



Entrepreneurship Workshop


PROJECT TSHEHETSA



7 REASONS WHY BUSINESSES FAIL:


1 You Start Your Business for the Wrong Reason

Starting a business with hopes of making lots of money - instead of doing what you love - can equal disaster.




2 Poor Management

Lacking business and management expertise can be detrimental when it comes to managing employees and finance.




3 Lack of Planning (no business plan)

A comprehensive business plan is critical to the success of your business. Without it, the chance of failure increases.



4 Insufficient Capital

One common mistake for many start-ups is not having sufficient operating funds. It takes time to build revenue.



5 Location, Location, Location

Location is critical to the success of your business. Know where your customers are and how to reach them.



6 No Website

77% of the population in the United States uses the internet. Every owner needs a good website to promote their business.



7 Overexpansion

Businesses often fail when owners confuse success with how fast they can expand their business.





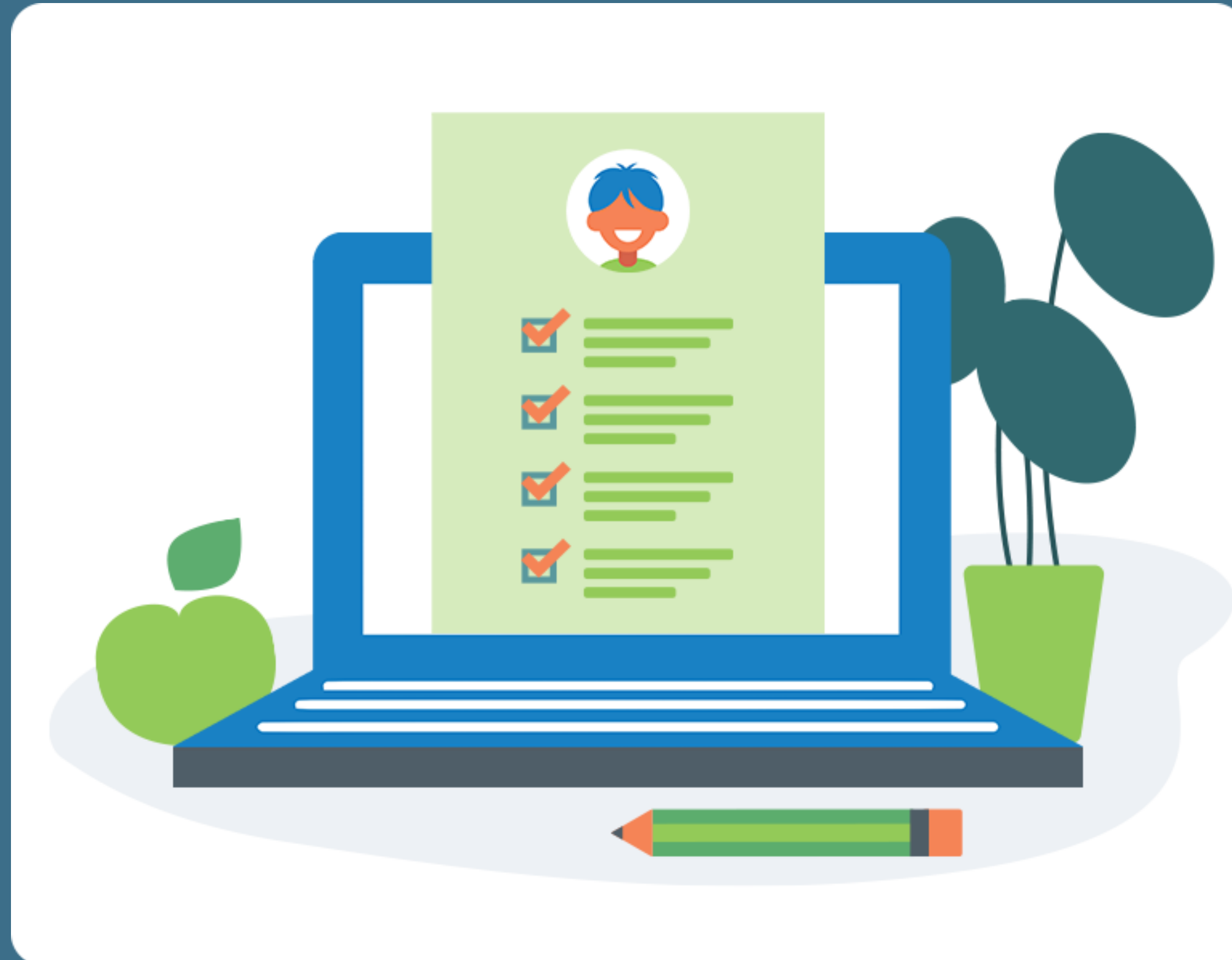


Is this really what you want?

- Why do you want to start a business? Is it money, freedom, and flexibility, to solve a problem or some other reason?
- What are your skills?
- What industries do you know about?
- Do you want to provide a service or a product?
- What do you like to do?
- How much capital do you have to risk?
- Will it be a full-time or part-time venture?












Do a self assessment



Your Business Model Canvas



<p>Key Partnershi... </p> <p>Click to add text</p>	<p>Key Activities </p> <p>Click to add text</p>	<p>Value Proposit... </p> <p>Click to add text</p>	<p>Customer Rela... </p> <p>Click to add text</p>	<p>Customer Seg... </p> <p>Click to add text</p>
	<p>Key Resources </p> <p>Click to add text</p>		<p>Channels </p> <p>Click to add text</p>	
<p>Cost Structure </p> <p>Click to add text</p>			<p>Revenue Streams </p> <p>Click to add text</p>	



Conduct Market Research

- Performing general Google searches,
 - Speaking to people already working in your target industry
 - Reading books by people from your industry
 - Researching key people
 - Reading relevant news sites and industry magazines
 - Taking a class or two (if this is possible).
-
- How urgently do people need the thing you're selling or offering right now?
 - What's the market size? Are there already a lot of people paying for products or services similar to yours? Have you honed in on who exactly your target market is? Being specific will help you focus your marketing message and investment.
 - How easy is it (and how much will it cost you) to acquire a customer? If you're selling enterprise software, this may require a significantly larger investment than a coffee shop.
 - How much money and effort will it cost to deliver the value you would like to be offering?
 - How long will it take to get to market? A month? A year? Three years?
 - How much up-front investment will you need before you can begin?
 - Will your business continue to be relevant as time passes? A business that repairs iPhone X screens will only remain relevant so long as the iPhone X sticks around. If your business is only relevant for a specific period of time, you will also want to consider your future plans.



Understand your Competitors

- If you like, you can even take things a step further and consider the consumer needs currently not being met by businesses in the industry. This is a good time to take a look at potential competitors. And remember, the presence of competitors is oftentimes a good sign! It means that the market for your product or service already exists, so you know that you have potential customers who are willing to spend money on your product or service.
- While you've got the time, learn as much as you can about your competitors, about what they provide to their customers, how they attract attention, and whether or not their customers are happy. If you can figure out what's missing before you even get started, your job will be made that much easier when you do finally set up shop.



Understand your Customers

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Getting off the ground

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Getting off the ground

- Naming and structuring
- Register The Business
- Create a business plan
- Setting up the business legally

Naming your business





How to choose your business name

- When you're figuring out how to come up with a company name, think of its value proposition. In other words, how your company brings value and is better than your competition
- Test the name:
 1. Can it last long?
 2. What emotion does it evoke with other people?
 3. Can it work on the web?
 4. What negative associations are there already out in the market?
- Find out if the name is already taken
- Trademark and brand your name



Your business registration

Sole proprietorship

A sole proprietorship, or sole trader, is the simplest business entity which allows a business owner to operate or trade under his/her name. If you decide to operate as a sole proprietorship, you will not need to set up or register a separate legal entity, although you will need to register with Sars for the applicable taxes. Your sole proprietorship is you, and you are your sole proprietorship, meaning that no separate juristic person exists.

Advantages:

There are very little administration and very few costs involved in setting up a sole proprietorship. As no registration is required, it is quick to set up. As a sole trader, you also have autonomy over your business.

Disadvantages:

The sole trader is personally liable for the debts of the business. If the business fails, he can lose all his assets. Because there is only one owner, a sole proprietorship can be limiting if you plan to expand your business in future. Although you can change the business entity at a later stage, it may be difficult to differentiate between what is owned by the business and what is owned by you.

Your business registration



Partnership

A partnership is a legal form of business similar to that of a sole proprietorship but can have between two and twenty individuals who come together to run a business for the joint benefit of all partners. It is effectively a joint venture between two or more people who have come together to carry out a trade, business or profession, although it is important to note that it is not a separate legal person.

Advantages:

As in the case of a sole proprietorship, two or more people can easily enter into a partnership without having to register a separate legal entity, although it is necessary to enter into a partnership agreement where the duties and responsibilities of each partner are set out. There are no formal auditing requirements in respect of a partnership which can reduce costs somewhat, and it is relatively easy to convert a partnership into a private company if the need arises.

Disadvantages:

Each partner is personally liable for the debts of the business which means that, if the business fails, the creditors can claim from the assets of each partner – this is known as unlimited liability. Further, every time one partner leaves or a new partner is introduced, the previous partnership ceases to exist and a new one is effectively formed which affects business continuity and planning. Because of the shared responsibility between the partners, decision-making can be slow and ineffective especially where there are multiple partners spread out geographically.

Your business registration



Private company

A private company – or (Pty) Ltd – may be founded and managed by anywhere between 1 and 50 people, and takes the form of a separate legal entity. To set up a private company, you will need to register the entity through the Companies and Intellectual Property Commission (CIPC). In terms of legislation, only one shareholder is required in a private company, and shareholding is limited to a maximum of 50 shareholders. The Companies Act of 2008 prohibits private companies from offering securities to the public. As private companies are separate legal entities, they are taxed in their own right and offer shareholders protection against the company's liabilities, otherwise referred to as limited liability. A private company entity is ideal for more complex businesses which anticipate long-term growth, face higher risks, and anticipate hiring more employees down the line.

Advantages:

A private company is its legal entity which provides the shareholders with limited personal liability if the company cannot pay its debts. It can also make a company seem more professional and attract a higher calibre of clientele as well as investors. The debt is owned by the company and not by the individual shareholders, which offers some protection. As a small business, you can contact Sars to see what special tax rates are offered to small businesses.

Disadvantages:

Administration and set-up costs are higher and will include annual fees payable to CIPC. If the company is required to be reviewed or audited, this will add costs to the bottom line. Shares cannot be offered to the public and you cannot register on the stock exchange. There are many intricate legal requirements when setting up a private company and it is highly advisable to use a professional.



Business Resources

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Business Resources

Finance

- Ensure that you keep record of all your expenses and income.
- These daily figures allow you to see whether you're overspending or under your monthly budget.
- This helps you become more financially aware and equipped to make important financial decisions.

Budget

CATEGORY	BUDGET AMOUNT	ACTUAL AMOUNT	DIFFERENCE
Sales revenue			
Interest Income			
Investment Income			
Other Income			
TOTAL INCOME			
EXPENSES			
Accounting Services			
Advertising			
Bank Service Charges			
Credit Card Fees			
Delivery Charges			
Utilities			
Taxes			
Payroll			
Licenses/Permit			
Rent			
Office Supplies			
Vehicle Expenses			
Telephone Expenses			
Internet Expenses			
TOTAL EXPENSES			
TOTAL PROFIT/LOSS			

Quote

To:
Name:
Street:
Suburb:
City:
Code:

DD/MM/YYYY

Item	Qty	Description	Price
01	01	Large Coffee	10
02	01	Medium Tea	12
Sub-Total			22
VAT			15%
Amount Due			25.30

ABC Traders
Your Street
Suburb
City
Code

Invoice

To:
Name:
Street:
Suburb:
City:
Code:

INVOICE #001

DD/MM/YYYY

Item	Qty	Description	Price
01	01	Large Coffee	10
02	01	Medium Tea	12
Sub-Total			22
VAT			15%
Amount Due			25.30

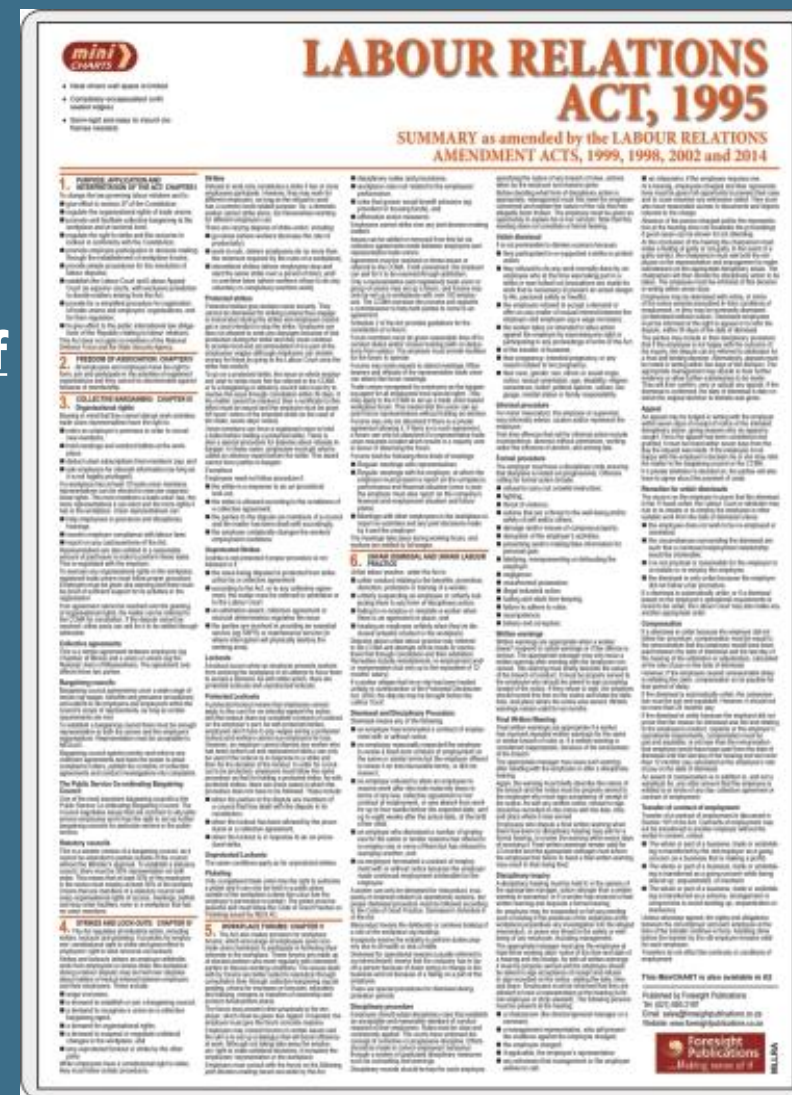
ABC Traders
Your Street
Suburb
City
Code

MAKE YOUR PAYMENT TO:
Account Name
Account Number

HR

As an entrepreneur, it is important to know the BCEA, LRA AND EEA. These acts ensure that fair labour practices are met, and that both the employer and the employee are protected from exploitation.

- https://www.gov.za/sites/default/files/gcis_document/201409/a75-97.pdf
- https://www.gov.za/sites/default/files/gcis_document/201409/act66-1995labourrelations.pdf
- <https://www.labourguide.co.za/download-top/135-eepdf/file>



HR

- Keeping record of everything is important
- Pay slips
- Leave forms
- Employee records

Payslips

Company Logo	Company Name Address		
Payslip for the Month of _____			
Employee Name	Paid Days		
Gender	Leave accumulated		
Earnings	Amount	Deductions	Amount
Basic	Salary Advance		
Over Time Hours	Other Deductions		
OT Payments			
Total Payment		Total Deductions	
Net Pay:			

Payroll

NAME	PAY	RATE	QTY	COMMENTS
	Salary			
	Hourly			
	Bonus			
	Vacation			
	Sick			
	Commission			
	Tips			

NAME	PAY	RATE	QTY	COMMENTS
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NAME	PAY	RATE	QTY	COMMENTS
	Salary			
	Hourly			
	Bonus			
	Vacation			
	Sick			
	Commission			
	Tips			

Leave Form

EMPLOYEE NAME	EMPLOYEE ID	DEPARTMENT	DATE FROM SUBMITTED
Reason for requested leave	(Please tick appropriate box)		
<input type="radio"/> Annual leave <input type="radio"/> Sick Leave	<input type="radio"/> Bereavement <input type="radio"/> Unpaid Leave	<input type="radio"/> Maternity Leave <input type="radio"/> Paternal Leave	<input type="radio"/> Study Leave <input type="radio"/> Other
Dates Requested	From: DD/MM/YYYY	To: DD/MM/YYYY	
	Employee Signature		
	Manager/Supervisory Approval	<input type="radio"/> Approved <input type="radio"/> Rejected	
	Manager/Supervisor Signature		

IT

- Using IT software to increase efficiency in the business
- Increase communication





IT Email

If you have a business, having your own business email domain gives your business more credibility. This looks professional and helps customers easily find the right people to email.



from: @gmail.com

to: @yourdomain.com



IT

SAGE Pastel

Sage Pastel is South African accounting software. This software for accounting solutions helps small and medium-sized companies to manage business control.



Pastel Accounting
Pastel Payroll & HR
Business Partner



IT Excel

Excel can be used for various activities in the business. It can be used for keeping track of the business payroll, to keeping track of the business income vs expenditure.



Payroll in Excel

	A	B	C	D	E	F
	Employee Name	Pay/Hour	Total Hours Worked	Overtime/ Hour	Total Overtime Hours	Gross Pay
1						
2	Mathew Roy	20	160	30	10	3500
3	Rogger Peng	30	140	40	20	5000
4	Ram Prakash	20	155	30	10	3400
5	Tom Furlan	25	148	35	40	5100
6	Ronnie Brook	30	160	40	20	5600
7	Total		763		100	=SUM(F2:F6)
8						

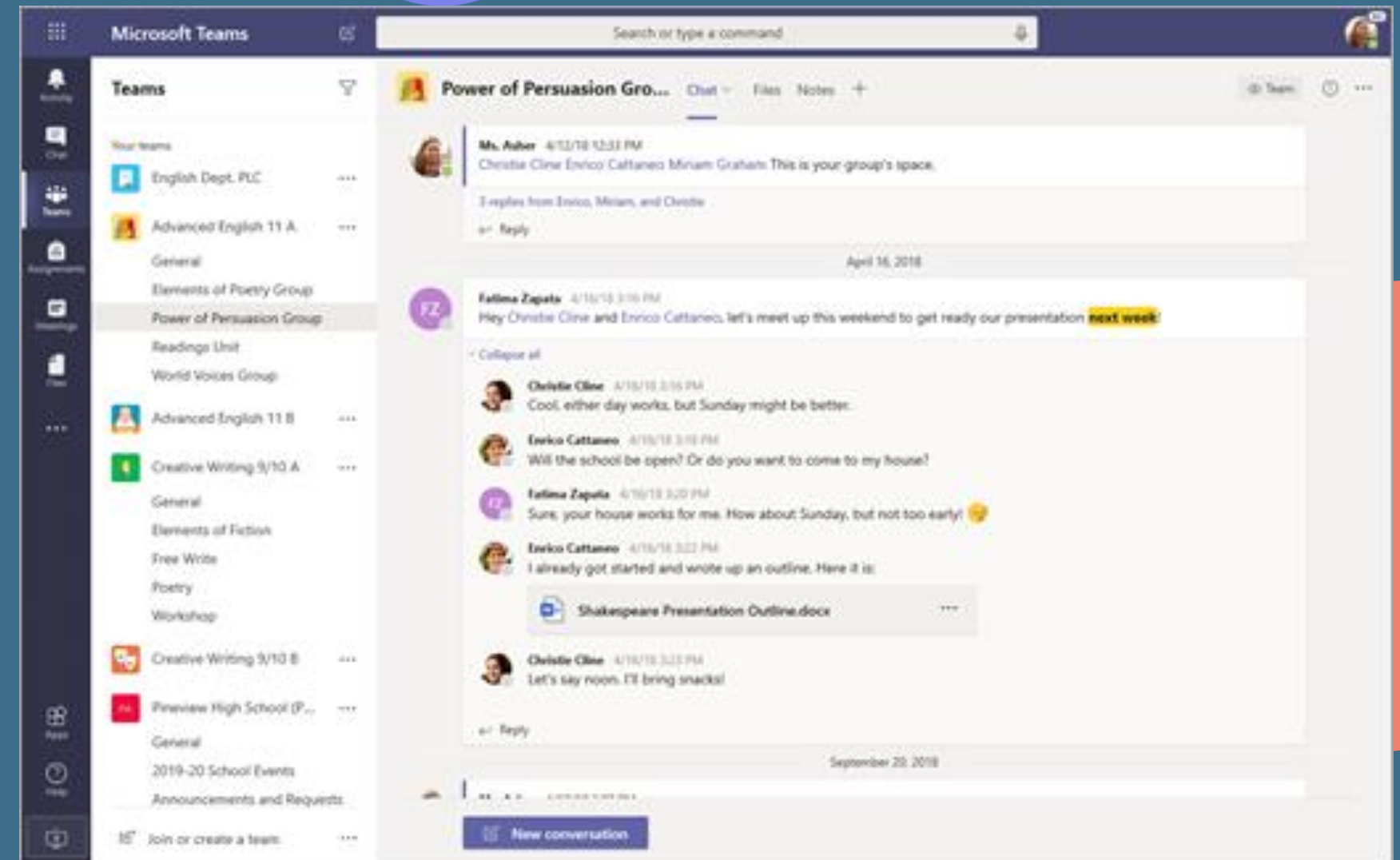
Business Expenses											
	Equipment	Supplies	Internet Service	Cell Phone Service	Landline	Subscriptions	Software	Computer Hardware	Education	Insuran	
4	\$164.23	\$78.44	\$89.90	\$171.89	\$45.23	\$54.90	\$119.19	\$245.10	\$414.40	\$	
5	\$159.33	\$99.33	\$89.90	\$171.88	\$45.23	\$54.90	\$78.32	\$214.98	\$29.99	\$	
6	\$265.23	\$88.33	\$89.90	\$171.88	\$45.23	\$54.90	\$56.19	\$202.19	\$345.12	\$	
7	\$179.22	\$79.22	\$89.91	\$171.86	\$45.23	\$54.90	\$134.65	\$216.34	\$210.44	\$	
8	\$301.22	\$74.22	\$89.91	\$171.86	\$45.23	\$62.10	\$127.12	\$199.45	\$899.34	\$	
9	\$279.33	\$69.44	\$89.91	\$171.88	\$45.23	\$62.10	\$119.19	\$198.34	\$235.19	\$	
10	\$240.22	\$87.44	\$89.91	\$171.89	\$45.23	\$62.10	\$134.20	\$203.90	\$346.28	\$	
11	\$185.34	\$88.33	\$89.91	\$172.10	\$39.98	\$62.10	\$99.14	\$200.14	\$175.34	\$	
12	\$289.44	\$86.44	\$89.93	\$172.10	\$39.98	\$71.14	\$87.15	\$194.49	\$199.34	\$	
13	\$234.33	\$79.44	\$89.93	\$172.11	\$39.98	\$71.14	\$114.98	\$210.10	\$201.23	\$	
14	\$299.21	\$67.44	\$89.93	\$172.12	\$39.98	\$71.14	\$123.45	\$235.98	\$763.45	\$	
15	\$289.32	\$91.44	\$89.93	\$172.12	\$39.98	\$71.14	\$135.29	\$255.34	\$530.98	\$	
16	Totals	\$2,886.42	\$989.51	\$1,078.97	\$2,063.69	\$516.51	\$752.56	\$1,328.87	\$2,576.35	\$4,351.10	\$1,



IT MS Teams



MS Teams is a tool that can help your business stay organised by storing all important business information in one place that can be accessed easily. It also has a function to chat with other team members, which aids in creating efficient communication paths.



Marketing

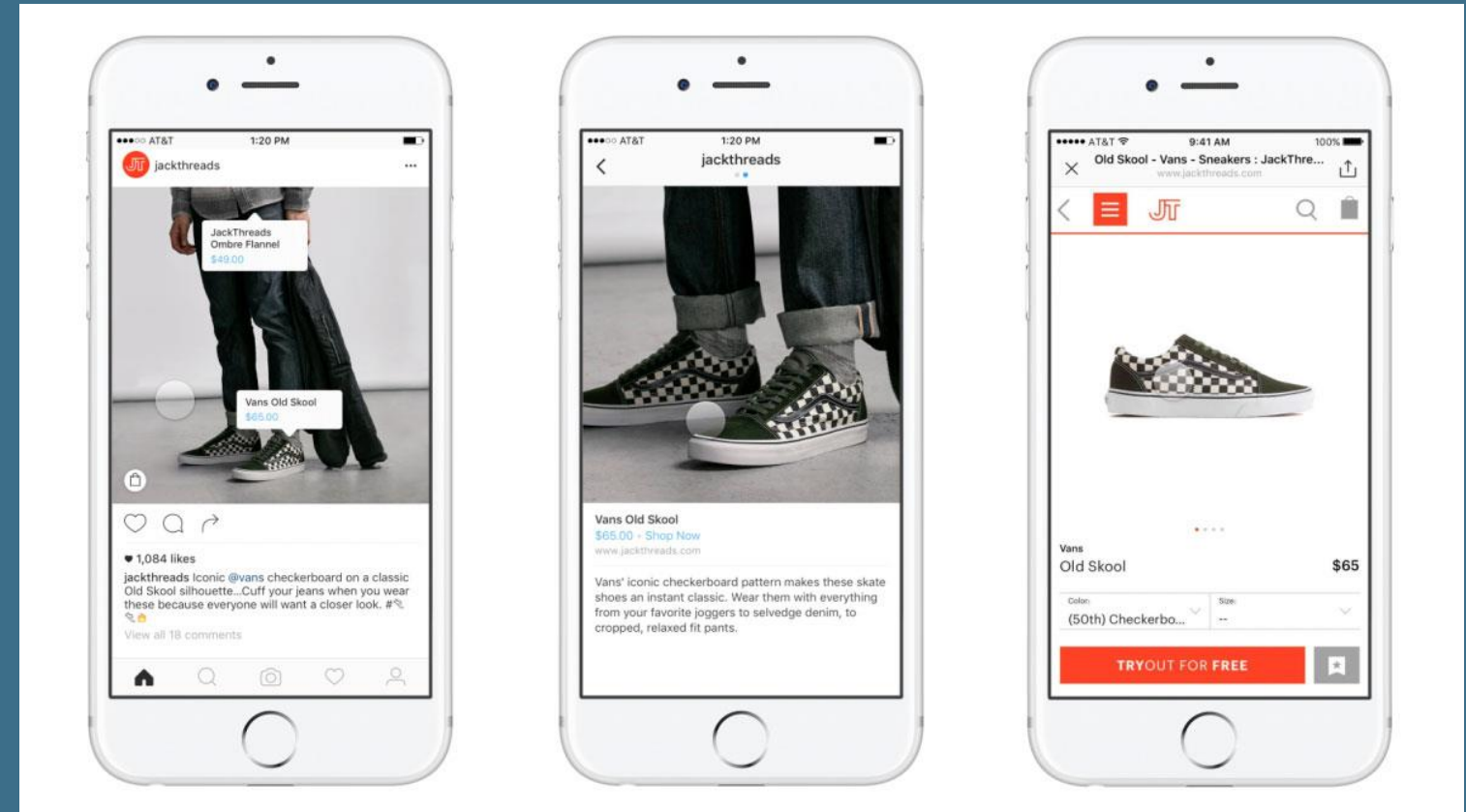
- Instagram
- Twitter
- Facebook
- Website
- LinkedIn
- Posters
- Flyers
- Whatsapp





Marketing Instagram

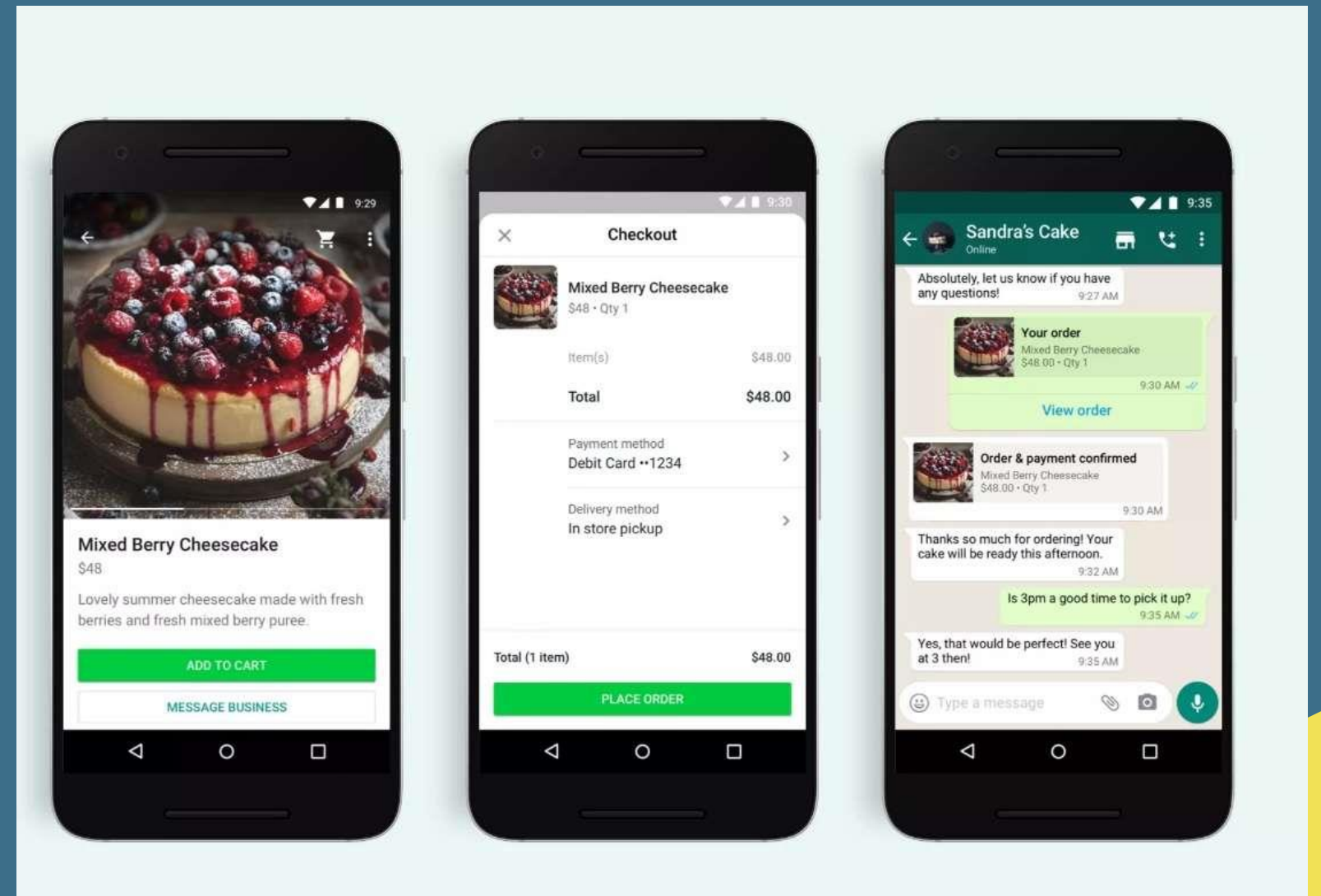
Instagram can be used as a tool for marketing purposes and as a platform to sell goods online.





Marketing WhatsApp

WhatsApp allows you to create a business account, and a catalogue of your products where customers can browse and message you to place an order.

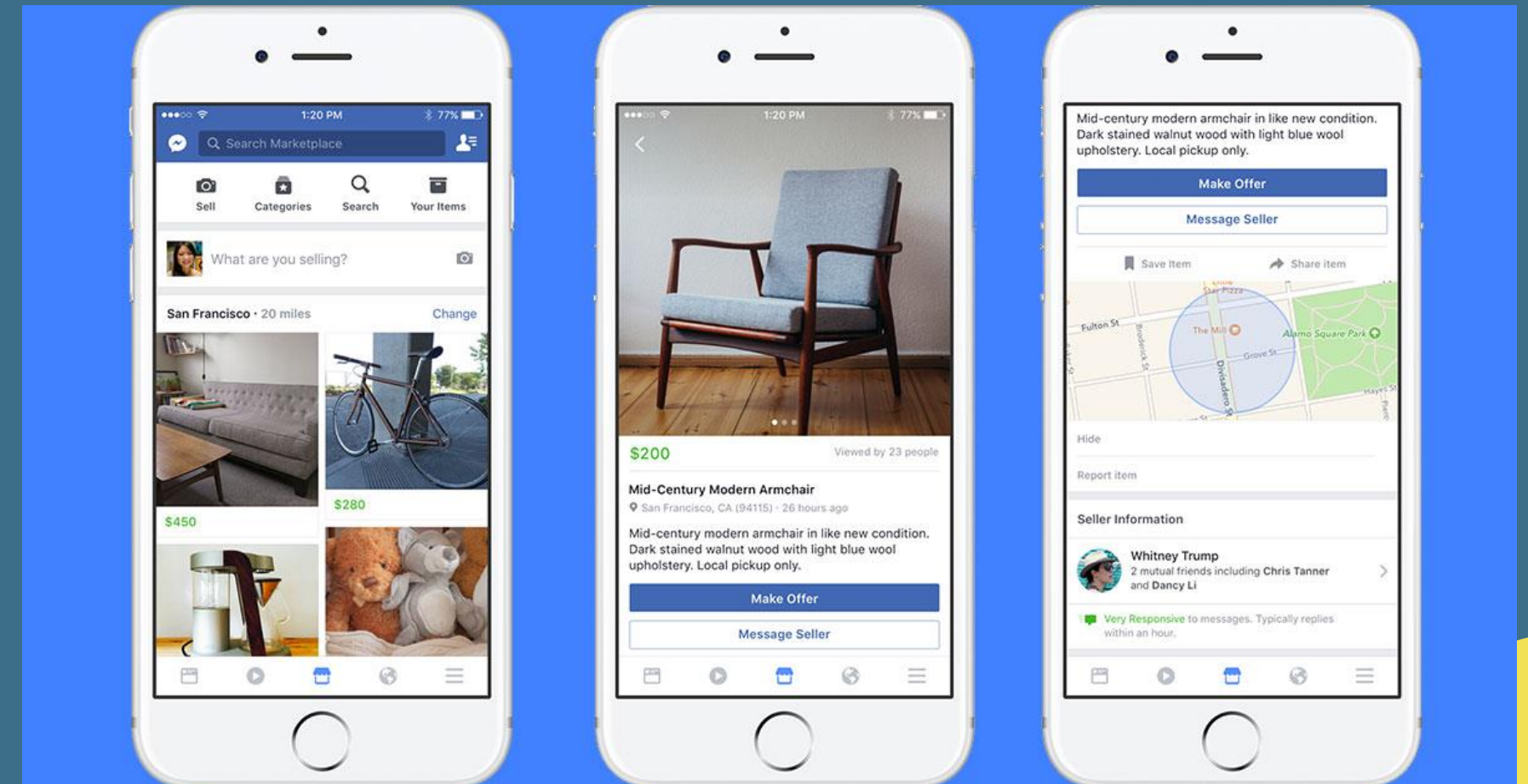




Marketing Facebook



Facebook has a marketplace where you can market your products and sell them online.





Marketing LinkedIn

LinkedIn is a platform where you can network with other professionals globally. You can use LinkedIn to display a summary of your professional career, network with people in your industry and find employees with the skillset you are looking for.



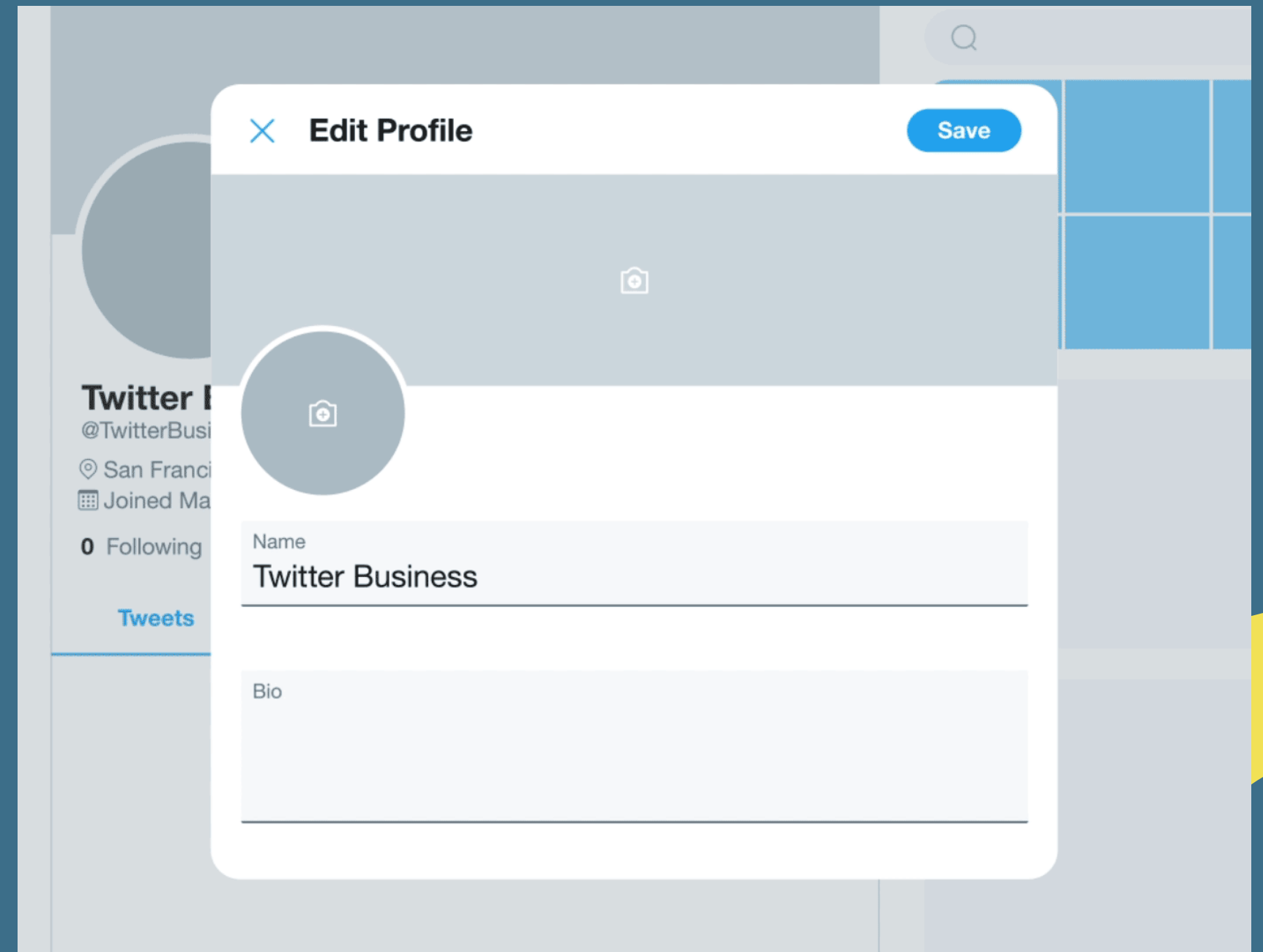
The screenshot shows a LinkedIn profile for Dave Johnson. The profile includes a profile picture, a cover image, and a bio: "Experienced senior editorial professional with success as a writer, editor, author, speaker, blogger, and leader. Los Angeles, California · 500+ connections · Contact info". A dropdown menu is open over the profile, listing sections: Intro, About, Background, Work experience (10 positions), Education (3 schools), Licenses & Certifications, Volunteer experience, Skills, Accomplishments, Additional information, and Supported languages. The "About" section contains text about his career as a tech journalist and professional communicator. The "Your Dashboard" section shows 156 profile views, 151 post views, and 31 search appearances. The right sidebar features promoted content and a "People Also Viewed" section with several recommendations.



Marketing

Twitter

Businesses use Twitter to communicate with their customers on upcoming promotions, new products and to give general updates. Building a strong community on twitter can lead to your business message being shared via retweets and likes.



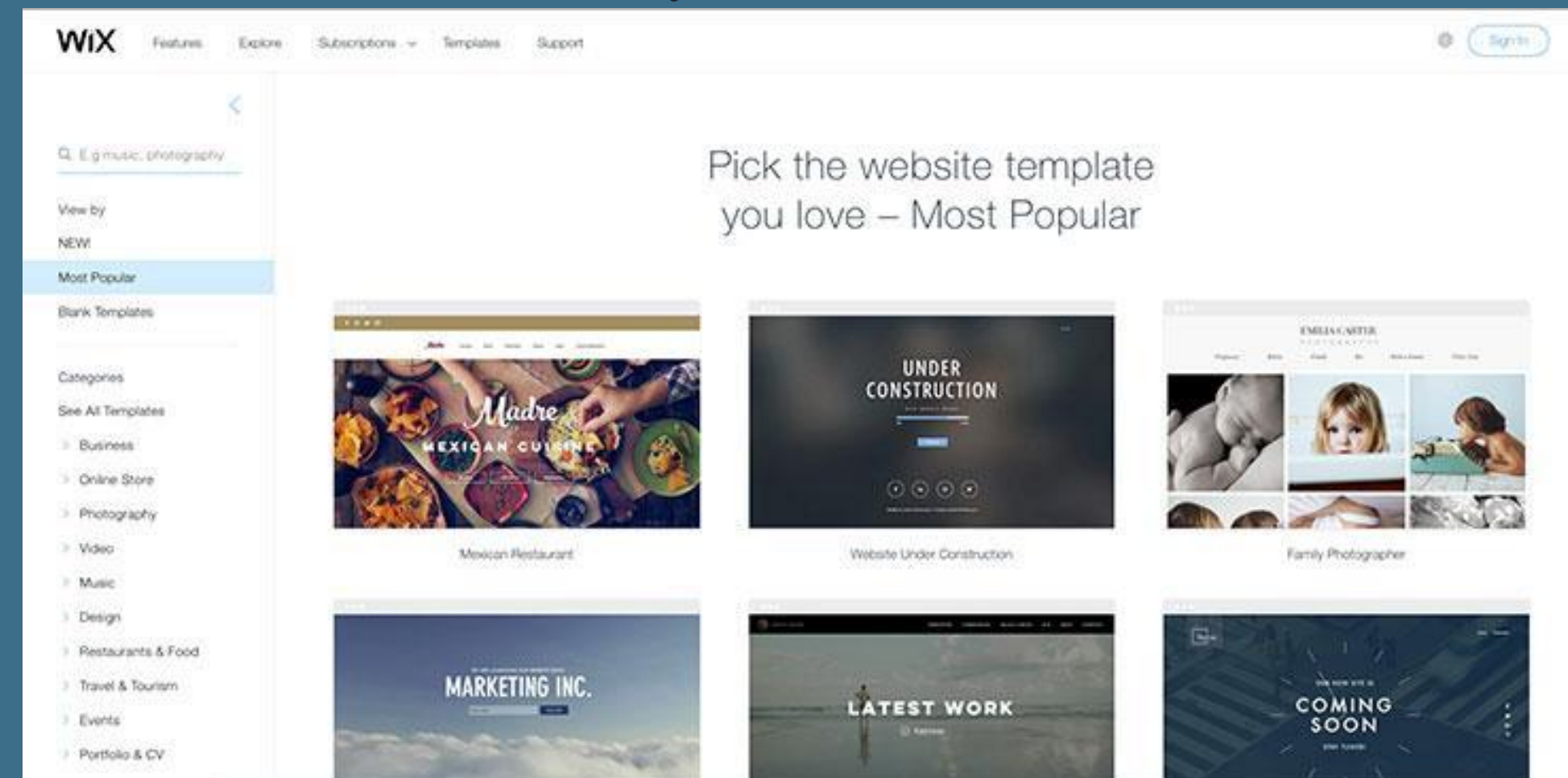


Marketing Website



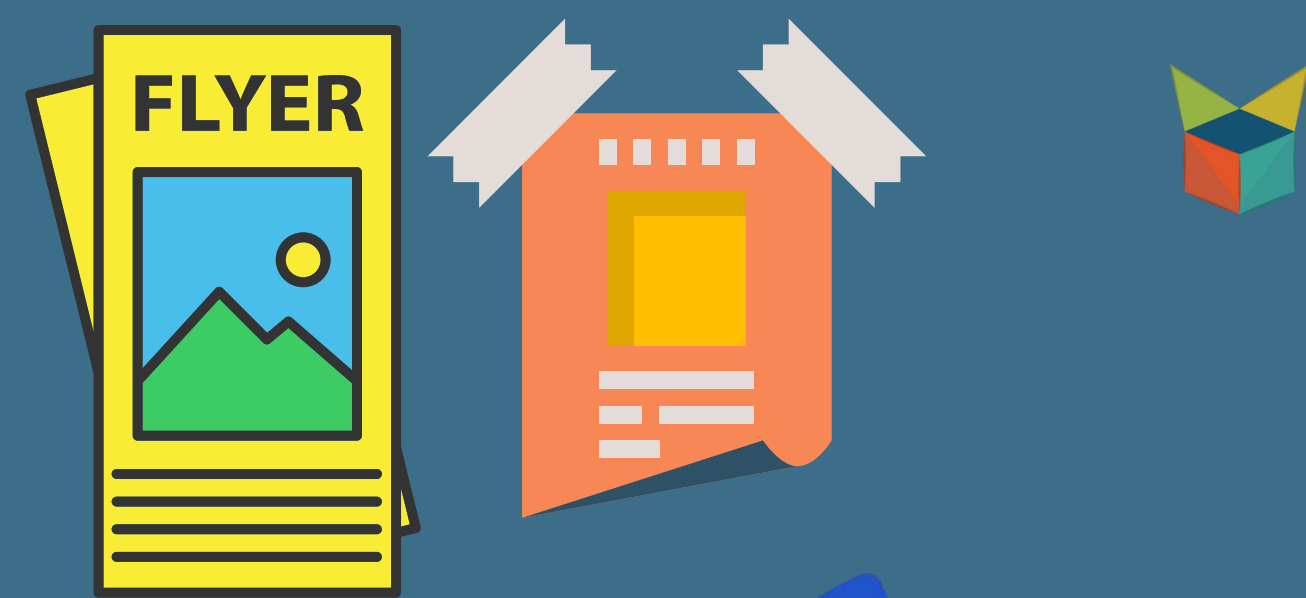
- **Creating a website for your business is an important marketing strategy.**
- **It gives your business credibility, and it is a great way to inform customers on what your business is about.**
- **You can create a professional website for your business using Wix.**

<https://www.wix.com/>



Marketing Flyers and Posters

Flyers and posters are an effective way of marketing especially in areas where there is a lot of foot traffic. In order to gain the attention of potential customers, ensure your flyers are eye catching and informative, and that you are advertising to your target market.



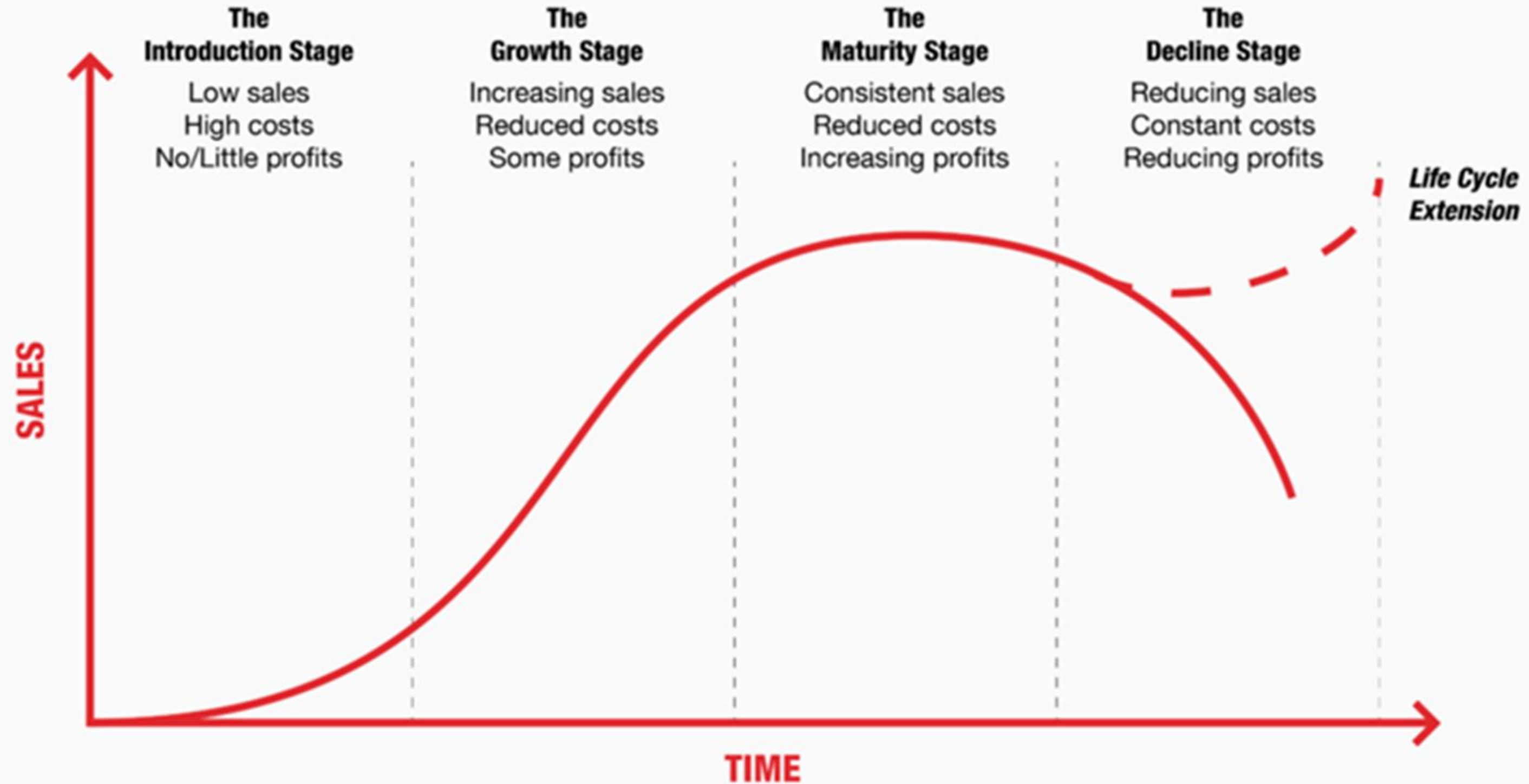


Running & Growing the business

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Grow the Business

The Business Cycle





Growing the business

Extending The Business Cycle

Change Product



Create an improved version of the product, or add a new product to the line.

Increase Marketing



Introduce new advertising techniques to attract new customers.

Change Price



Consider running promotions or lowering the price to attract new customers.

Change Packaging



Consider improving the packaging and making it more attractive to give the impression of a new and improved product.

Change Place



Add a new location to reach more customers in other regions.

Extending The Business Cycle

Change Product



Create an improved version of the product, or add a new product to the line.

- Make the product easier to use
- Create a faster product
- Create a sleek design



Extending The Business Cycle

Increase Marketing



Introduce new advertising techniques to attract new customers.

- **Use different advertising methods to increase your reach**
- **Run campaigns on social media**
- **Run a competition or use an influencer to spread your message**



Extending The Business Cycle

Change Price



Consider running promotions or lowering the price to attract new customers.

- **Lower your price to attract new customers**
- **Give discounts for first time customers**
- **Offer discounts for referrals**



Extending The Business Cycle

Change Packaging



Consider improving the packaging and making it more attractive to give the impression of a new and improved product.

- Create a sleeker design
- Make your packaging more attractive and distinctive
- Design a product that is easier to hold



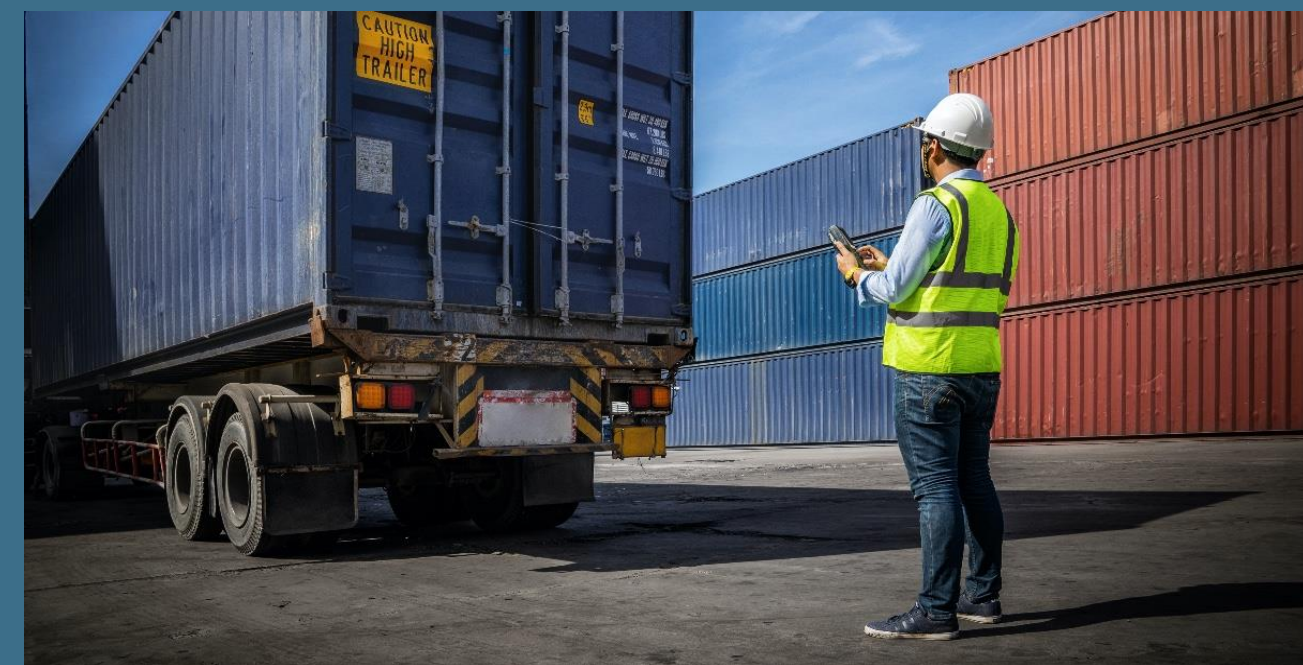
Extending The Business Cycle

Change Place



Add a new location to reach more customers in other regions.

- Open a franchise
- Sell your products online and ship your products nationwide or globally





Let's reflect

Employee vs Entrepreneur

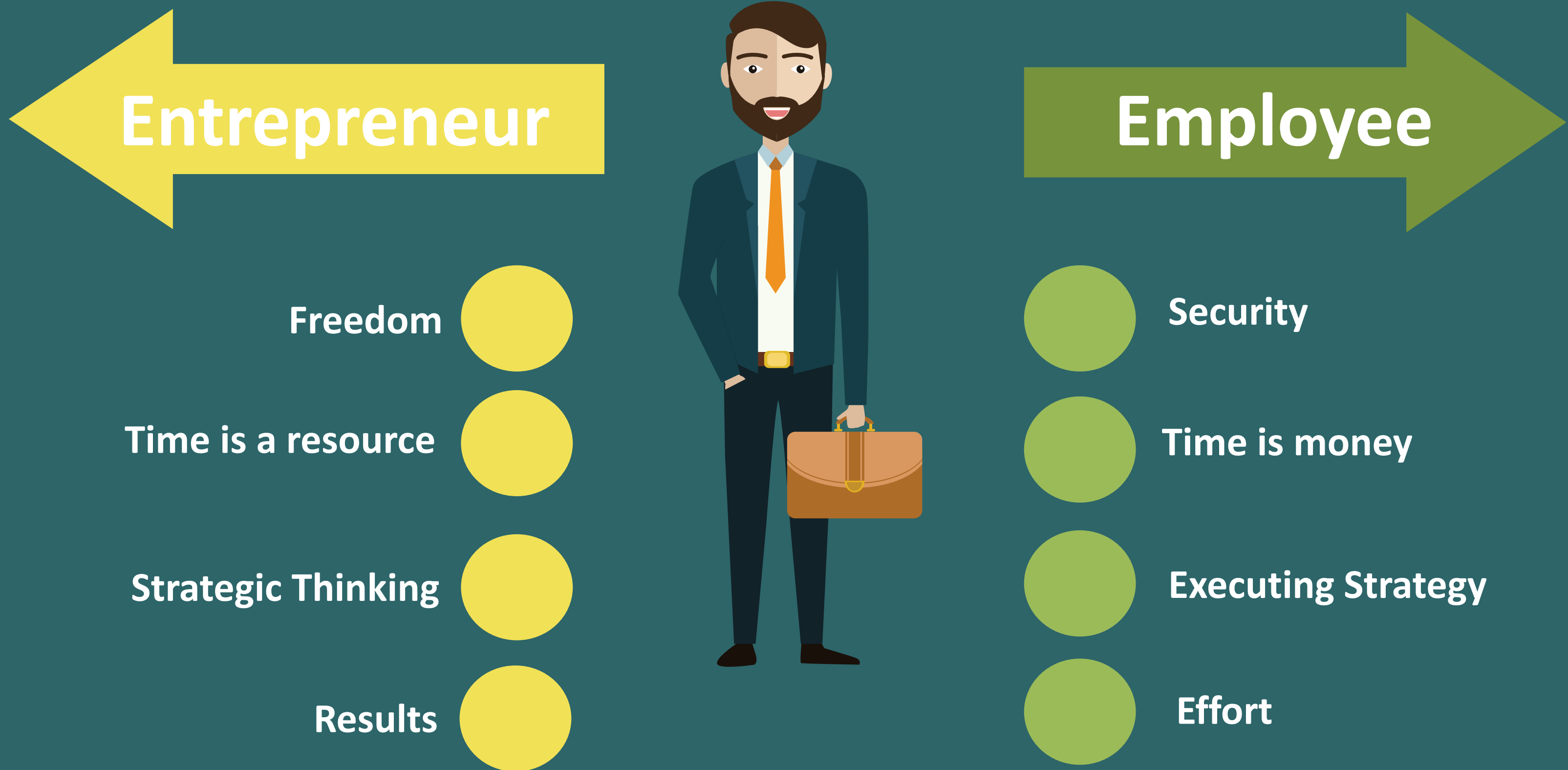


Mentimeter

LIST THE ATTRIBUTES YOU THINK A SUCCESSFUL ENTREPRENEUR SHOULD HAVE



Employee vs Entrepreneur





Useful Resources

1. 5 Videos entrepreneurs should watch: <https://www.entrepreneur.com/article/249297>
2. Fantastic website with inspirational content: <https://www.entrepreneur.com/>
3. Very cool entrepreneur sharing his failures, success and tips: <https://www.youtube.com/channel/UC4bq21IPPbpu0Qrsl7LW0sw>
4. Funding your business:
 - https://www.businessfuel.co.za/?utm_source=google&utm_medium=cpc&utm_campaign=business-finance&gclid=Cj0KCQjwvYSEBhDjARIsAJMn0lgfhQMeiZRefElepyD64a_gQoK6gE7w2hhs9RGyzi397Zfb335itd0aAhzaEALw_wcB#
 - <https://www.gov.za/about-government/small-business-development>
5. Business Ideas: <https://www.entrepreneur.com/article/201588>
6. Business Plan Template: https://www.bplans.com/sample-business-plans/?_ga=2.202991569.1903653646.1618771891-700160928.1618771891
7. Checklist for starting a business: <https://articles.bplans.com/business-startup-checklist/>
8. Building your business model canvas: <https://www.strategyzer.com/>
9. Naming your business: <https://namelix.com/app/?keywords=learning+grow+coke> and <https://www.bluehost.com/domains>
10. Reasons why businesses fail: https://www.ted.com/talks/bill_gross_the_single_biggest_reason_why_start_ups_succeed?language=en#t-386009
11. How to start your business without investors: https://www.ted.com/talks/nicholas_hanny_how_to_start_your_own_business_without_investors
12. Business Plan slides (double click to open)

