

Chapter 6

Chapter 6 Ordinary Level Questions

Q1. Outline **two** reasons for starting an enterprise

1. **To be their own boss** – Entrepreneurs want independence and control over their career and decisions.

2. **To solve a social problem** – Some start enterprises to reduce inequality or promote ethical practices – e.g. set up a sustainable clothes shop.

Q2. Explain the importance of enterprise and innovation for **both** the economy and business.

Economy: Drives economic growth – It increases productivity, creates jobs, and boosts exports, helping national income rise. If Irish business innovate, they should have higher sales than international competitors.

Business: Creates competitive advantage – Innovation helps firms offer unique products, reduce costs, and access new markets. This let them keep ahead of their rivals and more likely to succeed in the long run.

Back In Business

Q3. (i) Identify **four** key competencies of an entrepreneur like Elon Musk

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| 1. Risk taker - Comfortable making uncertain, high-stakes decisions. |
| 2. Proactive - Acts early, anticipates future opportunities. |
| 3. Creative - Develops original solutions or innovations. |
| 4. Resilient - Persists through setbacks and difficulties. |

(ii) Outline why any **two** of those competencies are significant when starting a business

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| 1. Risk taker – Entrepreneurs must face uncertainty and invest resources without guaranteed success. Without taking on risk, most businesses would never begin. |
| 2. Resilient – Setbacks are common early on; persistence helps push through challenges, so that the entrepreneur doesn't give up and keeps going. |

Back In Business

Q4. Describe **two** ways the government can support business development and growth for a local business.

- 1. **Local Enterprise Offices offer mentoring** – Experienced advisors help entrepreneurs with planning and strategy.
- 2. **Grants for expansion or feasibility** – Financial support reduces early-stage financial strain.

Q5. Circle the state agency that focuses on supporting Irish businesses with an export focus

Choices: Local Enterprise Offices **Enterprise Ireland**

Describe one service they provide for Irish businesses.

Enterprise Ireland

R&D funding: Encourages businesses to invest in research to create innovative products and services. This strengthens long-term competitiveness and boosts export potential through innovation.

Back In Business

Q6. Other than supports provided by state agencies, outline **two** other ways the Government can support business development and growth in Ireland.

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| 1. Tax incentives: Lower corporation tax rates to encourage start-ups and investment, as business owners would retain more profits that they make. |
| 2. Public investment in infrastructure: Improved transport, broadband, and education boosts the business environment, making it faster, easier or cheaper to do business. It also makes Irish firms more competitive internationally. |

Q7. Match each competency of an innovator to the correct description

Column 1: Terms		Column 2: Explanations	
A	Risk Taker	1.	They understand the limits of their resources and make practical plans, avoiding overly optimistic goals.
B	Creative	2.	They don't give up when they face setbacks and keep going despite challenges.
C	Being Realistic	3.	They identify future opportunities and act ahead of the market rather than waiting.
D	Resilient	4.	They come up with original ideas or spot gaps in the market, helping create attractive business offerings.
E	Proactive	5.	They are comfortable with uncertainty and willing to take financial and personal chances.

Match the two lists by placing the letter of the correct explanation under the relevant number below.

A	B	C	D	E
5	4	1	2	3

Q8. Insert the correct words in to the sentence below:

Events/Network opportunities Research Funding Exports Mentors

Enterprise Ireland helps Irish businesses looking to expand and increase their **Exports** sales. They provide **Funding** to support company expansion. It also encourages **Research** to help develop new products, and organises **Events/Network opportunities** to connect businesses with international markets.

Chapter 6 Higher Level Questions

Q1. Describe **three** reasons why someone would start a new enterprise.

1. To be their own boss

Many entrepreneurs seek independence and want control over decisions, working hours, and goals. This self-direction appeals to those who dislike rigid workplace structures or prefer to chart their own path.

2. To achieve financial independence

Starting a business offers the chance to earn more than a regular salary. As the business grows, profits may exceed what a person could earn in employment, offering long-term wealth and stability.

3. To make a social impact

Some entrepreneurs are driven by the desire to solve a social issue. They may aim to reduce inequality, promote sustainability, or support marginalised groups, creating businesses with purpose as well as profit.

Q2. Explain the importance of enterprise and innovation for **both** the economy and society.

Economy - Boosts productivity and creates jobs: Enterprise drives economic growth by creating goods, services, and employment. Innovation increases efficiency, helps firms scale, and supports exports, all of which contribute to higher GDP and tax revenue.

Society - Solves real-world problems and drives inclusion: Innovation addresses issues like homelessness, health access, or digital exclusion. Social enterprises empower communities, while eco-innovation improves sustainability and quality of life.

Back In Business

Q3. (i) Explain what intrapreneurship is.

Intrapreneurship is when an employee takes initiative to create or improve something within the business. They think like entrepreneurs but work within an existing company, helping drive innovation without taking personal financial risk.

(ii) Identify an example of intrapreneurship that you know, and outline what the role of the employee was in developing that idea for a business.

Example: Ken Kutaragi at Sony

Role: As an employee, he developed the PlayStation after modifying a gaming console for his daughter. His idea created a new product line, generating massive profits for Sony and proving the value of internal innovation.

Back In Business

Q4. Reality perception, *resilience*, *being proactive* and *being decisive* are all competencies of innovators.

Outline the importance of **three** of these competencies for someone starting or expanding a business.

<p>1. Reality perception</p> <p>Helps entrepreneurs see their business situation clearly. This ensures goals are realistic, prevents overconfidence, and supports better decision-making when resources are limited.</p>
<p>2. Resilience</p> <p>Enables entrepreneurs to stay focused during setbacks or failures. Many ventures face early challenges, and resilient founders are more likely to adapt and succeed long term.</p>
<p>3. Being proactive</p> <p>Allows entrepreneurs to act before problems arise or trends shift. This forward-thinking approach gives a competitive edge by positioning the business ahead of its rivals.</p>
<p>4. Being decisive</p> <p>Enables timely, confident decisions. Entrepreneurs often face uncertainty, and delaying action can mean lost opportunities. Decisiveness supports momentum and gives clear direction, especially when a business is under pressure.</p>

Q5. Discuss **two** supports Local Enterprise Offices can offer someone looking to open a new bakery in your local area.

1. Mentoring support

The bakery owner could be matched with an experienced food entrepreneur who offers guidance on business planning, marketing, and compliance with food safety standards. This practical advice improves decision-making and avoids early mistakes.

2. Feasibility or expansion grant

A financial grant can support key costs like equipment or market research. This allows the bakery to start with higher quality products, improving its chances of survival and growth in a competitive market.

Q6. Describe **three** supports the Irish government can provide through Enterprise Ireland for an Irish business looking to expand in to foreign markets.

1. International marketing support

Enterprise Ireland operates over 30 offices worldwide and can introduce Irish businesses to potential clients and distributors, making it easier to enter new markets.

2. Trade events and missions

They organise trade fairs and minister-led missions, which give businesses face-to-face access to global decision-makers, helping build visibility and secure export deals.

3. Market research and data

EI provides access to detailed international reports, competitor insights, and customer trends. This equips firms with the data needed to target the right markets and reduce risks.