Unit 2: Handouts

Handout 1 – Ideas – are they also opportunities?

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| 1. What is the client’s problem that you can solve? |
| 1. How will you do this? |
| 1. How many are those clients willing to buy from you? |
| 1. Why is it only you who can offer the solution? |
| 1. How can you protect yourself against others? |

Handout 2 – Questions for creative thinking

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| 1. What kind of business would you start if your family lent you 5.000 euros? |
| 1. What kind of business would you and two of your colleagues start if you accessed a credit of 100.000 euros? |
| 1. What kind of business would you start if you wanted to do business involving a different country? |
| 1. What kind of business would you start using the qualities you currently have? |
| 1. What kind of business would you start if you already had a part-time job? |

Handout 3 – Qualities of an entrepreneur

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| Qualities of an entrepreneur |
| Adaptability |
| Work ethic |
| Courage |
| Hard-working |
| Risk-taking |
| Good communicator |
| Time management |
| People skills |
| Good negotiator |
| Willing to take risks |
| Confident |
| Organised |

Handout 4 – Why do entrepreneurs behave differently?

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| Entrepreneures behave differently because... |
| They risk their own money |
| They need to find clients to survive |
| They organize their work |
| They are vulnerable to economic change |
| Their income depends on their success on the market |
| They are responsible for their final decision |
| They need many managerial qualities |
| They do several things at once |
| They work for many hours…at least at first |
| They are open to change, as a necessity to exist |

Handout 5 – Risk or opportunity

RISK or OPPORTUNITY?

Out of seven closed businesses, just one is a victim of failure.

Out of those who actually confronted failure:

* 52% started a new business;
* 73,2% wish to start a new business in the future;

Why does a business disappear?

* A better idea has been identified;
* A different product has been invented;
* The business has been relocated to a different place or country;
* In the end, the owner preferred to work for someone else;
* The business was an actual failure/went bankrupt;
* The market for that specific type of business has disappeared or has become too competitive.

**Remember…NOT ANY KIND OF CHANGE MEANS BANKRUPCY!**

*However, a missed OPPORTUNITY…*

*…may be a GREATER FAILURE.*

Handout 6 – Value proposition structure

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| VALUE PROPOSITION STRUCTURE |
| 1. Identification details – company name, public/private ownership/company/NGO etc. |
| 1. Summary - a brief presentation of the main ideas include in the value proposition |
| 1. Content |
| 1. History – if applicable – a short presentation of what has been achieved so far, challenges faced etc. |
| 1. Market information 2. Product 3. Clients and client analysis 4. Competition analysis 5. Price 6. Distribution 7. Promotion |
| 1. Human Resources |
| 1. Operational plan |
| 1. Financial analysis |
| 1. Risk analysis |

Handout 7 – Choosing the right name for your business

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| WHAT IS THERE INSIDE THE BUSINESS’ NAME?  Draw lines between columns to match the business with its name: | | |
| **Business** |  | **Name** |
| Private security company | Auto Trader |
| Telecom company | Pizza Hut |
| Furniture – sales | Total Security |
| Hair salon | Happy Kids |
| Pizzeria | Chic Design |
| Computers – sales | Bliss Salon |
| Car dealership | Shop Home |
| Kindergarten | T-mobile |
| House design | Agroserv |
| Agricultural services | AT Computers |

Handout 8 – Tips for naming your business

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| TIPS FOR NAMING YOUR BUSINESS |
| 1. Choose a name that sounds good when said aloud   Make sure it is easy to pronounce and that it sounds well. People need to say the name on the radio, a video or in conversation. |
| 1. Use a name that has meaning to it and conveys a benefit. Also make sure the name is not too generic. |
| 1. Beware initials. They may be boring. Rely on a name that is interesting. |
| 1. Make sure you can trademark the name. Depending on how big you want to build the brand, this is an important consideration. |
| Test it out on Google AdWords.  One of the great features of the "find keywords" tool on AdWords is that it will list similar search phrases, along with how many global and local monthly searches each are getting. Some AdWords searches with the name you are considering can ensure there is not a slightly different name out there that might get more attention on the Internet. |

Adapted from : Silver, Yanik, 7 tips for naming your business, http://www.entrepreneur.com/article/223401

Handout 9 – Managing change

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| Managing change | | | | |
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| My change objective is: | | | | |
| By: | | | | |
| (ex. My change objective is to quit smoking by the end of the month) | | | | |
|  | | | | |
| To reach my objective I will: | | | | |
| (eg. Reduce the quantity of cigarettes smoked by 2 cigarretes/day during my first week, then by 3/day during the second week....; Start jogging every morning for half an hour etc.) | | | | |
|  | | | | |
| Change diary | | | | |
| Week | Goal | Achievements | Challenges | To dos |
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Handout 10 – Client analysis

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| CLIENT ANALYSIS |
| Who are your clients? |
| How would you characterize them? |
| How can you reach your clients? |
| Market size |
| Factors influencing the decision to buy |
| Other observations |

Handout 11 – Competition analysis

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| COMPETITION ANALYSIS | | | |
| **NAME**  Address, telephone, web site | **COMPETITOR 1** | **COMPETITOR 2** | **COMPETITOR 3** |
| **Product**  Types, prices |  |  |  |
| **Advantages** |  |  |  |
| **Weaknesses** |  |  |  |
| **How can I compete?**  **What is it that I can do better?** |  |  |  |
|  | | | |
| What have I learned from my competition? | | | |
| How or why will I have an advantage over my competition? | | | |

Handout 12 – Distribution channels

Distribution channels refer to the means you usein order for your products/services to reach your clients.

**Distribution can be**:

* Direct – no intermediary used (eg. you sell through your own shop)
* Through various intermediaries

**Distrbution channels may include**:

* Wholesaler/Distributor
* Direct/Internet/Catalogue
* Consultant
* Dealer
* Retail
* Sales Agent/Manufacturer’s Rep

To create a good distribution program, focus on the needs of your end-users.

* If users need personalized service, you can utilize a local dealer network or reseller program to provide that service.
* If your users prefer to buy online, you can create an e-commerce website and fulfillment system and sell direct; you can also sell to another online retailer or distributor that can offer your product on their own sites.
* You can build your own specialized sales team to prospect and close deals directly with customers.

**Advantages of using distribution channels**

Wholesalers, resellers, retailers, consultants and agents already have resources and relationships to quickly bring your product to market. If you sell through these groups instead of (or in addition to) selling direct, treat the entire channel as a group of customers – and they are, since they’re buying your product and reselling it.

*Adapted from: http://www.marketingmo.com/strategic-planning/how-to-develop-your-distribution-channels/*

Handout 13 – Advertising planning

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| ADVERTISING PLANNING |
| What is the target segment to which it is addressed? |
| What do I want to communicate to the target segment? |
| Why is the message important for the target segment? |
| What is the best medium for transmitting the message? |
| Which would be the most appropriate time interval? |
| What are the resources required by the advertising campaign? |
| How do we check if it was successful or not? |

Handout 14 – Exercise

Find the most appropriate promotion method to inform the consumers about the product/service:

1. Barber shop
2. Flower shop
3. Kindergarten
4. Copy center
5. Woodwork
6. Auto wash
7. Computer service

Handout 15 – 4 Ps analysis

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| 4 PS ANALYSIS | | |
| PRODUCT | What kind of product/service am I offering? | Comments |
| PRICE | How much will the product/service cost?  Which is the cost of distribution?  What about the cost of storage? | Comments |
| PROMOTION | How will I awake the buyer’s interest?  Will I advertise? What is the budget? Flyers? Catalogue? Website? | Comments |
| DISTRIBUTION | How and where will I sell my product/service to my clients? | Comments |

HO16 – Interview questions DOs and DON’Ts

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| INTERVIEW QUESTIONS DOS AND DON’TS | |
| **DO** | **DON’T** |
| Establish rapport. Greet the applicant with a pleasant smile, firm handshake, and a casual statement or two. Outline the interview objectives and structure. For example, say "In the time we have, I would like to..." | Go blind in the interview. Make sure you know exactly what the position you are hiring for entails and what you are looking for in a candidate. |
| Gather information. Verify specific information from the resume. Be certain to use open-ended questions (how, what, when, etc.), and always follow up a yes or no answer with an open-ended question. | Address unethical questions (e.g. Related to personal, ethnic, religious etc. preferences) |
| Give information about your business, and even "sell" the position. Be sure to do this after you've let the applicants answer your interview questions. If you tell the applicants exactly what you're looking for first, they can adapt their answers to fit what they perceive as your needs. | Lie to the candidate, by painting a too good image of the position. |
| Close the interview. Thank the candidate for his or her attention and interest. Indicate what the next step will be and the time frame within which it will occur. | Forget to tell the candidate what the next steps of the selection process are and when they can expect an answer from you. |
| Evaluate your notes and compare candidates. Complete an evaluation form or firm up your notes, noting specific information about the candidate wherever possible. Rate the candidate. This is crucial. You may not trust your memory to recall the detail of the interview at a later point in time. | Make a decision based solely on the first impression. |

Adapted from: http://www.bizfilings.com/toolkit/sbg/office-hr/hiring-workers/job-interview-dos-and-donts.aspx

Handout 17 – Observer instructions

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| Game: The Paper Tower  Observer instructions | |
| Your task as an observer is to monitor the process through which your colleagues achieve their objective of building a paper tower. In your monitoring task, please fill in the table below: | |
| **To monitor** | **Comments** |
| Team work |  |
| Choosing a team leader |  |
| Setting responsibilities |  |
| Team roles the members play |  |
| Negotiations |  |
| Taking decisions as a group |  |
| Time management |  |