

Starting your own business

By Werner van Rooyen, Director of HowToTender (Pty) Ltd which specializes in tender consulting and tender training.

Starting your own business in South Africa can be a daunting task. Just ask anyone who has done it and has been successful. There are so many things that need to be taken into consideration when starting your own business.

Say you already have your product or service that you are going to sell. You then must decide on where you are going to locate your shop or factory or offices. Getting a lease agreement signed is challenging in South Africa – ensure that your credit record is clean; otherwise you are going to struggle to get a lease agreement for your business.

Then there is the matter of registering everywhere – from SARS to UIF, Workman’s Compensation to your industry specific regulation body. You also will have to open a bank account – this can be a challenge.

But the most challenging thing of opening your own business is to find clients. Sure, if you open a shop in the busiest mall in town you will attract walk in cliental. But what if you are not so lucky? Or, you produce something that needs to be sold to retailers all over the Country? How do you then find clients?

This is where a lot of business owners tend to take the Tender Route. They imagine that if they are lucky enough to be awarded a tender, they will generate enough sales to be sustainable. Even worse, you will find people that think that they can only start a business once they have been awarded a tender. The bad news is that few tenders are awarded to these new businesses. Yes, tenders are awarded to start-ups, but the bulk of tenders are awarded to running concerns – businesses with a track record.

So, starting one’s own business is tough, keeping the doors open – even tougher. My advice to you when starting your own business is to be as well prepared as possible. Ensure that you have enough knowledge of your product or service. You do not need to be the best but be at least competitive. If you are going to tender, ensure that you do it correctly and accurately.

To learn more about this and many other tender conditions attend our “Become a Tender Expert” 2-Day workshops presented in Johannesburg, Pretoria, Durban, Port Elizabeth, and Cape Town. Book and pay online at <https://howtotender.co.za/tender-expert-form/>

Contact us at estelle@howtotender.co.za should you need more information.