

Learning intentions

How is an entrepreneur different to other people who own or run a business?

What are the main characteristics shared by successful entrepreneurs?

How can an entrepreneur use crowd funding to start up a business?

What is a social entrepreneur?

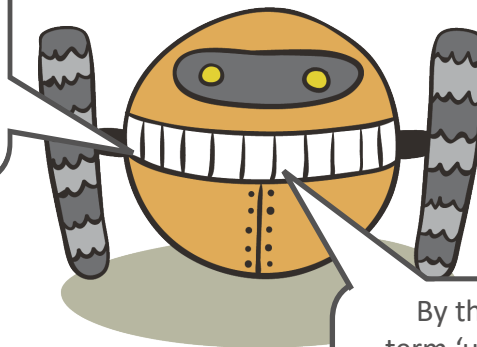
Entrepreneurs



An **entrepreneur** is a person who is willing and able to find a new idea or invention and convert this into a new or better product, service or process. They typically start a business.



The word entrepreneur comes from the 13th century French verb 'entreprendre', meaning 'to do something' or 'to undertake'.



By the 19th century the term 'undertaker' was used in English to refer to someone who undertakes a business venture. The first formal use of the term 'entrepreneur' as part of an economics text written in English was by Francis Amasa Walker in 1876.

If the business they start is profitable, and grows, the entrepreneur usually becomes rich and is often famous.

Activity 14 What did they start up?



Identify the business that each of the following people started?

- Bill Gates
- Steve Jobs
- Mark Zuckerberg
- Pierre Omidyar
- Caterina Fake
- Elon Musk.



Join with a partner to share and compare your lists of businesses.



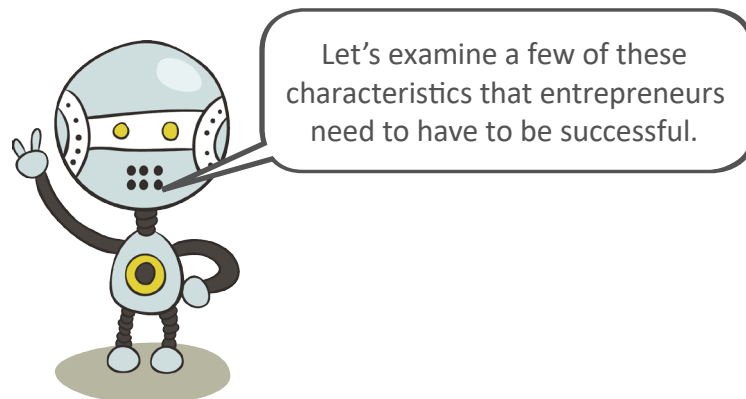
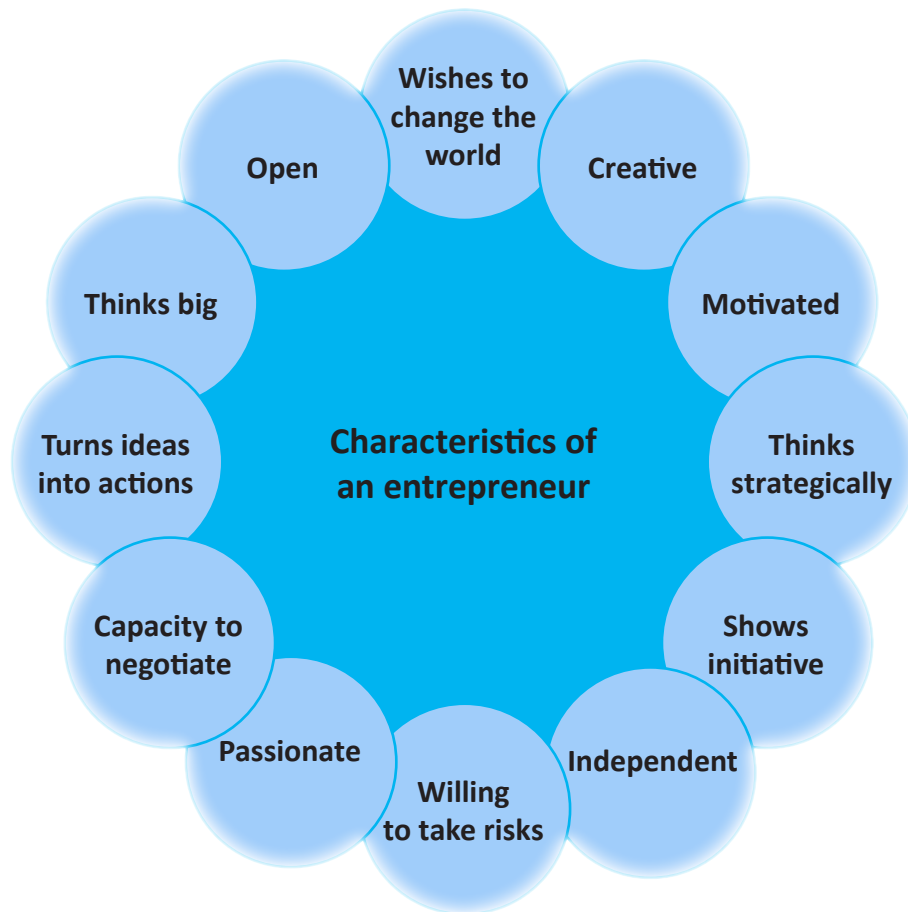
Search the internet to confirm whether you were correct (or to find any that you did not know).



Jodie Fox is a successful Australian entrepreneur. She started the business *Shoes of Prey* in 2009. Today it is a global multimillion dollar enterprise.
Photo from www.jodiefox.com.au

Entrepreneurial abilities

Successful entrepreneurs typically have some mix of many of the following characteristics.



Creativity

Creativity is often thought about in terms of art. However, it is a broader concept about the ability to think and act in ways that are new and novel.

An entrepreneur needs to be creative. They tend to think 'outside of the box' to come up with a new idea or a different approach to a particular task or a different solution.

This creative thinking can result in:

- invention (creating something that did not exist before), **or**
- innovation (changing something that already exists into something different).



The first mobile phone was sold in 2000. By 2007 Apple had released the first iPhone.

Not all inventions or innovations are successful. If consumers don't buy a product then businesses will no longer produce it.



Hover boards and 3D televisions did not last very long.

Risk-taking

When developing a new product there is a chance of a negative result. Despite this an entrepreneur will take the risk and pursue the activity. A start-up business will have initial costs but typically have no money coming in. The entrepreneur typically risks their personal savings. To spread the risk the entrepreneur can:

- work with one or more partners
- raise money using **crowd funding**.

Crowd funding is a way of financing a start up business through donations of money from people (backers). It is commonly done through a platform such as *Pozible*, *Kickstarter* or *Indiegogo*.

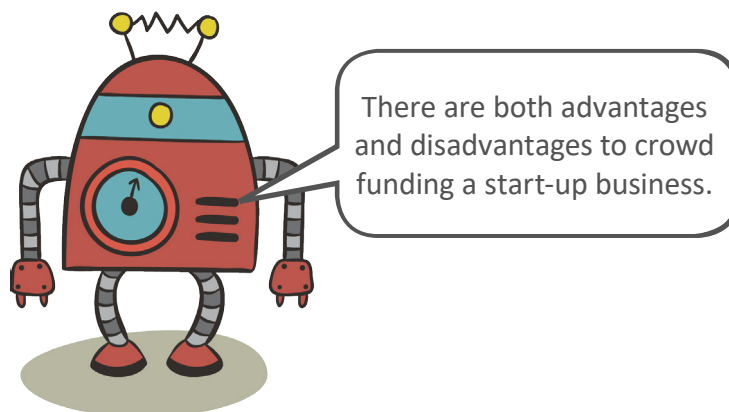
These platforms typically provide a website where the person posts their business idea with a description. Then people who want to support the project donate money, often in small amounts. Some platforms require the entrepreneur to set a monetary goal and a time frame in which to reach this goal.

To encourage people to donate to a project, the person trying to raise the money may offer incentives (rewards) based on the amount that each person donates. Examples include acknowledging the donor on the product's website, or a 5% discount on the purchase of the product once it is produced, or free product-related merchandise (such as, caps, T-shirts or fridge magnets).

It is *Pozible*

One of the major crowd funding platforms is *Pozible*. Their website states that it:

- is an Australian born, global crowd funding platform
- specialises in all-or-nothing, reward based crowd funding
- offers anyone the opportunity to launch an idea
- has a success rate of 58% (the most successful major crowd funding platform)
- is a gateway for discovering and supporting inspirational projects and thinkers
- enables project supporters to become actively involved in bringing more attention to bold new ideas, art, products and the talented people who conceive them
- pays it's wages by taking 5% of the total pledged amount from any successful campaign.



Activity 15 Crowd fund that idea



Go to the government websites below to find some of the advantages and the disadvantages of crowd funding a business:

<https://www.business.gov.au/info/run/finance-and-accounting/finance/crowdfunding-how-to-fund-your-business-idea>

<https://www.business.qld.gov.au/starting-business/costs-finance-banking/funding-business/crowdfunding>

Use a T-chart to summarise your findings.



Join with a partner to share and compare your summaries.

Add to your list any important additional information that they found.



Flow-Hive is an Australian business that was crowd funded. Go to the website below to investigate:

- what the idea was
- how the entrepreneur/s went about financing the development
- how successful the business is now.

<https://www.honeyflow.com.au/pages/about-us>



Use the internet to identify **three** other successful projects that have used crowd funding to start up. Good places to search include:

- <http://www.crowdfundit.com.au>
- <https://pozible.com/crowdfunding-tips/successful-crowdfunding-examples>
- <https://learn.indiegogo.com/success>

Independence and openness

An entrepreneur typically has the desire to be 'in charge of own their destiny'.

During start-up, the entrepreneur is likely to be working on their own or with a limited number of partners and therefore needs to be:

- able to work without direction from other people
- able to show initiative and be willing to 'go it alone'
- prepared to succeed (or fail) based on their own effort
- prepared to seek the views of others and to listen to their ideas and opinions
- able to build and develop a network of people who can provide advice or assistance.



Taj Pabari was 14 years old when he founded his business *Fiftysix*. After two years the business was employing 10 full-time staff and nearly 20 part-time contractors worldwide.

Photo provided by Fiftysix

Activity 16 Australian entrepreneurs



Select **one** of the following Australian entrepreneurs.

- Janine Allis
- Lorna Jane Clarkson
- Carolyn Creswell
- Daniel Flynn
- Jodie Fox
- Tim Fung
- Lesley Gillespie
- Lana Hopkins
- Jo Horgan
- Jeremy Howard
- Kristina Karlsson
- David and Barry O'Driscoll
- Taj Pabari
- Anna Ross
- Bradley Smith
- William Strange

Use the internet to research their career and entrepreneurship.

Use an appropriate notetaking framework to record the relevant information about the person.



Use your notes to write one page summarising the person's career and describing the business they have established.



Select **three** of characteristics of an entrepreneur from the diagram on page 35 that you think particularly apply to the person who you have researched.

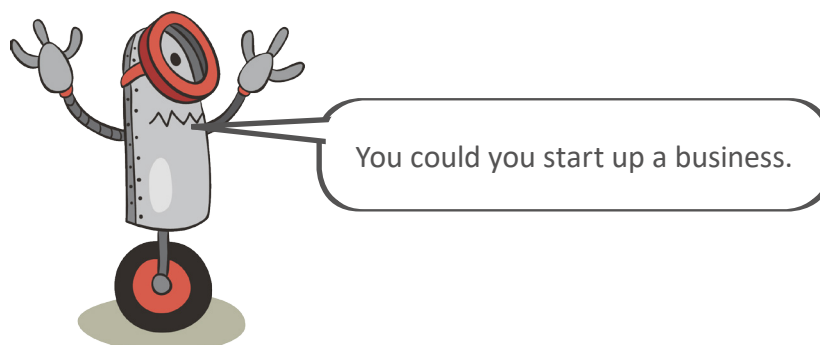
Write one paragraph about each of these characteristics explaining how it is demonstrated in the person's career.

Mini entrepreneurs

There are programs that encourage secondary school students to set up a business. *\$20 Boss* is an Australian program which gives students twenty dollars to start their own business. Students plan, budget, market and run their business idea. The aim is to build the students' innovation, enterprise and financial literacy skills; and to spark creativity, innovative thinking and entrepreneurship.

In the past, students have come up with a variety of business ideas including:

- a budding maths genius charging for extra tuition
- a pet-friendly group that started a dog-walking co-operative
- two budding fashion designers who upcycled T-shirts by cutting them and re-combining parts of different items.



Social entrepreneurs

Some people start up a business to help society rather than to make money. You still need the same characteristics and skills to start up a not-for-profit business. A great example is *Orange Sky Laundry* which was set up by **social entrepreneurs** Nic Marchesi and Lucas Patchett. They developed, funded and implemented a solution to a social issue.



Orange Sky Laundry founders Nic and Lucas were the Young Australians of the Year in 2016.
Photo provided by Orange Sky

Activity 17 *Orange Sky Laundry*



Work with a partner, to use the internet to find out:

- What does *Orange Sky Laundry* do?
- How was it started?
- How successful has it been?

Use an appropriate notetaking framework to record the relevant information about the business.



Join with another pair to discuss:

- What makes Nic and Lucas entrepreneurs?
- What entrepreneurial characteristics have Nic and Lucas displayed?



Complete the following sentences:

- Social entrepreneurs are different to other entrepreneurs because they ...
- Not-for-profit businesses like *Orange Sky Laundry* are 'valuable' to society because they



Share and compare your completed sentences with the other three people in your group.

Activity 18 *Pollinate Energy*



Pollinate Energy is a social business founded by six young Australians.

Go to website to find out about the story of this business established by these social entrepreneurs.

Start at: <https://pollinateenergy.org/about/meet-the-team/cofounders/#story>

Use the toolbar to explore the website to find:

- the mission of the business and its vision
- the issue that got the business started
- the solutions that the business has developed
- the impact that the business has had on the issue.

Use an appropriate notetaking framework to record the relevant information about the business.



In a group of four, discuss the entrepreneurial characteristics displayed by the founders of *Pollinate Energy*?



Use your notes to write the draft for a short podcast of 3 to 5 minutes that describes the work of *Pollinate Energy* and your feelings about this social business.



Record your podcast.

Reflect on your learning 'Colour, symbol, image'



This is the end of the topic about 'entrepreneurs'. Scan the topic and identify some of the ideas from the text that you think are interesting, important or insightful.

Follow the steps below to use the 'CSI routine' to reflect your learning about entrepreneurs:

- select one of the ideas and think of a **colour** that captures something about entrepreneurs
- select another idea and think of a **symbol** that represents it (a simple representation or drawing, such as two crossed lines to denote an intersection of ideas, or a circle to represent wholeness or completeness)
- select another idea from the list and think of a visual **image** that represents it (a photo or a drawing)
- use the colour, symbol and image to describe your key ideas about entrepreneurs.

An example of key ideas about the topic is *go, launch, and thinking*. A CSI could be a green rocket and a brain. See what you come up with.



Share with the class your 'entrepreneurs CSI' by displaying it in the 'shared space'.