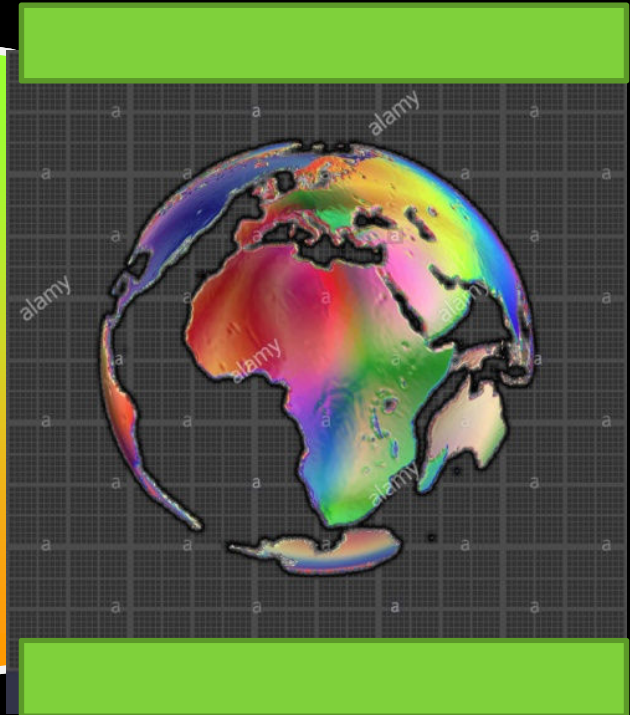


# Risks and Rewards of Entrepreneurship

# SMME's Development Trends

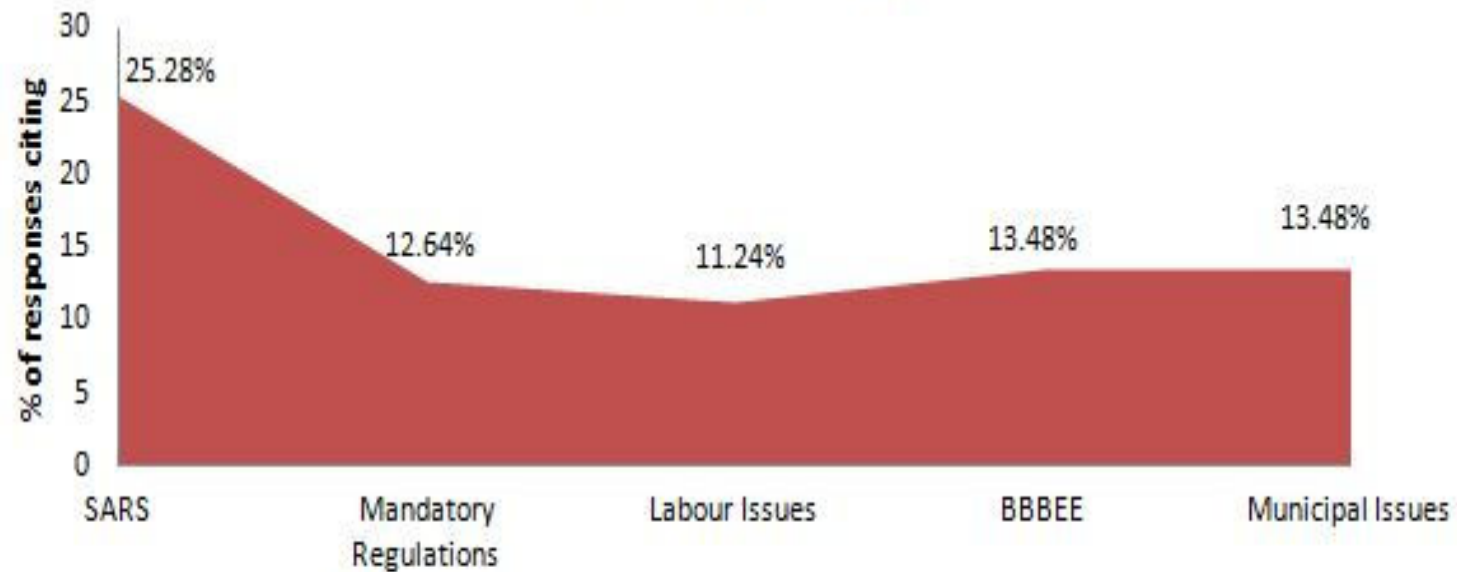
Presented by  
Bonny Brink-Lawrence  
GBDCS

***HUMAN CAPITAL and BUSINESS  
DEVELOPMENT OUR PRIORITY***



# SMME Challenges

## Top five most costly and frustrating red tape issues over past year



# THE RISKS OF ENTREPRENEURSHIP

## RISKS FACED BY ENTREPRENEURS



### 1. FINANCIAL RISK:

- The entrepreneurship has to invest money in the enterprise on the expectation of getting in return sufficient profits along with the investment.
- He may get attractive income or he may get only limited income. Sometimes he may incur losses.

### 2. PERSONAL RISK:

- Starting a new venture uses much of the entrepreneur's energy and time.
- He or she has to sacrifice the pleasures attached to family and social life.



# Risk Influences

Table 2: Key structure-risk influences

Structure aspect	Point/topic of discussion	Influence on risk dimension
Facilities	Compliance with manufacturing standards/guidelines	Increases operational risk
	Infrastructure/equipment upgrades	Lowers fame, financial risk; mixed effect on operational and technological risk
	Close supplier proximity/ Having local supply	Reduces operational, financial, fame, strategic risks
	Worker availability in strike season	Reduces operational, financial, reputation risks; increases human resource risk
Logistics	Outsourcing of work	Transfers financial, operational, strategic risks
	Retaining raw material within the defined supply chain	Mixed influence on reputation risk
	Maintaining customer information/communication flow	Maintains operational, strategic risk
Relationships	Building supplier relationships	Reduces all risks, except technological
	Collaboration in the SME	Reduces or transfers operational risk



Major current Pitfalls- share and discuss

# Rewards of Entrepreneurship



- Be your own boss
  - You are in charge
  - This is the main reason most people become entrepreneurs
  - No consulting with others
- Do what you enjoy
  - Business adventure usually start with something that the person enjoys to do
  - New business owners usually get satisfaction from developing the new enterprise
- Opportunity to be creative
  - Follow your own procedures
  - Shape it the way you want to
  - Creative power
- Building an enterprise
  - Many entrepreneurs work in a related business before starting their own
  - Decide to buy a current business or develop a new one





# Offering

Eden Entrepreneurs' Seminar

Suggested date

Sat 21 April 2018

Eden Municipality venue

*Please register with frontline team*

Thank you

