

Creative/Innovative: Think outside the box and generate new ideas/ being able to spot a gap in the market to develop new products and services.

'New Age Care Ireland was one of the first nursing homes in Ireland to use social media as a promotional tool.'

Decisive: being able to weigh up the pros and cons of a situation and be confident in your decision made.

'James gave up his job in industry to manage the operations of the business.'

Resilient / determined / self-motivated /Confident/Self Belief: being able to take on obstacles and challenges and not give up on the business idea

'James developed an improved business plan and secured finance through a venture capitalist company.'

Human Relations/Networking: Entrepreneurs have the ability through networking to build up a powerful support network, as well as having excellent interpersonal skills.

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Independent: Entrepreneurs can do things for themselves/do their own things. They like to be the ones in control

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A contract is defined as a legally binding agreement between two or more parties.

Only accept one of; Offer, Acceptance, Agreement.

Acceptance: The terms of the contract must be agreed by the second party. The acceptance must be clear, concise and unconditional.

'James had a bid accepted for land outside Carlow'.

Consideration: Both parties must exchange something of value. Consideration is usually a money payment, but it could also be something valuable exchanged as part of the contract.

'The agreed fee was transferred, and ownership deeds were received.'

Legality of form:

In order for some contracts to be legal they must be in a written format.

'He received the legal documents from the sellers' solicitor''

Consent to contract: For a contract to be legal all parties must enter the contract of their own free will. Consent must be honest.

'James met his solicitors to sign the contract.'

Leadership:

Leadership is the power to influence a person's direction. It is assisting and directing people to ensure all goals and objectives are met within the business.

Types of leaders include autocratic, democratic and laissez faire.

James shows the characteristics of a democratic leader and delegates roles and responsibility which can lead to more effective decision making at New Age Ireland Care. Staff morale and productivity will be high in the business. James delegating his work frees up his time which means he can spend his time on other tasks. Delegating work means the work can be done more efficiently. Decision making will be more effective at CareAge Ltd,.

'James now delegates authority to middle management at the nursing homes.'

Motivation

Motivation involves inspiring others to act in certain ways. James meets the financial and non-financial needs of staff -low levels of staff turnover and help to improve the standard of service provided. In order to be a good leader it leads to: increased productivity,greater intrapreneurship and improved industrial relations.

'James presents a clear career progression path to staff as he recognises that not all employees are solely motivated by money''

Communication

Communication as a management skill involves the transfer of clear concise information between two parties. Good communication as a management skill is essential for the smooth running of a business. If James communicates effectively with his employees – there will ne no industrial relations issues in the workplace. James communicates with management and staff through regularmeetings with management.

'Targets are identified at these meetings for employees and staff are encouraged to voice any concerns they have.'

Breach of contract refers to one party breaking a condition of a legally binding contract. One party of the contract fails to follow the conditions or a major part of the contract.

Sue for Damages/Compensation: The injured party can sue the party in breach of contract for any loss suffered because of this breach.

Example Required

Specific Performance: The court orders the party in breach of the contract to carry out the original terms of the contract as agreed.

Example Required

Maximum compensation: in question must not exceed €2,000.

Low Cost: A small fee of €25 must be paid to use this procedure.

Informal/Speed/Quick: No solicitor is required to make this claim making it cheap and easy to use.

Remove fee to encourage more cases Increase value of claims that can be made.

Union Membership

Religious or political beliefs

Race

Pregnancy

Age

Informal Counselling: This is the first step and its letting the employee aware that there is an issue and how it can be improved. They are made aware of the consequences if things don't improve within the business.

Formal Verbal Warning: This would involve a meeting with the employee at which the employee could bring a colleague or other representative like a trade union. During the meeting the employee will be made aware of what the issue is, the meeting will outline improvements from the employer and how they can improve in the business.

First Written Warning: If there is no improvement to the situation, a formal written warning follows the oral warning. A copy will be given to the employee's representative. This may be followed by a final written warning, suspension without pay, transfer to another task, or section of the enterprise, demotion, some other appropriate disciplinary action short of dismissal and finally dismissal.

Economic growth refers an increase in the value of goods and services produced in a country from one year to the next.

Interest rates refer to the cost of borrowing capital.

Increase costs/Reduced profits: Costs increased for Irish businesses as the interest on borrowings and the repayments of loans increases. This reduces profitability.

Decrease in sales: Consumers have less disposable income due to increase mortgage repayments etc. This leads to a fall in disposable income for consumers.

The primary sector refers to taking raw materials from natural resources. E.g. Farming

Increase in operating costs: operating machinery and fertiliser has become more expensive.

Cost of living: consumers buying cheaper products/services from abroad.

Environment: reduce waste and pollution, using less chemicals in farming.

Business ethics are the moral rules/standards/principles that help people to make ethical (right or wrong) choices in a business.

Code of Ethics :The business should draw up a code of ethics which is a formal written statement setting out the expected behaviour from a business in its dealings with stakeholders.

Encourage “whistle blowing”: Encouraging staff to report unethical behaviour by creating a climate where whistle blowing is rewarded.

Management lead by example: When senior staff is highly ethical & model ethical behaviour it will encourage subordinates to behave in a similar manner.

Balance of Payments refers to the difference between the total exports and total imports in a country.

Balance of Trade Visible Exports – Visible Imports € 72bn - € 34bn= € 38bn surplus

Balance of Payments= Total Exports – Total Imports (72bn+93bn) - (34bn+84bn) = €47bn surplus

Educated Workforce: Ireland has an educated and highly skilled workforce. This gives MNC's a better pool of workers with sought after skills to choose from.

Access to EU Market: By setting up in Ireland, large companies can sell their products freely throughout the large EU market without any barriers to trade. This increases their profits.

English Speaking: English is considered the language of business and this encourages businesses to locate here as Ireland is the only country in the Europe that is fully english speaking.

Grants/Developed Business parks: MNC's can avail of generous supports offered by state agencies such as business parks or funding to reduce the cost of setting up and running their business here.

Standardised marketing mix refers to a business using the same tactics for their global marketing mix) whereas The adapted marketing mix refers to a business changing the global product, global price, global promotion, global place strategies to meet local considerations e.g. local culture, local language.

Common Agricultural Policy

Promotes a fair standard of living for farmers: Provides grants

The viability of the farm business and to enhance food safety and environmental standards.

Free trade/No barriers or restrictions: EU farmers are allowed to sell their produce to other EU member states without any barriers or restrictions. This allows Irish farmers to export to a large market.

A dispute between employers & employees in connection with the employment conditions.

Official Strike:

- Employees refuse to enter the workplace or perform their work duties. An official strike involves a secret ballot, proper notification to the employer and sanction by ICTU.
- The union members on strike hold a picket outside the workplace.

Work - to- rule:

- Employees only undertake the exact jobs written in their job description/contract of employment.
- Workers follow the rules of their employment contracts to the 'letter of the law'.

Overtime ban:

- Employees refuse to work extra hours.
- This can cause major disruption, leading to lost orders and lost sales, especially at peak trading times e.g. the employees in an airline refuse to do overtime during the holiday period.

Lobbying is trying to influence decision makers. Interest groups will try to influence decision makers through petitions, seminars and public meetings.

Negotiation is when two or more parties share difference objectives/targets/discuss/bargain, offer and counter-offer to try to reach a compromise/mutually acceptable solution

Protects the interests of its members: A trade union protects its members on issues such as wages and working conditions, especially through negotiations with employers.

Advice: Trade unions provide advice to their members on issues industrial relations issues and or the employees industrial relations rights.

Advise/Inform the Public: Provides Information & advice to the public on personal finance and their rights as consumers. This is done mainly through their website, publications & telephone helplines Advises Government

Advises the government on how best to ensure fair competition and that the welfare of consumers is protected:

New legislation Enforcement Enforces consumer & competition law by investigating suspected breaches.

They have the power to enter premises, accompanied by Gardai if necessary, to gather evidence.

Be their 'own boss': The entrepreneur has full control and is self directed. The entrepreneur isn't answerable to anyone in the business.

Redundancy: An entrepreneur being made redundant may motivate an individual to set up their own business.

Need for achievement: They have a strong desire to be successful.

Span of control refers to the number of subordinates who report to a manager. The span of control may be narrow or wide based on the type of work, experience of the manager.

Chain of command refers to the line of authority/ communication in a business. The chain of command clarifies who reports to whom.

Increased Motivation

Social/Esteem needs of employees at IKEA are satisfied working within a team. This can encourage the employees to create higher productivity.

Better coordination

Mix of people from different departments at IKEA means people will learn more about what goes on throughout the business. More ideas/brainstorming.

Better decision making

Sharing opinions and the expertise of team members from different disciplines can lead to better decisions.

Design of products (CAD):

- CAD allows managers to examine the impact of design changes without the costs associated with prototypes.
- Improves efficiency of automated tasks by robotics.

Manufacturing (CAM/CIM/AI/3D Printers):

- Can improve quality control.
- Large scale production can take place 365 days a year.

Impact on Marketing:

- Use of the internet for market research.
- Use of social media for marketing and advertising.

Human Resource Management:

- Office 365/Microsoft teams – Remote working
- Zoom/video conferencing for conducting interviews

To help avoid deficits

See in advance cash shortages thus arrange short term finance. It will help a business identify periods of time in the future when the business will have a deficit and take corrective action eg. bank overdraft

Raise finance

A cashflow forecast can help access to finance from financial institutions and other potential investors/ Supports applications for loans and grants etc.

A €5,000

B €168,000

C (€11,000) or -€11,000

Reduce cash payments

- Spread payments over longer periods
- Reduce expenses

Finance (overdraft)

- Acquire finance for short term debts, interest payable on the reducing balance.
- May need a business plan in order to acquire an overdraft.

Taxation

VAT collection: Vat is common to both a business and households.

Businesses and households must pay VAT on purchases but only a business collects VAT for the government.

Corporation Tax: Corporation tax on the profits earned if the business is a company by an employer. Only a company pays corporation tax households do not pay corporation tax.

Amount of taxes: Businesses pay more types of taxation than a household. Business pay taxes such as commercial rates and employer's PRSI.

Utmost good faith:

A person must reveal all material facts when applying for insurance and be truthful in their application for insurance.

Example; report any health issues for health insurance

Indemnity: An insured person cannot make a profit from an insurance claim i.e. insurance can at best put an insured person in the same financial position as they were prior to a loss occurring. If a car is written off in an accident the insured receives its replacement value and not the original sum paid for it.

Insurable Interest: The insured must gain from the existence of the exposure unit and suffer from its loss. You can insure your own car but not your neighbours. In essence you can't insure something unless you have a vested interest in it.

An insurance company might deem an applicant an uninsurable risk;

- Motor insurance: if they have previous driving disqualifications

the applicant might be deemed to great a risk.

A certain amount or limited quantity of identical goods is produced at the same time. e.g. in a bakery, a batch of loaves followed by a batch of scones.

Economies of scale: The change to mass production will increase the economies of scale achieved. By reducing the cost of producing each unit this will increase profits.

Wages/Type of employee: The move to mass production might increase the number of factory operatives that the business needs.

OR wages may decrease as less employees are required due to Automation

Access to finance: Additional sources of long-term finance might be required.

Formation:

You must register as a self-employed person with Revenue. If you want to use a business name, you must register your business name with the Companies Registration Office (CRO).

Whereas a limited company -, you must register with the Companies Registration Office (CRO), your company must then return reports and accounts to the CRO each year. Register your business name and file your company returns online using the CRO's CORE

Liability:

In a sole trader ownership structure the owner has unlimited liability whereas the shareholders of a limited company have limited liability.

Finance:

Limited companies can have more than one owner and therefore find it easier to raise capital whereas a sole trader has only one owner to provide equity capital.

Control:

The Sole trader has full control over decision making whereas in a limited company control is based on the percentage of share ownership.

Liquidity refers to the ability of a business to pay its short-term liabilities as they fall due.

Profit and Loss account records the sales less all the costs and expenses of the organisation for the financial year.

Debtors are individuals or businesses that owe the business money after buying goods or services on credit.

The Gross Profit percentage: The percentage of sales that is profit before expenses are deducted. It can be used to assess the profitability of manufacturing activities. It can also be used to value stock if it is damaged by fire or accident.

Premium pricing refers to a business charging a high price to create the image of superior quality and influence demand.

Cost of production / research & development:

A business must consider the cost of manufacturing each item before deciding on the price of each item.

E.g. If a drink costs €1 to manufacture, the business will decide on a percentage to add the cost price.

The target market:

Businesses must consider the group of people that each product is aimed at.

E.g. Newspapers such as The Daily Mail and The Irish Times would consider the income levels of their target market before deciding on a price point to enter the market.

Competition:

A business must consider the prices of their competitors' products.

E.g. Prime must decide whether to charge the same, a higher or a lower price than her competitors such as Gatorade, Monster etc.

Advertising Standards Authority of Ireland

Generic advertising is used to prompt the consumer to think about a type of product rather than a specific brand.

E.g. The National Dairy Council encouraging the consumption of milk.

Persuasive advertising:

This advertising attempts to entice the consumer that they need the product. E.g. L'Oréal try to persuade the consumer they will have healthier/more attractive hair as a result of using their products.

- Rolex – high income earners. Ad's in high class airline magazines, adverts during tennis or golf competitions. Advertising at five-star hotels.
- Adare Manor Hotel and Golf Resort - might advertise in international golf magazines or on international tv coverage of golf events such as the US Masters, Ryder Cup etc.
- Prime Hydration drinks - Digital advertising on social media, YouTube etc. Reason: Target market is young consumers who consume media via Tik Tok, YouTube etc.

Price reduction/discounts:

Retailers could offer 20% reduction on slow trade days or to sell stock

that will be out of season soon.

E.G. Elevery's having a 20 or 30% sale for

Black Friday

Buy one get one free/Special Offers/2 for price of 1:

Businesses could offer buy one get one free on a wide variety of

products to incentivise sales.

E.G. A special offer of buy one get one free on Dove Deodorants

Loyalty Cards:

loyalty card can be used to encourage repeat sales.

E.g. retailers such as Centra could offer a free coffee for every five

coffees purchased.