

OLD DOMINION UNIVERSITY
CYSE 494

Week 3 Journal

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1. Why do ethics matter in entrepreneurship?

Ethics matter in entrepreneurship because of many different reasons. There is the moral reasoning behind it. Where you would not want your business to be unethical because then it will cause pain to the morality of the business. There is also the logistics side of keeping within ethics because if a business is built on unethical circumstance this could affect how the business is received by consumers. Making ethics important all around to everyone that is involved no matter the standing.

2. How does my own personal budget related to an entrepreneurship budget? How are they different?

How my personal budget relates to an entrepreneurship budget is the foundations that they are both built on. How I control my personal budget will use the same skills as that of my business budgets. For example, money management, saving, and cost effectiveness are all factors that are used within personal and entrepreneurship budgeting. Though they are different in terms of use. My personal budget will include many different factors of my life such as entertainment, bills, necessities, and saving accounts. Whereas my business budget will relate to that of my business and not myself as a solo person.

3. Why do businesses need a budget or financial forecast?

A budget is heavily needed in a business in order to maintain the business. A budget keeps in place how much money should be spent in order to keep the business running smoothly. Along with being able to see when expansions or repairs are needed and when the business can financially afford the changes. If a business did not have a budget, it is possible there would be overspending along with collapsing of the technical structure of the business.

4. What is your definition of social entrepreneurship? Give an example of an enterprise you read about from the Schwab Foundation website (Module page " Social Entrepreneurship vs. Business Entrepreneurship-2).

How I define social entrepreneurship is that the end goal is more centered around the social aspects of an entrepreneurship rather than the wealth gain. An example of social entrepreneurship found in the article above was Shinko Fukushima. Which is an organization that provided additional help for extended welfare services. This is an example of social entrepreneurship because the goal is not based in making money, but rather the social impact the business has.

5. What are the most significant legal issues entrepreneurs face?

While sole proprietorships and partnerships are more cost effective to start a business, they often hold the least amount of legal protection. The most significant legal issue that could arise for any business form is that of lawsuits. Lawsuits being a broad term, but therefore covering the most ground that could be used against a business. For example, if a small business sends cellophane bags covering their products and there is no warning on the bags. It is possible that a customer could have an injury and then sue the small business as a result.