

Case analysis burts bees



**ASSIGN
BUSTER**

1. Who can be an entrepreneur? I believe anyone can be an entrepreneur, but they have to have the right attitude, realistic yet high expectations, and that drive. They need to have the entrepreneurial spirit that gives the business energy. They also need to have the resources or the ability to generate the resources necessary to be an entrepreneur. 2. What are the risks, rewards, and trade-offs of a lifestyle business versus a high-potential business— one that will exceed \$ 5 million in sales and grow substantially?

A lifestyle business provides the entrepreneur with control over their lifestyles, while earning a income that can sustain the lifestyle they want to live. Lifestyle businesses are more suited to entrepreneurs that value their time and lifestyles more than they value higher earnings. The primary goal of a lifestyle business is to provide the entrepreneur with employment while having the flexibility and control of owning their own business. There are many rewards associated with choose to have a lifestyle business.

First, the entrepreneur has control over the business and their own income while still living the lifestyle they prefer. They get the benefits of entrepreneurship without the constant pressure if achieving higher earnings, unless they wish too, and they are in control of their time and the direction of the business. The risk of running this type of business is the likelihood of the business bringing enough money to sustain the desired lifestyle, and also the risk of not enjoying running the business.

The trade-off with choosing to operate a lifestyle business over that of a high potential business is the limited growth opportunity that is inherent to a lifestyle business. With a lifestyle business, earnings and growth are limited,

but the owner enjoys much more control over the business and their lifestyle. A high-potential business is much more focused on growth making lifestyle sacrifices in order to achieve that growth, and also taking on debt to make the organization grow.

Entrepreneurs that chose this type of business value growth and income potential much more than the freedoms associated with a lifestyle business. The rewards of running a high-potential business include the personal satisfaction an entrepreneur can achieve by growing an opportunity into a high growth venture, and the financial returns associated with the high growth. The risks include initial financial investments and debt which results in less freedom to be the sole decision maker in regards to the future of the firm. The tradeoff here is the loss of control and freedom to make decision versus higher earning potential.

3. What is the difference between an idea and an opportunity? For whom? What can be learned from Exhibits C and D? An idea reveals opportunity. An opportunity is an idea in action. An entrepreneur can take an idea and develop it into an opportunity, and grow it into a business. Exhibits C and D show that toilet preparation is a growing business.

We also see that wages per hour in the toilet preparation industry versus all manufacturing segments are higher and that it is a generally lower investment opportunity than the manufacturing industry as a whole.

4. Why has the company succeeded so far? The company has succeeded because it found a sustainable competitive advantage and developed a niche in the market. The company met a need for all natural products and diversified their product line to meet the needs of customers that wanted all natural

products in a variety of areas. . What should Roxanne and Burt do, and why? Roxanne and Burt should stay in North Carolina because they have already ventured into the high growth arena and they need access to talented people and larger market in order to grow. Roxanne may not be satisfied with running the company for much longer, but she should stay long enough to sell the company and ensure that the business continues to grow. From there, they should move on and create a lifestyle venture that they can be happy with.