



MICROENTERPRISE HANDBOOK

Tools and resources to help understand
and develop your business ideas!

Work with a Good Company Mentor to develop your business today.

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Who is This Handbook For?

This is a basic business development handbook for people who are interested in starting a business, or already have an established business which they would like to develop. We encourage you to use the resources available to you to continue to grow your knowledge.

This handbook contains a number of concepts and tools which have been refined to support your understanding and use, and is designed to be used alongside a Good Company mentor who can support you to undertake your chosen tasks.

Disclaimer

Good Company Disability Supports Pty Ltd assumes no risk or liability for the content, or use of content contained within this handbook. Good Company Disability Supports Pty Ltd does not provide business development advice and we cannot make decisions for you. We can support you to source and understand information, and undertake tasks within your business.

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Unique Selling Point

*"What is **unique** about my product or service?"*

In order to get the attention of consumers we need to create something of **value**, something that people **need**. It's also important to consider what similar products or services are already being offered in the market that are similar to what we will be offering, so that we know if the consumer need is already being sufficiently met.

Firstly, research similar products or services that exist in the market already. Compare them, write down features they have and features you think they are missing. Use this information to identify gaps in their products or services where you could introduce a unique offering.

Benchmarking

Replicate and Innovate.

Benchmarking is tool used by established businesses to stay relevant to its customer base.

Benchmarking involves comparing your products, services, and processes to those of other organisations that are operating most successfully in the market. We aim to identify gaps in quality, and then determine a pathway forward to improve the quality of our own products, services, and processes. When determining the quality of your product or service, it's important to be as objective as possible. We don't want our thoughts and feelings to influence this comparison.

Consider some of the most successful brands/organisations within your industry and begin by researching what people like or dislike about them about them.

- What are people saying about them online?
- Are their products still well-liked by customers or are their customers switching to other products? (if so, why?)
- How can my product/service be improved/changed to ensure customers stay happy

Unique Product or Service Validates Consumer Need For Your Business

Developing a unique product or service offering and improving it by comparing it to successful market competitors (benchmarking) will help you to ensure that you have something that people want or need.

There are no tricks involved in establishing and growing a successful business. Being a successful business owner requires you to learn established procedures that have worked for other business owners. You'll need to follow these procedures like you would a recipe to achieve the desired outcome; a well-oiled and thriving business.

Take a look at a simple business development formula below:

$$[\text{Increasing Exposure}] \times [\text{Static Conversion Rate}] = \text{Growing Customer Base.}$$

Exposure: The number of people your business is exposed to eg. by looking at your advertisements.

Conversion rate: The number of people that become customers out of the total number of people that your business is exposed to.

Increasing Exposure Equals Growth

If the conversion rate remains the same and assuming we have a unique product or service offering that meets a genuine need in the market - Increasing the number of people looking at your quality product or service, will result in a higher number of overall conversions (customers). A growing number of customers results in more profit generated by your business.

Low Cost and Low Risk

Manage Risks Appropriately

Correctly identifying and protecting against risks ensures that you're prepared in the event that something goes wrong. Risks related to your business are solely your responsibility. You should thoroughly explore the risks involved with operating your business, and speak with a qualified insurance representative who can assist you to implement the required cover so that you are financially protected in the event that damage is caused to people or property.

Keeping costs low

Seeking the lowest cost options reduces financial risk. Low and no-cost options for business systems and resources should always be explored as a preference before looking at paid options. For example; Promoting through community groups on social media before paying for advertising.

SWOT Analysis

A SWOT analysis is a visual self-assessment tool that helps you to clearly identify important information about your business and it's environment, including;

Strengths (internal)

Things you can confidently do well. When identified, these can help you to achieve your business goals sooner or more efficiently.

Weaknesses (internal)

Areas in which you require training or improvement.

Opportunities (external)

Tasks that you can identify and take action on in order to further your objectives.

Threats (external)

Hazards that threaten you, your staff, or your business operations that require attention to mitigate or eliminate.

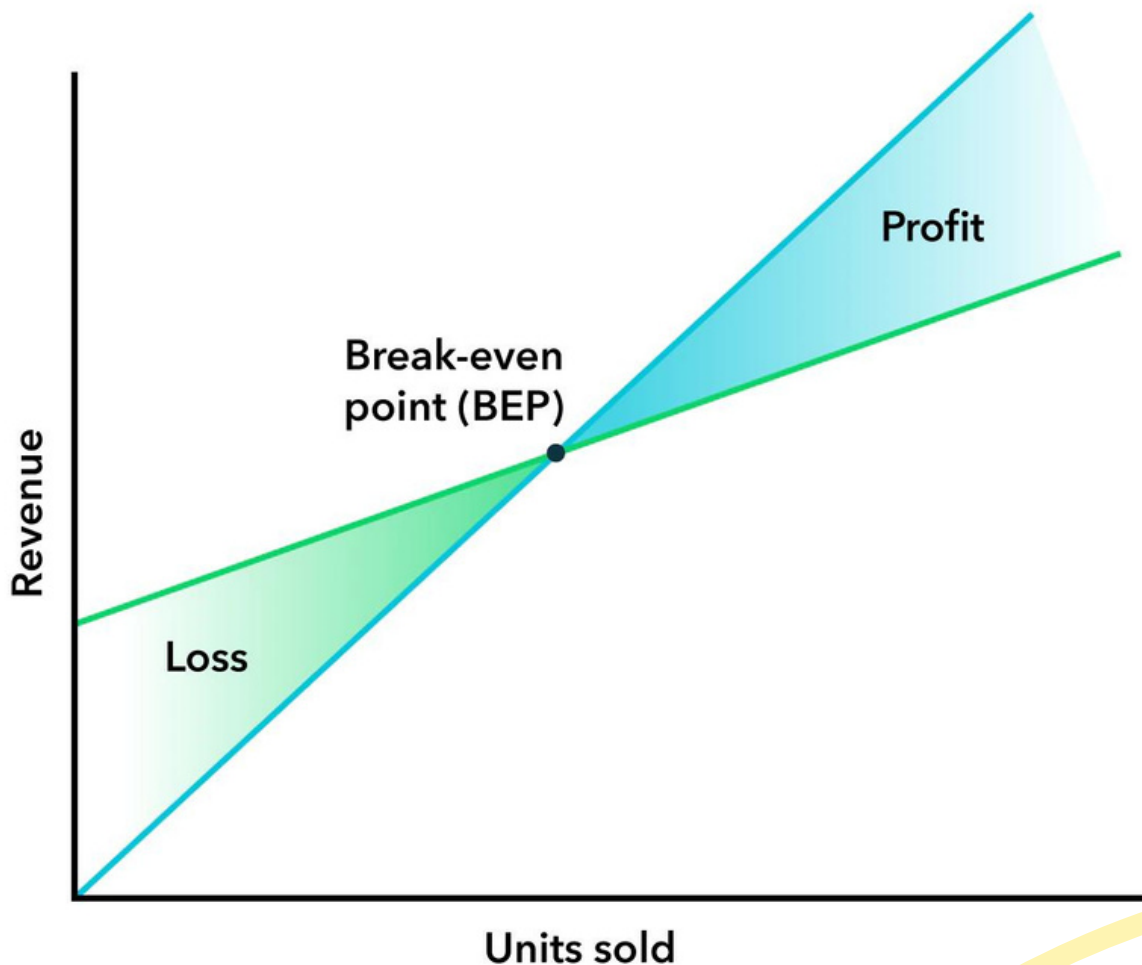
| | |
|---|--|
| Strengths • • • • • • • | Weaknesses • • • • • • • |
| Opportunities • • • • • • • | Threats • • • • • • • |

Breakeven Analysis

A breakeven analysis is used to determine when you will make back the money that you spent on establishing and commencing operations for your business, and begin making a profit. This tells us if we have enough money to get to the stage where the business will sustain it's own costs, and generate an income.

The break even point is the point at which revenue (income) is equal to your costs. Any revenue generated beyond this point is profit. This tool can be used when determining if an idea or venture is worthwhile (by using estimates) or if your established business is profitable

Example Graph



Breakeven Analysis

Upfront Costs

| COST | ITEM |
|------|------|
| | |
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Ongoing Costs

| COST | ITEM |
|------|------|
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Determining your cost per unit

How much does it cost you to produce one item/unit? You can determine this by calculating your;
(Total cost of materials required / number of units produced (for products only))

Determining your breakeven point

How many units of product or hours of services will you need to sell/provide until you make back the money spent on both the upfront costs, and the ongoing costs that are required upon establishing your business?

(Total upfront costs + total ongoing costs) / number of units produced (for products)

(Total upfront costs + total ongoing costs) / number of services provided (for services)

Operational Tools

Digital tools will play a huge role in operating your business. They provide ease of communication, information gathering, and recording so that you can track and measure and your progress and improve your processes. See below for some of the most popular low/no-cost options for digital tools that might help you



Google Sheets helps you to organise and keep track of information and can complete calculations automatically using formulated spreadsheets. Great for monitoring expenses and costs



Email enables you to communicate with suppliers, customers, and streamline your business communications.



Business Bank Account enables you to separate your business and personal finances to more easily identify relevant financial information such as how much money is coming into your business, or how much you're spending on expenses. Search for an account that suits you, with a bank that no business bank account fees and a user friendly digital experience.



Accounting and Invoicing Software may be required depending on the nature of your business. This allows you to add or charge for different items and send invoices to customers to remind them to make payment.



Task Management Software eg. Google Tasks Allows you to list the tasks you need to complete and mark them off as you complete them.

Tools and Resources

Advertising Tools

Use these resources as a free and low cost means of ensuring your brand/business is presented to the right people (your target market). These are programs that help you to advertise your business online to potential customers.



Canva Design software used to create advertisements, promotions, and other useful media for your business.



Google My Business Profile A free online tool for your business that let's you be seen by potential customers in search results when they search using words that are related to your business or industry. This is essential for people to find you on Google!



Social Media Create your own business page, post, interact with local community groups, and share helpful or interesting contents to grow your following and generate interest in your business. You can also run paid ads on social media which is typically cheaper than some other online advertising methods such as creating a website.

Remember Using free and low cost tools and resources to operate and expand your business keeps your cost base low, meaning less risk and lower 'overheads' (running costs).

How We Support You To Develop Your Business

What We *Can* Do

- ✓ Assist you to breakdown information and ensure you have access to tools and resources that support you to overcome barriers presented by your disability.
- ✓ Support you to develop your understanding of established methods that have facilitated success for other business owners, however it's your responsibility to implement them.
- ✓ Coach you to improve your chances at success, however the operation and management of your business is solely your responsibility.

What we *Can't* Do

- ✗ Commit our personal time to support you to develop your business. If you require additional support, you can schedule in additional in person or non face-to-face sessions where the mentor assists you to complete tasks related to your business.
- ✗ Run your business for you, guarantee the success of your business, or the removal of risks.