

Unit BR6: Entrepreneurship in Business

Unit code:	K/503/7272
QCF level:	6
Credit value:	15

Aim

The aim of this unit is to provide an understanding of successful entrepreneurship and the need for it in today's economy. The unit also provides the skills to plan a viable entrepreneurial business idea and strategies for its growth.

Unit abstract

Across the world, entrepreneurial ventures are creating and bringing to market new products and services, and this has an important impact on the pace of social and economic change.

The unit introduces learners to the nature of entrepreneurship and then considers how the entrepreneurial process is used to exploit business opportunities in established organisations, and the potential and challenges this entrepreneurship brings.

Developing a strategy to provide vision and direction for the venture is essential for success and learners will examine ways that entrepreneurs develop a business idea, and through using market research methods, learners will have the opportunity to develop a business plan, taking account of any legal, financial and ethical issues.

Growth of the business venture needs to be approached from a number of perspectives and in this unit learners will examine the issues affecting growth in the key areas such as finance, marketing, resources and personal skills development.

On completion of the unit learners will have an understanding of the characteristics of successful entrepreneurship and how strategies can be planned to develop business ventures.

Learning outcomes

On successful completion of this unit a learner will:

- 1 understand the scope for entrepreneurship in established organisations in today's economy
- 2 understand how to develop successful entrepreneurial business ideas
- 3 be able to plan a strategy for a viable entrepreneurial business idea
- 4 be able to plan the future growth of a viable entrepreneurial business idea.

Unit content

1 Understand the scope for entrepreneurship in established organisations in today's economy

Encouraging entrepreneurship: definition of entrepreneur and entrepreneurship; reasons for becoming entrepreneurs; definition of corporate entrepreneurship or intrapreneurship; benefits for intrapreneurial companies; culture of corporate innovation; levels of intrapreneurial activity; how organisations can encourage; advantages for self and others

Limitations for entrepreneurship in established organisations: resistance; questioning change; existing managers' comfort zone; decision-making control; sufficient rewards for the effective intrapreneur

Entrepreneurial process contribution to the economy: stages of process; impact on both the economy and society

2 Understand how to develop successful entrepreneurial business ideas

Generating and developing ideas and opportunities: methods; difference between an opportunity and an idea; approaches used; environmental trends; creative process; unique selling points; protecting ideas

Feasibility analysis: definition; importance; analysis of industry/market; analysis of product/service; organisational analysis; primary and secondary research; concept test; industry attractiveness; obstacles to overcome

3 Be able to plan a strategy for a viable entrepreneurial business idea

Developing a strategy: articulating the vision; achieving aims; focus; taking calculated risks

Market research: purpose; primary research methods; secondary research

Business plan: purpose; full analysis of the situation; medium for communication with stakeholders; objectives of the business; summary of the proposition; physical and financial resources; marketing and promotion

Risk management: assessing implications; legal requirements and constraints; ethical considerations; financial risks

4 Be able to plan the future growth of a viable entrepreneurial business idea

Assessing own entrepreneurial skills: skills audit; development planning; setting goals; producing development plan

Barriers to growth: expansion strategy consistent with the capabilities of the venture; resources; risk; overcoming barriers to growth; procurement: availability of essential supplies; availability of skilled workforce

Strategies for growth: internal growth; external growth; franchising; advantages and disadvantages of internal and external growth strategies

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:
LO1 Understand the scope for entrepreneurship in established organisations in today's economy	1.1 Discuss how entrepreneurship can be encouraged within organisations 1.2 Analyse what may limit entrepreneurship within organisations 1.3 Evaluate how the entrepreneurial process contributes to the economy
LO2 Understand how to develop successful entrepreneurial business ideas	2.1 Explain how successful business entrepreneurs develop business ideas 2.2 Explain the purpose of a feasibility analysis when developing business ideas 2.3 Critically evaluate methods for exploring opportunities and generating business ideas
LO3 Be able to plan a strategy for a viable entrepreneurial business idea	3.1 Develop a strategy for a viable entrepreneurial business idea 3.2 Conduct market research to inform a business plan for a viable business idea 3.3 Prepare a detailed business plan for a viable business idea, taking account of any current legal, ethical and financial implications
LO4 Be able to plan the future growth of a viable entrepreneurial business idea	4.1 Assess own entrepreneurial skills and characteristics to meet future requirements of a viable business idea 4.2 Analyse potential barriers to growth of a viable entrepreneurial business idea 4.3 Recommend alternative strategies for the growth of a viable business idea

Guidance

Links to National Occupational Standards

This unit has links to the following National Occupational Standards in Management:

A3: Develop, maintain and review personal networks

B2: Inform strategic decision making

B3: Develop a strategic business plan

C3: Lead innovation within an organisation

F4: Develop and implement marketing plans

F16: Manage product development and marketing

The content of this unit has been mapped against the Engineering Council's current Learning Outcomes for IEng Accreditation. The completion of the learning outcomes for this unit will contribute knowledge, understanding and skills towards the evidence requirements for IEng Registration.

See *Annex B* for summary of mapping information for IEng Accreditation.

Essential requirements

There are no special requirements for this unit.

Delivery

This unit will help learners to develop an understanding of the characteristics of successful entrepreneurship and the need for it in today's economy, together with the skills to create a business plan for an entrepreneurial business idea and develop strategies for its growth. It is recommended that centres use a wide range of teaching and learning methods in order for learners to meet all the learning outcomes in the unit. These could include lectures, seminars, workshops, project work, individual and group assessments.

The teaching/learning methods used should draw on material from industry wherever possible, also learners' own experiences. This will help learners to develop the transferable skills necessary in a changing and dynamic environment. Learners will develop skills to plan a strategy for future growth of a viable business idea.

To introduce the unit, tutors could show an extract from *Dragons' Den* – this can be viewed through a DVD of previous series or on BBC iPlayer if the programme is currently being aired. Learners could discuss the entrepreneurial qualities of the dragons and the creativity and innovation of the potential entrepreneurs, identifying the most common characteristics and qualities. Learners should be encouraged to talk to local entrepreneurs about their experiences, so that they can understand the steps of the entrepreneurial process, and appreciate the contribution of entrepreneurial firms to the economy's strength and stability. There are many misconceptions concerning

who entrepreneurs are and what motivates them to launch firms and develop their ideas, so learners should explore some of the common myths and the realities.

For learning outcome 1, the potential and role of entrepreneurship as change master in established organisations – intrapreneurship – can be investigated through examining the factors of successful ventures of intrapreneurial companies. For example – how 3M encourages internal competition and duplication of resources whilst most efficient companies try to eliminate them. Learners need to understand that, although intrapreneurism exploits new opportunities and innovations whilst reducing risk, it does present some challenges for the intrapreneur and the organisation, and case studies should be used to illustrate this.

For learning outcome 2, a guest speaker from a decisionmaker in business, preferably an entrepreneur or someone involved in developing new business ideas at a large company, could talk about how they assess ideas and the chances of their success. Learners should have the opportunity to practise application of different techniques for generating ideas through examining as many business ideas as possible. They could then apply the four areas of feasibility analysis to these ideas to determine the most viable.

Learners need to understand that not all good ideas are viable business opportunities, and case study examples can be used to illustrate the importance of feasibility analysis in developing successful business ideas. To analyse the industry/market, learners could select an industry, eg the soft drink beverage industry, and work through Porter's five forces model in class, discussing how these five factors assess the attractiveness of the industry.

For learning outcome 3, the importance of producing a well-defined strategy can be illustrated through the tutor providing examples of completed and effective business plans for learners to examine. A powerful, motivating personal vision is one of the defining characteristics of entrepreneurial management. Guest speakers could be used to explain how they articulate this vision to give the venture a sense of direction and purpose.

Learners need to understand the difference between primary and secondary research and questionnaires can be devised, tested and evaluated in the learner group. Case study material can be used to illustrate the differences between qualitative and quantitative data, and learners should appreciate the difficulties for an entrepreneur in collecting relevant information in order to inform the business plan.

Finally, in order to plan the future growth of a viable business idea for learning outcome 4, learners need to assess their own entrepreneurial skills and attributes against the needs of the business idea. A guest speaker, preferably a human resources professional, could provide guidance and advice on the usefulness of psychometric tests and how they appraise the results. Learners can access psychometric tests on the internet – some are free of charge, some require a fee.

By the time learners study learning outcome 4 they should have examined a range of different strategies for growth from a wide range of case studies. This will help them to consolidate their learning in order to recommend the suitability of alternative strategies for growth of a viable business idea.

Assessment

Assessment for this unit should be evidenced through research carried out on entrepreneurial organisations and individual entrepreneurs, using either a selected organisation or a case study approach. Where possible, learners should be encouraged to use examples from their own organisations. If case studies are used they must be sufficiently detailed to enable learners to apply their evaluative skills.

A range of assessment methods can be used, for example presentations, management reports, essays, or professional discussion. All evidence presented must support achievement of the assessment criteria.

One assignment could cover the evidence requirements for this unit, broken down into four separate tasks, although centres should write their own assignments to meet local needs. The learner could act as a business consultant advising on entrepreneurship, the need for it in today's economy and the skills necessary in order to plan an entrepreneurial business idea and strategies for its growth.

Learners could analyse the characteristics of successful entrepreneurs and how this dynamism is exploited in an established business, and create a plan for a viable business idea, ensuring that strategies for growth are considered. For example, learning outcomes 1 and 2 could be addressed by one assignment task on the nature of entrepreneurship and intrapreneurship. The research on the process for generating business ideas for learning outcome 2 could be developed into the plan for learning outcome 3. The planning for growth for learning outcome 4 could be evidenced through a separate task whereby learners assess the skills and strategies needed to achieve growth.

Resources

Books

Barringer B and Ireland R D – *Entrepreneurship – Successfully Launching New Ventures* (Pearson 3rd Edition, 2010) ISBN 978-0138158088

Robson C – *Confessions of an Entrepreneur – The Highs and Lows of Starting Up* (Pearson Education, 2010) ISBN 978-0273721482

Wickham P A – *Strategic Entrepreneurship* (FT Prentice Hall 4th Edition, 2006) ISBN 978-0273706427

Journals

International Journal of Gender and Entrepreneurship (Emerald EarlyCite)

International and Entrepreneurship Management Journal (Springer)

The Economist

Newspapers

The Financial Times

Websites

www.bbc.co.uk/learning/subjects/business_studies.shtml	a changing bank of learning resources and up to date case studies. This site also has links to other useful sites
www.bookbutler.co.uk	database and book price comparison site
www.businessballs.com	business resources including a template business plan
www.businesslink.gov.uk	Business link site for guidance on skills, planning and legislation for entrepreneurs
www.fsb.org.uk	Federation of Small Businesses
www.peterjones.tv	Peter Jones' website and resources
www.sfedl.co.uk	UK Sector Skills Body for Enterprise