

Unit 1: People in Business

1. **An entrepreneur** is a person who takes the initiative and bears the risk of setting up a new business
2. **An investor** puts money into a business in the hope of earning a return
e.g. bank, government (grants), family and the public.
3. **Suppliers** supply raw materials to other firms
e.g. timber merchants supply milled timber to furniture makers
4. **Producers** are firms who supply finished goods to the market.
They are also called manufacturers.
5. **Service providers** are firms who supply services to businesses to increase their **efficiency**.
e.g. banking, transport, waste disposal, telephone, electricity, insurance and post.
6. **An employee** is a person hired by the employer to do work in return for pay.
7. **An employer** is a person who hires other people to work for them in return for pay.
8. **Consumers** are people who buy goods and services for their own use.
9. **Interest groups** are pressure groups who protect and promote the interests of their members and try to influence decision-making.
e.g. ICTU, IBEC, Consumers Association of Ireland (CAI), SIMI, IFA and Greenpeace.
10. **Conflict** of interest is when people disagree or have a difference of interest, which leads to one side taking action against the other.

Law of contract

11. A contract is a **legally binding agreement** between at two or more people.
12. An **offer** is a promise/proposal made by one party to another. It can be made orally, in writing or by conduct.

13. **Acceptance** means accepting an offer and all its conditions, either orally, in writing or by conduct.
14. **Consideration** is the payment that passes between the parties of a contract. It must be **real and** have a **measurable value**.
15. **Intention to contract** is when both parties intend the agreement to be legally binding.
16. **Capacity to contract** is the ability to enter into a legally binding agreement
17. **Legality of form** means that some contracts must be in written form
18. **Consent to contract** means that both parties must consent to enter into a contract of their own free will and knowing all of the important facts.
19. **Legality of purpose** means that the nature of the contract itself must be legal e.g. an agreement to sell illegal drugs isn't a valid contract

TERMINATION OF CONTRACT

20. **Performance** - The parties of the contract have carried out their side of the contract as agreed.
21. **Breach** - When one party has failed to perform their obligations in the contract the contract is said to be breached (broken). When one party breaks the conditions of the contract, the other party has the right to end the contract.
22. **Agreement** - The parties to the contract agree to end the contract.
23. **Frustration** - Some unforeseen event occurs which makes it impossible to continue with the contract e.g. death

REMEDIES FOR BREACH OF CONTRACT

24. Rescind (cancel) the contract

The contract is cancelled by the injured party. The court places both parties back in the same position they were in before they entered the contract

25. Sue for Damages

The injured party can sue for damages (monetary compensation) to put them in the same financial position they would have been in if the contract has been performed according to its terms.

26. **Specific Performance**

The court orders that the contract be carried out as originally agreed

Consumer

27. A **consumer** is a person who buys goods and services for their own use.

Industrial Relations

The Industrial Relations Act (1990)

28. **Industrial relations** is the term used to describe the relationship between employers and employees.

29. **Work to rule** is when employees follow the rules in the firm to the letter of the law, slowing down production and sometimes making it impossible to operate

30. **Go slow** is when employees do their work but at a greatly reduced pace

31. **Token stoppage** is when employees have a short but complete stoppage of work which is designed to make the point to the employer that the employees are serious

32. **Strike** is when employees withdraw their work to force the employer to give in to their demands.

33. **Overtime ban** is when employees refuse to work overtime

34. **Official strike** is a strike approved by the trade union that has been approved by a secret ballot and one week's notice of the strike has been given to the employer

35. **Unofficial Strike** is a strike where the above conditions aren't met. The employer can sue the strike leaders for losses suffered.
36. **Conciliator/Mediator** is an independent person who listens to both sides and makes recommendations to help solve the conflict. They try to get the parties to reach a resolution themselves.
37. **Arbitrator** is an independent person who listens to both sides makes a decision that both parties accept e.g. a barrister
38. **Picketing** is the act of gathering peacefully outside a particular place, usually with placards with the intention of watching and dissuading other workers, delivery lorries and customers from entering.

39. **Balloting**

A union must conduct a secret ballot of workers in deciding to go on strike
At least one week's notice must be given to management of the intention to go out on strike

If a secret ballot takes place and if workers engage in industrial action, they are protected from being sued by the employer for any loss arising from their action.

40. **Conciliation** occurs when an independent third party assists the two sides in a dispute to negotiate their own solution. The State conciliation service was established by the 1990 Act and it is called the Labour Relations Commission (LRC).

41. **Arbitration** occurs when two sides to a dispute are unable to negotiate a solution and they ask an independent third party to make a recommendation as to how the dispute can be settled. The State's arbitration body is the Labour Court

The Unfair Dismissals Act (1977-1993)

42. **Unfair dismissals** are dismissals due to

- Pregnancy
- Race or colour
- Membership of the travelling community
- Membership of a trade union or being involved in a strike
- Sexual orientation
- Religious or political beliefs
- Gender
- Marital status

43. **Dismissals regarded as fair** are

- **Incompetence** of a worker or lack of **qualifications** i.e. they are unable to do the job
- **Misconduct**
- **Redundancy** due to economic reasons

The Employment Equality Act (1998)

44. **Discrimination** is “the treatment of one person in a less favourable way than another person is, has been, or would be treated”.

45. **Harassment** is any act or conduct which is unwelcome and offensive no matter what form it takes (including spoken words, gestures or the production, display or circulation of written material)