

# Managing enterprise in health and social care



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## TASK ONE

Entrepreneurs are people who move forward toward risky situations or pursuing opportunities which others see as threats or problems. They are classed as founders of businesses large and small by starting a self-employed service or buying a shop or franchise retail outlet. They are individuals who are innovative in nature and put their ideas into action by creating a new product and introducing it in a market or bring about an operational change in an existing business. They are characterised as people who are flexible not rigid and that is why they are tolerant with ambiguity. They are self-confident and with a passion for what they do, they go all out to achieve it with high levels of energy. They love independence and therefore want to have full control of all and be self-reliant. Entrepreneurs usually come from families with the same parentage of entrepreneurs and therefore having life experience and the same desire towards creativity they innovate and start a business. There are some misconceptions about entrepreneurs like money is the key to their success, they have a business degree or they are young and gamblers because they are risk takers (Anthony's lecture notes, 2014).

Entrepreneurship means risk taking behaviour combined with strategic thinking that creates new opportunities for people, resulting in monetary and personal satisfaction rewards. People become entrepreneurs either due to necessity because of lack of employment opportunities or career options or because they are looking for solution to problems or trying new, innovative ways regarding some big social issue like homelessness. There is a changing

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phase in entrepreneurship. Nowadays there are more and more women becoming entrepreneurs (Anthony's lecture notes, 2014).

Small businesses are characterised as owned and operated independently with 500 or less employees. The changing face of technical advancement has been a blessing for entrepreneurs as most of the small businesses are internet based. They are mostly based on family ownership which usually involves succession problems and family feuds. Not all small businesses flourish. Some fail and that is due to poor financial control, fast growing pace, not sufficient commitment and lack of experience, expertise and strategic leadership. Every entrepreneurial company or creative venture has a life cycle of three stages: birth, breakthrough and maturity and each stage demands different managerial ways of handling it. The birth stage can be defined as a fight for existence and survival, dealing with getting finances and customers and starting the company. The breakthrough stage is moving towards growth by becoming profitable and the maturity stage deals with moving wisely with investment of resources open to flexible ideas for expansion and further growth. A new venture or business should have a plan including items like an executive summary and an analysis of the industry with a description of the company, market, operations, product and services and staffing along with a marketing strategy and the capital to start the business, a financial backup to cross the milestones. Different forms of ownership include sole ownership, partnership which could be general, limited or limited liability or a corporation or a limited liability corporation. There are different ways of securing finance for the new business either as debt or equity finance. Equity finance alternatives include angel investors,

initial public offerings (IPO) and venture capitalists The plan should have an attached copyright (Anthony's lecture notes, 2014).

Entrepreneurial orientation is of great importance in the health and social care business sector. It is the most changing and diverse market ever hence the need for entrepreneurship. New diseases like dementia and Alzheimer's and infections like the novo virus and other bugs, all need new remedies and medication and all new innovations need risk takers to keep going till they find that one product to launch into the market. With the ever evolving technology advancement which helps as drugs can be made faster and the production gets increased immeasurably. Some diseases which are quite old like cancer but yet do not have a cure need more innovative minds to strive for a medication to help because without a cure more and more people are contracting it with no help in sight. The few treatments are old and not so effective and expensive. With more people needing treatment we need to find more cost effective ways. People change and so do their circumstances, situations, habits and needs and therefore health & social care has to change to accommodate these needs. We deal with diverse cultural backgrounds. All the major drug companies started with entrepreneurship and are now well established. Some of them have on going changes with regards to treatment technology and the invention of new drugs and they are thriving but there are others who are not so innovative and hence are on the decline. Most hospitals are facing a crisis because people are coming with newer infections and problems and they need more space, more drugs, more finance and faster control measures which are all dependent on entrepreneurship.

TASK TWO

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## Case Study

Border Cottage Care started from humble beginnings and then taking it through change became a major player in their community and is still considering further changes to move with the changing times to reach higher goals. The care company owners Richard Brightmore and Sarah Jordan realised that the elderly and the physically and mentally disabled adults in their community of Wakefield district wanted to maintain their independence and remain in their own homes and not in a residential care or nursing home. They saw the opportunity and moved from their office from their home into a business centre, employing just 4 staff and took advantage of the all-inclusive fee, professional office surroundings and onsite staff support providing business advice and guidance.

Gap Analysis in management literature is described as the comparison between the actual performance and the potential desired performance (Wikipedia, 2014). The care company owners understood their potential customers and keeping their requirement in mind and aligning the vision of their company with their customers' demands changed the direction of their company in order to reach their potential desired goal of expanding and growing and moving with the times. PEST (Political, Economic, Social and Technological) analysis is used as a business measurement tool to understand the market growth or decline which in turn determines the position, potential and direction of any business. Another interpretation is STEEPLED which includes all aspects – Social, Technological, Economic, Environmental, Political, Legal, Ethical and Demographic. In most situations the original PEST covers all the factors. Demographic factor gets covered in <https://assignbuster.com/managing-enterprise-in-health-and-social-care/>

the Social issue and Ethical factors could be included in both Social or political Factor. Ecological and Environmental factors could be placed under any one or all four PEST factors depending upon their effect. A SWOT analysis is used to measure a business unit, idea or a proposition (Anthony's lecture notes 2014). The PEST analysis in this case study would include the following:

The PEST factors are external factors which answer the why, when and what questions of any business. With all the help and support from Wakefield council's managed workspace team and business advisors the company's turnover grew substantially. All the extra profits gave way to options of expansion in wider spheres of Day Care Centre and home care division with more employment opportunities for more local people.

After getting a profile on their target customers of elderly people wanting to stay in their own homes within the community enjoying their independence with some outside help through care assistants the company decided to open a care agency to provide the same exactly the direct alternative to their original business plan of opening a nursing or care home. The gap analysis tool helped the company owners to see the potential business idea and change their business plans and turn them around to fit the market. They recognised the opportunity through the profiling process of their customers. The customers are all elderly, physically and mentally disabled adults who will need some care and support depending on their exact situation which will be assessed after scrutiny of their medical records, their living standards dependent on the money available to them and through what sources and other demographics of their ethnicity and background. As <https://assignbuster.com/managing-enterprise-in-health-and-social-care/>

the elderly will be in the age group of 60 and above but the physically and mentally disabled could be in different age groups and therefore their care and support will differ significantly. The other important factor is that they want to stay in their own homes and this also would be for different reasons. Could be that they are mobile and want their independence or they want to live in their surroundings with the memories of their families. The reasons could be as varied as each individual. So Border Cottage Care was born but for it to flourish the owners had to move into a business centre in order to get all the professional help and business advice and support. This move was the result of the external or pest analysis as described above. As their company grew and their contacts increased so did their business. They expanded into other areas of care namely the day care centre and homecare division. Any work done with a passion will prove to be successful and therefore as the owners of this company seem to work in alignment to its mission they are confident of the service that they provide to their clients through their highly trained staff and the training itself is provided by the council college. They already have had their first inspection and have been rated as “ 3 star excellent” by the CQC. So this company’s management knows how to use the resources that are at their disposal and to put them to the best use of their business. By the continuing of the external analysis process they are in a position to know their competitors and also they have to be one step ahead of them to beat them in the business arena. They need to expand and dominate all the different areas of care in their district in order to continue to have their place in the market with a profit.

Richard Brightmore, director of Border Cottage Care mentioned in his speech about all these achievements and acknowledged the support they had received from the district council and hoped for its continuation for the future growth of the business. As the new additions of the day centre and providing high quality care to more local residents means recruiting more local staff. As the company is expanding so is the staff at all levels but as the head of the company the owners are now contemplating whether the senior level management staff is equipped with the expertise and the extra skills required for its growth to other areas. To ensure that they have the right people in key leadership positions to take the company growth to new heights and horizons some companies turn to assessment companies who can help them evaluate the capabilities of their senior level managers. This assessment is based on mainly the SWOT analysis of their own company and comparing it with its competitor's staff for its future direction and growth with the competitive advantage. Competitive advantage meaning meeting the customer's needs better with lower costs and maximum customer satisfaction. For a company to monitor its competitive success it is imperative for the company's managers to understand the company costs and skills it has in comparison to its competitors company. Cost differences arise due to the levels of investments in the infrastructure based on its employee's skills and productivity. In the UK the NHS Direct via the internet was promoted to help patients get medical information faster through the internet which helped them to increase their knowledge and direct their own health care (Hannagan, 2002).

### TASK THREE

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Health and Social Care Businesses are expensive to start or to expand to keep in the market with a profit hence they need to be protected in all circumstances which is why we need insurance policies to fall on in times of need. Unforeseen circumstances or situations are all part of everyday life and we cannot always prevent them all but we can make prior arrangements to cushion the impact in the unlikely event of some occurrence beyond our immediate control. That is where the legal framework of the business becomes a core and crucial part without which we could not move ahead. This legal framework revolves round insurance companies which take care of the financial side of the business after unexpected occurrences affect it. The working of an insurance company is that we have a deal with them and they charge a certain amount and if and when an unexpected occurrence does happen, they deliver the service of providing the cash for recovery and repair or whatever the terms might hold in the contract. If the business is accident prone or any other circumstances which can be foreseen as being damaging or affecting the business negatively then the charge is higher or a premium rate is included. The insurance companies utilise the services of underwriters who help by creating matching portfolios by assessing the risks and accepting them with the factors that make them behave in similar fashion. Insurance companies need these services of underwriters to protect their own businesses from ruin or disaster (Anthony's lecture notes, 2014).

Although there are some similarities between Copyrights, Patents and Trademarks but all these kinds of intellectual property protections are different and serve different purposes. Copyright provides protection for the original works of authorship both published and unpublished including

artistic, dramatic, literary, and musical and some others. The copyright act of 1976 gave the right to authors to make any changes that they wanted to their piece of work at any time (general information concerning patents, 2014), (Patten, 2008). So copyright would help medical writings and descriptions of the makeup of medicines.

Patents are granted rights for inventions to their inventors excluding anyone else selling or importing or using that right. The patent is generally for a period of 20 years from the date of its application (general information concerning patents, 2014), (Patten, 2008). In the health industry this is used in inventions of medicines, vaccines and researches.

Trademark is a device, name, symbol or word used by a company to distinguish it from the others and for others from preventing them to make a confusingly similar model (general information concerning patents, 2014), (Patten, 2008).

Trademarks usually help in selecting the branded medicines as they are more effective in some cases due to continued research and are more costly. These legally enforceable agreements are important for any new business ventures but more so in the field of health care. The health care field is an historic field which has seen many inventions through researches of centuries past to develop new drugs for new and complex diseases and disorders and genetic problems. Scientists are always working on new ideas and turning the old ones inside out to find cures to incurable maladies.

## REFERENCES

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