



Off the ground

Get down to business

How to set up and
start a business



Overview

Tips



Discuss the tips to start your own business

Steps



Explore vital steps in starting a business

Business Plan



Identify what is involved in how to write a business plan

Personal Experiences

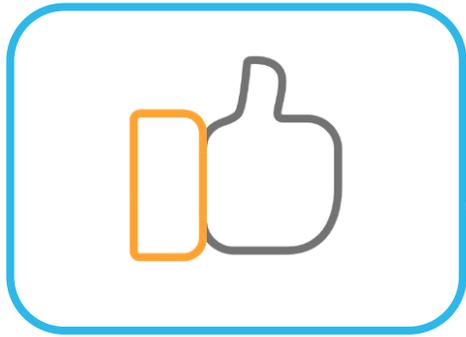


Hear from people who started a business of their own

Reminders



Recap of the important elements of increasing success in starting a business



Tips to Start a Business when you're young

Even if you're not ready to actually start your business yet, you can do a lot while you're young - even in high school - to boost your chances of startup success down the road.

1

Find your Passion



The most successful startups are founded by people who are passionate about what they do.

So what are your passions?

2

Know your Market



A failure to understand your market is one of the top reasons why businesses fail. If you want any chance of success, you need to thoroughly research your target market before launching your business.

3

Get your Finances in Order



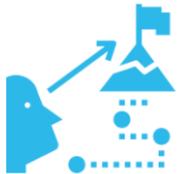
Most people starting a business need to use their own funds, which means you should do everything you can to improve your financial situation.



Tips to Start a Business when you're young

4

Be prepared to work hard



There's no such thing as an overnight success. Becoming a successful business owner requires an intense level of dedication to your dream – and this means sacrificing both time and money to make it happen

5

Find a Mentor



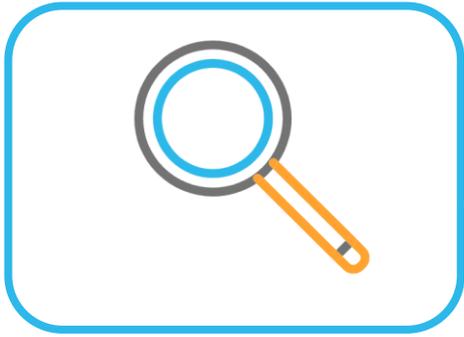
Running a business requires a wide range of skills and expertise that you likely haven't mastered yet. You shouldn't try to make challenging business decisions on your own. Finding a mentor is one of the most important things a young person can do.

6

Develop your business knowledge



Successful businesses require more than an innovative product or service; they also require a competent team to manage finances, operations, manufacturing, marketing, and all the other things that go into the production and sale of a product.



The steps to take to start your own business



Determine your business structure

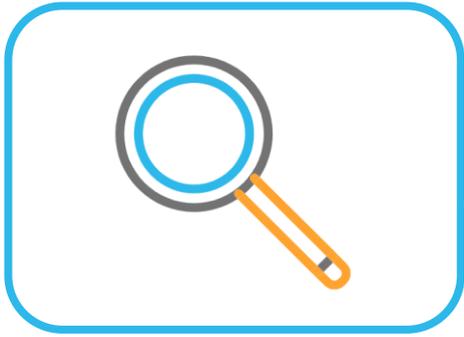


The most common business structures are:

- Sole trader: The simplest and gives you complete control
- Partnership: Made up of two or more people who share income or losses
- Company: More complex legally
- Trust: A person in the position of trust which is called a Trustee to run the business for another person

Your business structure can determine:

- The licenses you require
- How much tax you pay
- Whether you are considered an employee or the owner of the business
- Your potential personal liability
- How much control you have over the business
- Ongoing costs and volume of administration work for your business



The steps to take to start your own business

Get a Tax File Number



You will need a tax file number (TFN) to do business.

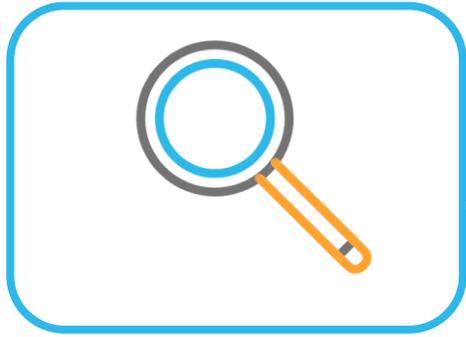
You can apply for a TFN at any age, however, if you are:

- 12 years old or younger, your parent or Gaurdian must sign on your behalf
- Between 13 and 15 years old, either you or your parent can sign the form
- 16 years or older, you must sign the form

If you decide to start your business as a sole trader, you can use your own personal TFN.

You can apply for your own personal TFN online on the Australian Taxation Office (ATO) website.

For all other business structures you'll need to apply for a specific TFN for the business through the Australian Business Register.



The steps to take to start your own business

Get an ABN



Now you have decided on the business structure and received your TFN, you can register for an Australian business number (ABN).

An ABN is the number you use when you conduct business and is your unique business identifier.

Not everyone is entitled to an ABN.

Find out if you are entitled on this website:

<https://www.abr.gov.au/business-super-funds-charities/applying-abn/abn-entitlement>



The steps to take to start your own business

Work within your limits



When you start your own business you are considered self employed as a minor.

Some self-employed minors have restrictions on what hours that can work for their own health and safety.

The laws vary in each state and territory, but the main requirements are that you can't work:

- During school hours
- After 10pm on a school night

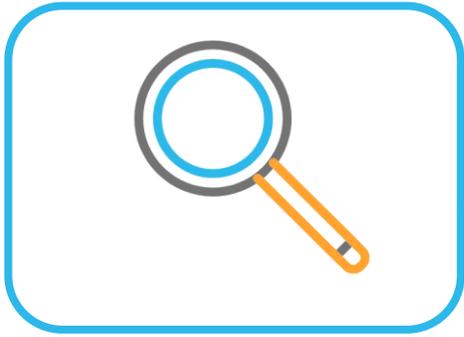
Seek Support



Explore grants and assistance that help new businesses. Use the governments advisory services to help you find a low-cost business adviser.

Utilise the Governments 'Starting a business guide' to work through the steps of starting a business in more detail.

<https://www.business.gov.au/planning/new-businesses/start-a-business-as-a-young-person>



The steps to take to start your own business

Work out what licences and registrations you need



It is vital that as you start your own business you ensure that your business operates legally. This is done through ensuring you have the right licences and registrations.

Use this website to search for the licences and registrations you will need for your new business:

<https://ablis.business.gov.au/>

Organise your finances



There are a range of resources to help you develop your financial skills in order to keep your business on track.

Check out these:

Be Money Smart - <https://moneysmart.gov.au/teaching-resources>

Business Finances - <https://www.business.gov.au/Finance>



The Importance of a Business Plan



<https://www.youtube.com/watch?v=Fqch5OrUPvA>



Why write a Business Plan?

Writing a business plan is the first step in the process of deciding whether to actually start a business.



Determining if an idea fails on paper can help avoid wasting time and money on a business with no realistic hope of success.





Business Plan

A business plan should include, at minimum, the following aspects:



OBJECTIVE AND LOGICAL

What may have seemed like a good idea for a business, can after some thought and analysis, prove not viable due to heavy competition, insufficient funding or non-existent market.



SERVE AS A GUIDE

Outlines the business operations and goals for the first months or sometimes years of the business.



PURPOSE, VISION AND PROCESS

Communicates the business' purpose and vision, describe management responsibilities, detail personnel requirements, marketing plans and evaluate current competition in the marketplace.



FINANCING PROPOSAL

Explains and creates a foundation of finances for investors and lenders to use to evaluate the business, in order to ascertain if you can borrow money for the business.



The Importance of a Business Plan

A good business plan is convincing.

It proves a case.

It provides concrete, factual evidence showing your idea for a business is in fact sound and reasonable and has every chance of success.

Who must your business plan convince?

1

You

Your plan should convince you that your idea for a business is not just a dream but can be a viable reality.

2

Potential Sources of Financing

If you need money from a bank or friend/relative, your plan can help you make a great case.

3

Potential partners or investors

Investors generally require a business plan in order to evaluate your business.

4

Skilled Employees

When you need to attract talent, you need something to show perspective employees since you are still in the start up phase.



How to write a Business Plan





How to write a Business Plan

01

OVERVIEW

What your business does

Legal Business Structure

Business Name

Mission

Driving force behind your business plan

This is what all your plans are focussed towards achieving

Chart of Accountability

Outlines who is responsible for the major tasks in the running of the business.

Three most common areas are Marketing and Sales, Operations and Finance



How to write a Business Plan

Identify what message you are working to communicate to your customers

02

MESSAGE

Answer these questions:

Who are your customers?

How do you fit into their lives?

What problem does your business solve for those customers?

What results does your business create?

How does your business create that result?

Who does your business serve?

Why do you do what you do?

Why should your customers choose you over your competition?

What are your step by step plan for creating those results (proprietary system)?



How to write a Business Plan

Define Target Market

Demographics such as age, income, where they live

Psychographics include interests, desires, fears

Estimate size of target market

Identify where you can find groups of your target market (online or offline)

Research

Search and ensure where your target market can be found

When you know where they are you can then target them to become your customers through marketing

Visibility Strategy

Explains how people will first learn about your product/brand

Lead Generation Strategy

Explains how you will establish contact with the people who have discovered your brand/product

Conversion Strategy

This is a sales strategy and explains how you are going to turn those leads that you have generated into paying customers

03

MARKETING



How to write a Business Plan

Define Product

A product can be a physical item, digital product or a service

Tip: Choose ONE product as your business' primary product - you may sell multiple products but determine what your main product is going to be that you will centre your business marketing message around and structure your business around selling. This will make many different parts of your business development much easier if you do have one product that is the focus.

PRODUCT

04

Identify primary product

Remember to choose one main product your business is selling

Result the product creates

What your company sells is really the result that the product creates not the product itself

Impact the product creates

Identify how the customers life is affected by the result the product creates

Example:

Drink Bottle



Convenient way to carry water



Confident and happy to carry their water while staying hydrated



How to write a Business Plan

Outline how your customers will access your product

Production and delivery is all about how you get your product into your customers' hands

Consider the following when exploring production and delivery:

- List the steps required to produce and deliver your product to customers
- Describe the extent of the geographic area you intend to cover, including any plans to expand
- Estimate the cost of the production and distribution of your product
- List the relationships and agreements you plan on forging with distribution or delivery companies in your industry
- Review any back up plans that you have in place in case your primary distribution or delivery services are interrupted

**PRODUCTION
& DELIVERY**

05



How to write a Business Plan

One year Goals and Five year Goals

Setting both short and long term goals reminds you what you're doing right now
but also where / what you're aiming for

Outline the following:

- Number of sales you want to achieve
- Revenue - Total amount of income generated by the sale of product
- Profit - Referred to as net profit or bottom line which is the amount of income that remains after accounting for all expenses, debts, additional income and operating costs
- Impact - Number of customers you help or how wide you spread your message
- Development - Extend to which you have advanced your product or built your business

Remember to set
S.M.A.R.T goals

Specific

Measurable

Achievable

Relevant

Time-bound.

GOALS

06



10 Questions your Business Plan should answer



1. What business are you in?

This question may seem obvious but for some businesses the answer is not as straightforward as first thought. The best way to identify exactly what business you are in is by taking the time to develop a mission and vision goals.

2. How will the business make money?

It is common that many start up businesses fail to formulate a business model. A business model is the term used to outline how the business will make money.

3. What does the business need to get off the ground?

A good business plan takes into account everything that is required to start and how much it's likely to cost. Adding onto those estimates is always wise.

4. What is the operating budget?

The financial section of your business plan also must address how much it will cost you to run your business, month by month. Also how much you need to earn to meet all your expenses and then make a profit. The more realistically you think about this the more planned you will be and you will increase the chance of your business being a success.

5. Who are your customers?

The more you know about your prospective customers, the more successful you are likely to be. Take the time to look at what your customers like and don't like. The internet has made this very accessible to understand customers. Simply reading through reviews on Amazon or Yelp will give you great insight into what people are raving about and what they are unhappy about, covering a wide range of products and services. Customer surveys, focus groups and simply observing customer behaviour are also effective tool to find out about customers.



10 Questions your Business Plan should answer



6. How will you reach your customers?

You can reach your customers in more ways than ever before, ranging from shop signs, newspaper ads, websites, e-newsletters, tweets, mass mailing, Facebook posts, Instagram and much more. Your business plan should clearly outline how you intend to reach your customers and maintain an ongoing connection with them.

7. What sets you apart from the competition?

You have to give customers good reasons to choose you over your competitors. An effective business plan should detail those reasons and develop strategies to make the most of them. To get started, find out all you can about your competitors – their strengths and weaknesses. Then explore how the business you are planning compares.

8. What are your strengths and weaknesses?

A formal SWOT analysis grid can allow you to measure your strengths and weaknesses against the opportunities and threats in your business environment.

9. What are the biggest challenges you face?

Every business faces challenges, especially in competitive markets or with technological change. It is important for you to be aware of these challenges and clearly describe them in your business plan. Your plan should express in detail the particular challenges you face and how you plan to overcome them.

10. How will you measure success?

Your business plan should acknowledge all the ways you plan to measure your success. Your financial section will look at dollars and cents. Your goals and objectives will mark off specific milestones that will help you chart your progress. Your mission and goals will serve as a guide to the less tangible items that equal success for you.



SWOT Analysis



Strengths



Weaknesses



Opportunities



Threats

My Business

Competitors

Blank area for Strengths analysis, divided into My Business (top) and Competitors (bottom) sections.

Blank area for Weaknesses analysis, divided into My Business (top) and Competitors (bottom) sections.

Blank area for Opportunities analysis, divided into My Business (top) and Competitors (bottom) sections.

Blank area for Threats analysis, divided into My Business (top) and Competitors (bottom) sections.



How to write a Business Plan



Reminder

You may not have all the answers to these parts to your business plan and that is ok!

One of the main reasons to work through and write a business plan is to help you become aware of elements of your business that you may not have thought of yet

Only once you are aware of what you don't know will you be able to figure it out

Do not put off writing a business plan because you don't know everything yet – Rather write the business plan so you can become very clear on exactly what you do know and what you don't know and need to figure out



Ways to fund your business



Your Own Pocket

This is the most obvious place to turn to fund your business using your own cash, credit cards or personal debt. However although it will mean you maintain 100% ownership and control, if your business goes under then your money will go with it.

Family and friends

Some people borrow money in return for a simple I Owe You to be paid back in full when the business starts making a profit. Others set up a formal loan along with an agreement for paying back money with interest on a specific schedule.

A Bank Loan

Local branches of most banks are willing to consider loan requests from local businesses. Banks decide based on personal credit history, education, expertise, business experience and the likelihood that you'll succeed in your business start-up.

A Small Business Administration (SBA) Loan

The Small Business Administration (SBA) is a government agency dedicated to helping small businesses that may otherwise have a difficult time securing financing from commercial banks. The SBA has a variety of loan programs for small businesses.

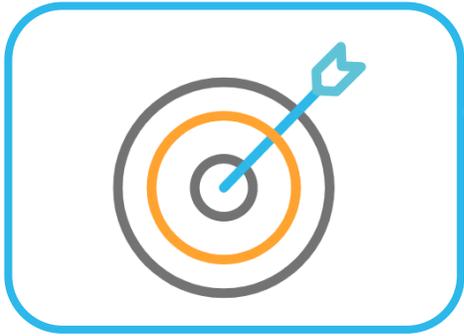
Crowdfunding

Crowdfunding pools small sums of money from many people, usually through an internet campaign, to fund anything from disaster relief to music or film productions to business start ups. It provides a financial lifeline if you lack strong financial statements necessary for successful bank loan applications.

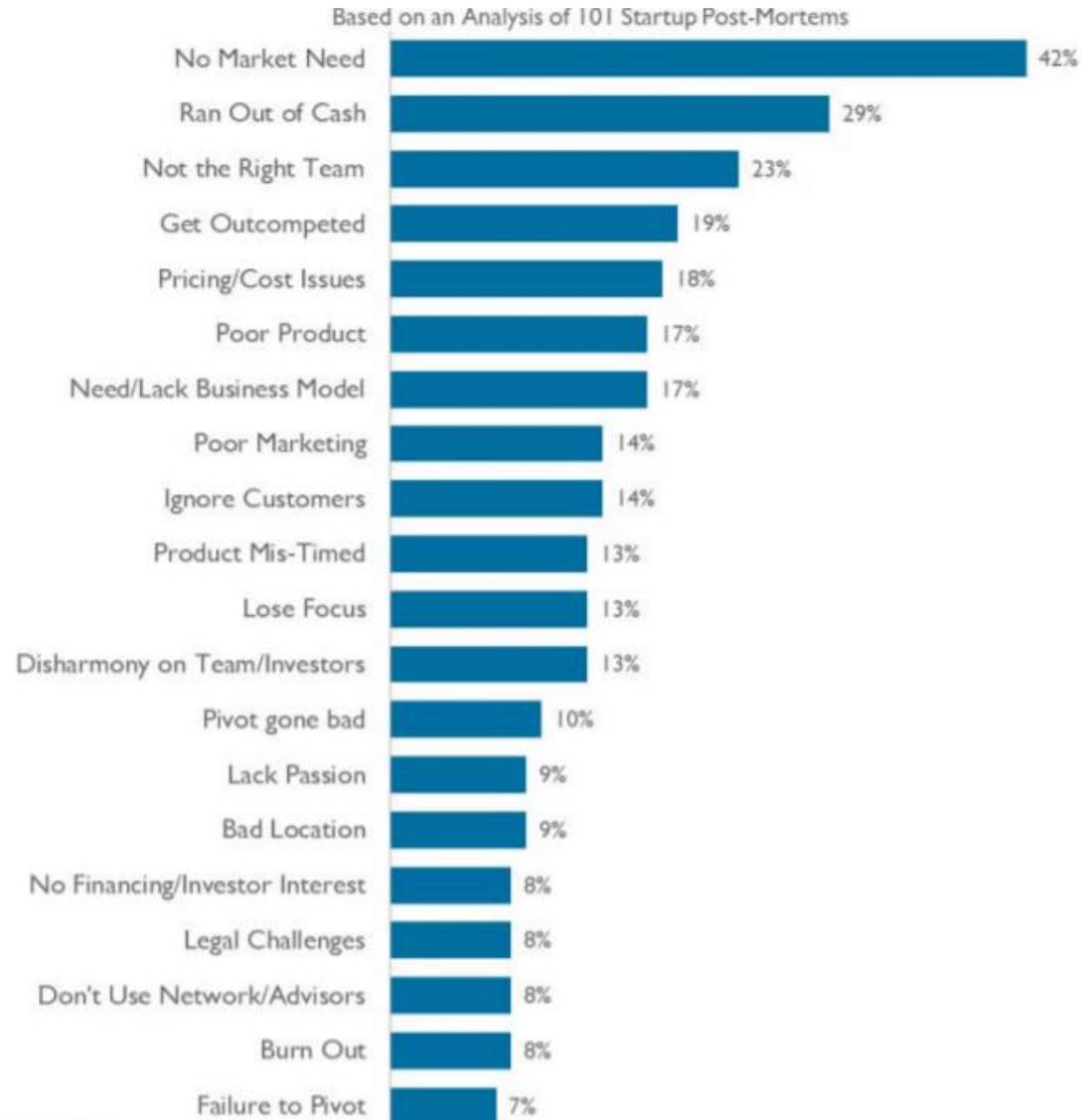
Venture Capitals and Angels

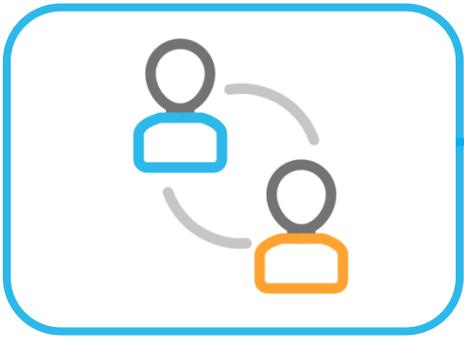
Venture Capitals - When venture capitalists are impressed by a business concept and confident that the management team has what it takes to make the business succeed, they fork over sizeable sums. The catch is that they want something in return.

Angels - are successful and wealthy entrepreneurs who buy into up-and-coming companies, not only with their money, but also with their expertise and guidance.



Top 20 reasons businesses fail



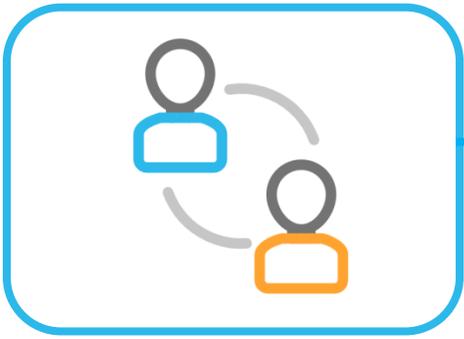


Real People Real Business Start Ups

Introducing
Suzette Sutton

Suzette Sutton Final Video

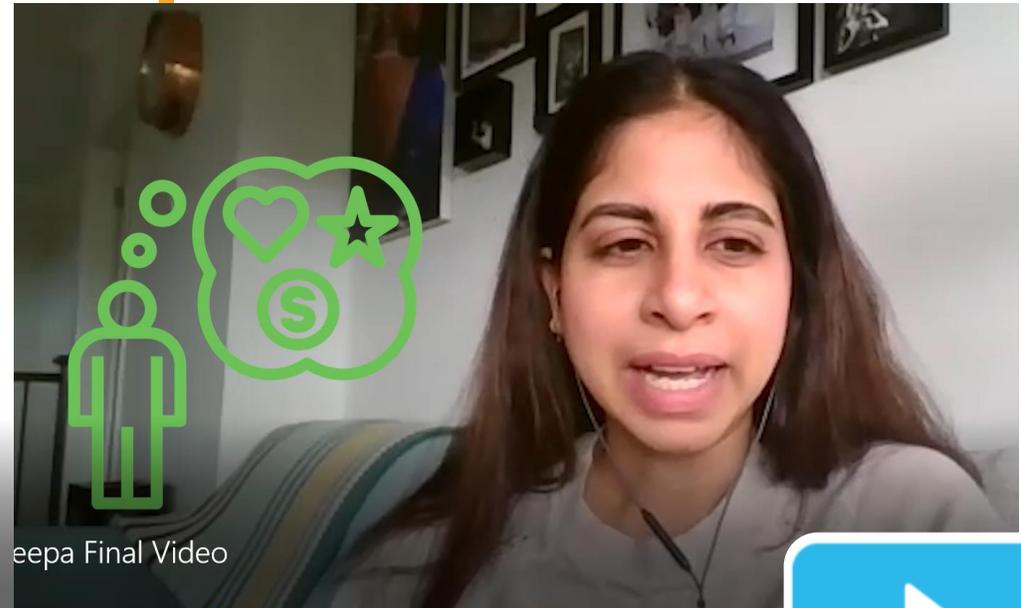


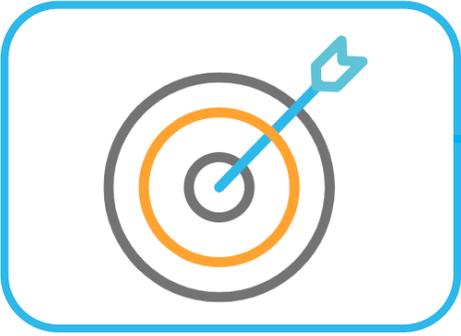


Real People Real Business Start Ups

Introducing
Deepa Mani

Deepa Final Video

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References



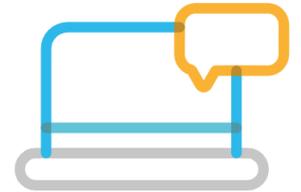
<https://www.business.gov.au/planning/new-businesses/start-a-business-as-a-young-person>

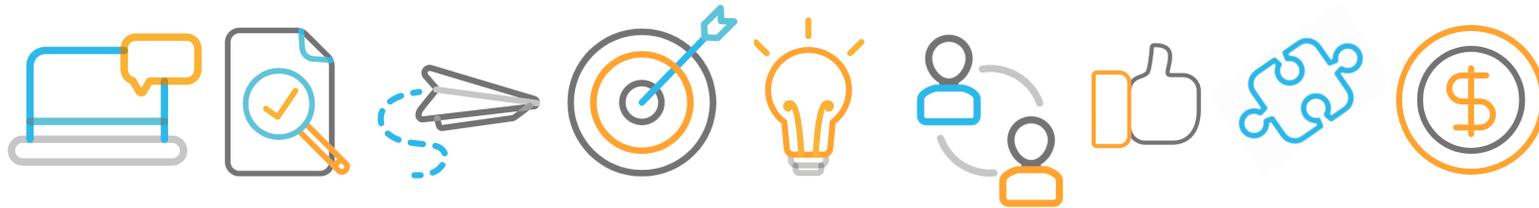


<https://www.business.gov.au/Planning/Business-plans/How-to-develop-your-business-plan>



<https://www.gleneira.vic.gov.au/services/business-support>





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