



# Switching on to Business

# EXTRA!

Chapter 1

## ENTERPRISE & YOU

HANDOUT 1

# A radical entrepreneur

## Anita Roddick uses her business to make a difference in the world

Anita Roddick was the **entrepreneur** who founded the Body Shop chain of stores. While her business may conjure up images of cocoa butter moisturiser and tea-tree facial oil, its founder says the company was as just as much about challenging how businesses are run as it was about making money.

Although a physically small woman, Anita Roddick's passion is palpable and she radiates an intense energy, leaving you feeling that anything is possible.

The Body Shop was started when her husband was away travelling and she had two small children to support. She describes the founding of the company as an act of survival, which followed unsuccessful attempts at running a picture-framing shop, a hotel and a restaurant.

The products she developed used only natural ingredients, recycling was maximised and raw materials bought from third world **suppliers** had to conform to fair trade rules, without any exploitation of cheap labour or the environment. Consumers responded very favourably to the firm's **environmentally-friendly** approach to business and, from humble beginnings, the business thrived and new outlets were opened.

However, what makes Anita and her enterprise different is the way she chose to run it. Profits were ploughed, not into private jets and lavish offices, but into funding campaigns for human rights, environmental protection and animal welfare. The business set up an internal department to focus exclusively on campaigning on such issues - Anita called it the "community care department". The Body Shop was also one of the first businesses to have a childcare centre attached to a workplace. The Body Shop, she insists, was always about communicating issues and campaigns - even if the cocoa butter-buying customers didn't always realise it.

"I didn't want to be like any other chief executive," says Anita, who believes that "being wealthy can corrode human spirit but it also allows you to be generous."

However, such idealism frequently caused waves among **banks** and financial institutions who provided much of the funding to grow her business. "Our naivety was our strength - we didn't realise we couldn't bring our hearts to the workplace."

Although she has now been in business for many years, this hasn't diminished her need to shake up traditional business conventions - ethically, socially and environmentally. One of Anita's biggest gripes with business is that many business people "are too timid" and afraid of taking a moral stand on an issue in case it will affect profits.

"There is no more powerful institution in society than business," she says, adding, "I believe it is now more important than ever before for business to assume a moral **leadership**." According to her, we need more entrepreneurs because "entrepreneurs are obsessed with freedom... and have an enormous **work ethic**" that makes new enterprises possible.

1. What entrepreneurial characteristics does Anita Roddick display?
2. (a) Describe the characteristics of the ideal business you would like to work for.  
(b) How easy or hard do you think it would be to run a business in the way you described?

