

Why do new business ideas come about?	Examples

Define these key terms

Entrepreneur –

Obsolete –

E-commerce –

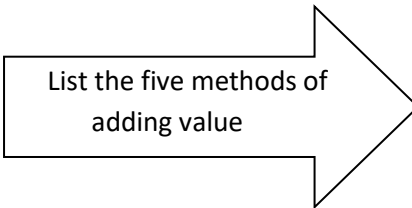
Good –

Service –

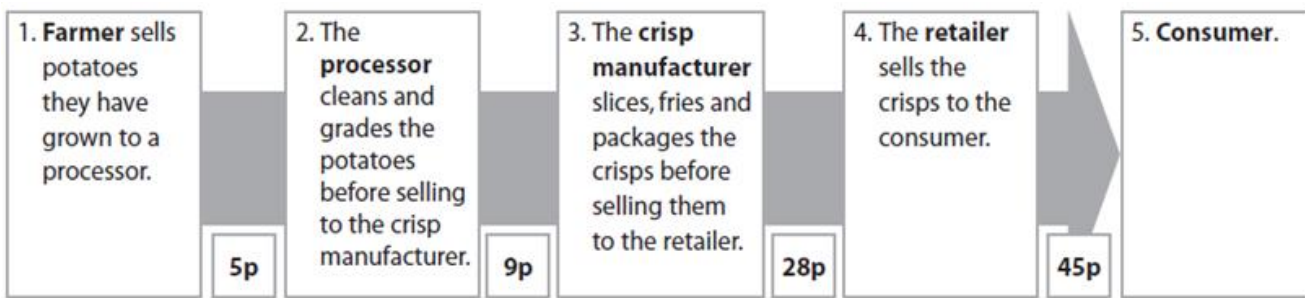
Added value –

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List the five methods of adding value



- 1.
- 2.
- 3.
- 4.
- 5.



Look at the chain of production chart above and answer these questions.

1. Which stage of production adds the most value?
2. Which stage of production adds the least value?

Match up each of these definitions to the key words at the bottom.
Label each one as either 'risk' or 'reward'

The business may not be able to survive and is forced to close

The business may be able to survive the often turbulent first year and continue to trade for years to come

Having given up a job to start a business an entrepreneur now does not have a guaranteed income

The revenue generated by the business may be larger than the costs of operating. This means there is money left over which can be paid to the owners

Now that they own their own business, the entrepreneur can choose their own working hours and doesn't take instructions from other people

Starting a business can be expensive and entrepreneurs will typically use their own money when starting up

lack of security profit business success independence financial loss business failure

What are the three purposes of business activity?

- 1.
- 2.
- 3.

What are the three roles of entrepreneurship?

- 1.
- 2.
- 3.

Stakhanov's adventure through Enterprise and entrepreneurship

"Stakhanov wanted to be an _____. He lives in Lugovaya and noticed that there were a few shops selling board games in his town. Some were dice-based for children and adults but there were only card-based ones for adults. He decided that he would open his own board game shop. He made a _____ as to where the shop should be. He then acquired some stock, hired someone to work and rented a shop premises. These were all examples of _____. He was able to buy the games for £5 each and sell them for £8 each – this meant he had achieved £3 of _____. In order to do this he knew there was the potential that the business would not survive and would go on to _____. This is an example of a _____ of starting a business. He was thoroughly fed up of the early start of the working day in his current job and really wanted the _____ of being able to choose his own hours.

**added value risk organising resources fail
independence business decision entrepreneur**