**ENTERPRISE**

**Entrepreneurs – Characteristics and motives**

**Entrepreneur**– (define)

**Characteristics of an Entrepreneur**

Rank the following skills/characteristics of an entrepreneur in order of importance:

|  |  |  |  |
| --- | --- | --- | --- |
|  | Rank |  | Rank |
| Hard work |  | Perseverance |  |
| Innovation |  | Pro-active |  |
| Effective organisation skills |  | Determination |  |
| Creativity |  | Initiative |  |
| Risk taking |  |  |  |

(1= most important, 9 = least important)

Write a brief justification of your top 3 choices:

|  |
| --- |
|  |

**Role of the entrepreneur**

Read through the article ‘*The role of the entrepreneur’* in Beck’s Lesson Resources section at the bottom of the Enterprise section on Godalming Online and answer the following questions:

|  |  |
| --- | --- |
| **Risks for an entrepreneur** | **Rewards for an entrepreneur** |
|  |  |

How do entrepreneurs come up with their ideas?

|  |
| --- |
|  |

What is an opportunity cost?

|  |
| --- |
|  |

What opportunity costs do entrepreneurs face?

|  |
| --- |
|  |

Reasons for becoming an entrepreneur

|  |
| --- |
|  |

 What help/support does the UK Government offer for entrepreneurs?

|  |
| --- |
|  |

What is the role of the entrepreneur:

|  |
| --- |
| 1.  2.  3. |

What would motivate you to start up your own business?

|  |
| --- |
|  |

**Financial motives** – making more money than they could if they work for someone else.

* Gain profit (survival)
* Profit maximisation – make as much profit as possible in a given time.
* Profit satisficing – making enough profit to satisfy the needs of the business owner.
* Use redundancy money
* Grow personal wealth

**Non-financial motives**:

* Ethical reasons (selling organic clothes for example)
* To behave in a manner deemed to be morally correct
* Provide a good or service that meets ethical beliefs e.g.  cosmetics not tested on animals or clothes made from fair trade cotton
* Social enterprise/not-for-profit (Fairtrade)
* Motivated by supporting a cause rather than making a profit
* Any surplus revenue earned is used to further support the cause e.g. support the community or fund research
* Independence (being your own boss)
* Be own boss and make own decisions
* More control over working life
* Able to work from home (homeworking)
* Match family commitments to work commitments
* Work life balance
* Turn a hobby/passion into a business
* Changes in personal circumstances

**Research Activity:** Select an entrepreneur of your choice and carry out research to help you answer the following six questions about them

1. Describe the nature of their business

1. How did the business idea come about?

1. What characteristics does the entrepreneur demonstrate?

1. Explain the reasons for their success

1. Describe the risks and problems that the entrepreneur faced and explain how they overcame the issues.

1. Were their motivations financial or non-financial?