

BUSINESS

LEAVING CERTIFICATE
HIGHER LEVEL

ENTERPRISE



**THE DUBLIN
ACADEMY OF
EDUCATION**

All rights to these published notes are exclusively owned by The Dublin Academy of Education. Any unauthorised reproduction, distribution, or reuse of this material, in whole or in part, is strictly prohibited. Please respect intellectual property rights and seek permission for any intended use.

Unit 2

Chapter 4: Enterprise

Enterprise

Enterprise is the efforts people make to try and achieve something new. It is being innovative and creative whilst taking a personal and financial risk to create something new. It is taking the initiative to start something new and risking failure to achieve one's goals.

Enterprise happens all around us, it is not just for business.

Enterprise in Personal Life: Enrolling in a course to learn a new skill such as a language or musical instrument

Enterprise in the Home: Growing your own organic vegetables so as not to have to buy them in the shop and also ensuring you are eating healthy produce

Enterprise at School: A group of students getting together to form a study group or a group of students getting together to organise a social outing for all students as a bonding exercise

Enterprise in the Community: A group of people from the local community coming together to tidy up the community and ensure it looks nice and presentable

Enterprise in Government: Setting up new initiatives that will encourage the use of underutilized areas in the country

Enterprise in Business: Setting up a new service that is provided by your business to customers, such as a coffee shop developing an app to allow customers to order for collection to save them time

Enterprise is being innovative and creative while taking personal or a financial risk in order to achieve goals. Enterprise involves the risk of organising all the resources necessary to provide a product or service while exploiting an opportunity for a possible reward called profit.

Example: Mark Zuckerberg creating facebook.

2023, Section 3, Question 5C

- (c) (i) Distinguish between enterprise and management.

2021, Section 1, Question 9

9. (i) Distinguish between **enterprise** and **management**.

- (ii) Suggest an example of enterprise in action in a school.

2012, Section 1, Question 1

1. Illustrate your understanding of the term *enterprise*.

Entrepreneur

An entrepreneur is someone who spots a gap in the market, uses their initiative to come up with an innovative idea for a new good or service, and takes on a personal and financial risk to set up their own business.

Why Do People Become Entrepreneurs

- **To Make More Money.** As an employee you can only earn a certain amount of income from your wage or salary but if you set up your own business you have the opportunity to keep all of the profits that are made by the business
- **To 'Be Your Own Boss'.** An entrepreneur gets to make all the decisions themselves and doesn't have to be told what to do by anyone. They are independent and have all the responsibility themselves, they do not have to listen to someone else tell them what to do or answer to anyone else
- **Challenge.** Some people may be bored and like the challenge of setting up their own business that they can run how they see fit. Sometimes people set up lots of businesses in different industries because they like the challenge of it, these people are serial entrepreneurs
- **No Other Choice.** Some people may have been made redundant or they are out of work or they cannot get a job so they decide to create one for themselves by setting up their own business. They may have had a limited career path in their current role and would like to achieve something more
- **Spot a Gap in the Market.** The entrepreneur may have spotted a gap in the market that they think they can exploit for financial and personal gain
- **Inspired by Others.** Sometimes people are inspired by other entrepreneurs and would like to try and emulate their success themselves

2024, Section 3, Question 5A

Question 5	Enterprise/Managing
------------	---------------------

Read the information supplied and answer the questions which follow.



Ingvar Kamprad founded IKEA in 1943 at the age of 17, selling goods like pens and wallets. IKEA is now a market leader in affordable furniture.

- (A) Explain reasons why an individual may become an entrepreneur. (15)

2019, Section 2 (ABQ), Question A

- (A) (i) Explain the term entrepreneur.
(ii) Outline the benefits for Emma Daly of becoming an entrepreneur. (20)

2018, Section 3, Question 4C

(C) Outline **two** reasons why a person might become an entrepreneur.

(10 marks)

(60 marks)

Characteristics and Skills of Entrepreneurs

Characteristics are something that you are born with. Skills are something that you can acquire and learn.

A successful entrepreneur will have these characteristics and skills:

- **Creative/Innovative.** Entrepreneurs are able to think of new ideas or new ways of doing things and come up with new business ideas
- **Risk Taker.** Entrepreneurs take personal and financial risks when setting up their new business
- **Decisive.** Entrepreneurs have to make quick decisions under pressure and make sure that their decisions are effective and beneficial to their new business
- **Resilient.** Entrepreneurs have to be able to overcome setbacks because setting up a new business is not easy and they will face setbacks and people saying 'No'.
- **Confident.** Entrepreneurs need to have self belief in both themselves and their new ideas that they are coming up with
- **Flexible.** Entrepreneurs need to be able to adapt to different situations and respond to a changing environment. Their plans may change and they have to be able to adapt to that
- **Future Focused.** Entrepreneurs need to be able to look to the future and constantly be coming up with new ideas and anticipating future trends so that they can stay ahead of their competitors and spot potential gaps in the market
- **Proactive.** Entrepreneurs need to have a 'get up and go' in them. They can't wait for things to happen but instead have to use their own initiative to act before their business environment changes
- **Reality Perception.** Entrepreneurs need to be able to see things as they are and not as they would like them to be or how they would be in an ideal world. Entrepreneurs need to be able to be realistic about their business and the situation their business is in
- **Human Relations.** Entrepreneurs need to be good communicators and be able to work with and interact with other people. Entrepreneurs deal with all the different stakeholders in the business and they need to be able to build relationships with all the stakeholders and network with a wide range of people

2024, Section 2 (ABQ), Question A

- (A) Outline the entrepreneurial skills/characteristics displayed by the owner of New Age Care Ireland Ltd. Refer to the text in your answer. (20)

2023, Section 1, Question 10

10. Outline **two** characteristics/skills associated with entrepreneurs.

(i)
(ii)

2023, Section 1, Question 2 (Deferred Paper)

2. Outline **two** enterprising skills/characteristics of successful entrepreneurs.

1.
2.

2021, Section 3, Question 5A

Question 5

Enterprise/Managing

Read the information supplied and answer the questions which follow.



Ballymakenny Farm Heritage & Speciality Potatoes

Maria Flynn and her husband David are potato farmers. Maria saw a niche in the market to start growing their own speciality Purple Violetta Potatoes.

Ballymakenny Farm now supply their speciality potatoes to leading chefs and restaurants.

- (A) Discuss the entrepreneurial skills and characteristics you would associate with entrepreneurs like Maria and David. (20)

2017, Section 3, Question 4A

Question 4

Read the information supplied and answer the question which follows.



Stripe, the fast-growing online payments business, was established by Limerick brothers Patrick and John Collison when they were aged just 22 and 19. Stripe enables websites to accept credit and debit card payments. It employs over 600 people globally and is worth more than \$9bn.

Source: adapted from www.siliconrepublic.com and The Irish Times

- (A) Outline the characteristics/skills that you would associate with entrepreneurs. (20 marks)

Intrapreneur

An intrapreneur is someone who is entrepreneurial inside of the business. They are employees that come up with new innovative ideas that benefit the business that they work for. Intrapreneurs do not take a financial risk as they are an employee for a company.

- An employee within a business who engages in entrepreneurial activity/comes up with new ideas within/for the business in which she/he is employed.
- Intrapreneurs come up with ways of reducing costs or ideas for new products.

Ways a Business Can Promote Intrapreneurship

1. **Rewards.** They can incentivise employees with a reward system such as bonus payments for coming up with new innovative ideas that benefit the business
2. **Provide Resources.** Businesses can provide employees with the necessary resources to allow them to be intrapreneurial, such as time and capital, which allows them to pursue their ideas
3. **Teamwork.** If businesses use teamwork in the workplace then it will encourage creativity amongst employees as it will encourage brainstorming sessions where new ideas can be created. Businesses could also use a matrix organisational structure to encourage teamwork and collaboration amongst employees
4. **Adopt a Facilitative Approach to Management.** Businesses could develop a culture where employees are encouraged to come up with new ideas and make mistakes. Managers will delegate a lot of responsibility to employees which will give employees the opportunity to be intrapreneurial

Benefits of Intrapreneurship to Businesses

1. **Increased Sales.** Employees that are intrapreneurial can help develop new services or products for their business. They could also develop new versions of existing products or a new type of service for a business to provide. All of this could open up new revenue streams for the business allowing them to increase their sales
2. **Reduce Costs.** Intrapreneurship is great for improving efficiency and productivity in a business. A lot of new ideas in a business will improve on how the business currently operates which will allow businesses to reduce their costs
3. **Staff Morale.** If staff are offered the opportunity to be intrapreneurial they will be happier in their job as they will feel appreciated and respected. This will lead to better morale in the workplace which will improve industrial relations. Employees will also be more motivated so more productive, happier and fulfilled in their jobs

2022, Section 3, Question 5C

- (C) (i) Explain the term intrapreneurship.
(ii) Outline **three** methods a business could use to encourage intrapreneurship. (20)

2020, Section 3, Question 4C

- (C) (i) Explain, using an example, the term **intrapreneurship**.
(ii) Illustrate **two** benefits of intrapreneurship for a business. (20)

2015, Section 1, Question 10

10. Outline **two** methods of promoting *intrapreneurship*:

- (i) _____

(ii) _____

2013, Section 3, Question 4A

Question 4

Read the information supplied and answer the questions which follow.

EducaPrint Ltd is a business publishing schoolbooks in Ireland. John O’Leary, the Production Manager, suggested introducing some of its traditional print books in eBook format. He wanted to tap into the improvements in broadband speed and the major developments in mobile devices. The eBooks were launched onto the market in 2013 to great success. EducaPrint Ltd operated a matrix organisation structure for the development of the eBook products.

- (A) (i) Explain the term ‘intrapreneurship’.
(ii) Outline methods of promoting intrapreneurship in EducaPrint Ltd. (20 marks)