profit and:

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Non-financial motives introduction



#1 Independence

* For many entrepreneurs the idea that they can work for themselves and no longer have to commute to work for someone else is all the motivation that they need to set up their own business
* Every week Dragons’ Den shows many entrepreneurs keen to launch a product or get a business off the ground to work for themselves

#2 Flexibility

* Many entrepreneurs seek to start their own business to gain flexibility in their \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
* It can be hard to balance the needs of a family with the requirements of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
* This work-life balance can be better achieved if the entrepreneur can work from home or for \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

#3 Ethical reasons

* Some businesses may decide to trade in a more ethical way
* For example:

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#4 Social purpose

* Social enterprises are businesses trading for social and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
* Many commercial businesses would consider themselves to have social objectives, but \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ are distinctive because their social and/or environmental purpose is absolutely central to what they do
* In a social enterprise the profits are reinvested to \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and further their mission for positive change



#5 Personal challenge

* Some entrepreneurs may find working for another business as boring and unchallenging. They may decide to set up their own business instead
* This should give them the daily challenge and excitement that they seek
* Some entrepreneurs set up more than one business as they wish to keep challenging themselves