

Entering business competitions improves perspective, knowledge

Entering a business competition allows entrepreneurs to gain a different perspective of their businesses, which can often prove to be more valuable than funding. Taking this time to reflect on the business can assist in identifying problems and aid in developing growth strategies.



Gugu Mjadu

Gugu Mjadu, spokesperson for the 2016 Entrepreneur of the Year competition, sponsored by Sanlam and Business/Partners, says, “It is easy to get caught up in the day-to-day running of a business and get distracted with the various tasks and challenges. Presenting a business to a judging panel not only forces entrepreneurs to reflect on their businesses, but also exposes entrepreneurs to experts who can analyse the businesses and point out aspects that they may have overlooked during the rush of running and managing the businesses.

“Access to capital to grow a business is considered one of the top challenges for many entrepreneurs, taking part in a business competition is one of the most cost-effective measures to grow awareness of the business without dipping into the business’ resources.”

Five reasons why business competitions are so valuable.

- 1. The cash prize money:** While not the most important aspect in the greater scheme for the business, a cash lump sum offers entrepreneurs the potential to pay off existing business finance debt or use the capital to expand the current business or fund new avenues.
- 2. Expanded network of likeminded people:** A business competition brings together a group of people with the same objective – to build and grow a successful business. Apart from the opportunity to learn from fellow entrepreneurial entrants, entrepreneurs are able to engage with credible business experts and mentors involved in the competition and have the opportunity to draw on their business knowledge and insight. Some business competitions also offer an alumni network that entrepreneurs can tap into for new ideas and wisdom.

3. Access to business experts and independent analysis of your business: As part of an entry process, the competition judging panel is required to analyse the entrant's business to gauge worthiness of being named a winner in the competition. Through this process, entrepreneurs can gain an independent and fresh perspective of the business, as well as learn valuable lessons about their business plan and model.

For example, the 2016 Entrepreneur of the Year has three stages to its judging process. Consisting of five independent judges, who represent different areas of the business community, the evaluation process includes a preliminary screening of the entry forms, followed by a review of financial information, and lastly an interview with each finalist and on-site visit to the business. This in-depth process allows entrepreneurs to gain greater insight and awareness of opportunities and challenges that exist. Entrepreneurs should embrace the opportunity to have their businesses scrutinised by a group of experts.

4. Acknowledging a business' true value and capabilities: Entrepreneurial competitions offer the necessary push for entrepreneurs to analyse their own business' worth. Entrepreneurs are often so involved in the operations of the business, that they do not realise the true success of the business and what it may be worth. This downplayed perception of success can hinder a business's growth path and prevent it from capitalising on potential opportunities.

5. Increase the profile of your business: Building a positive reputation is often a key challenge that business owners encounter on their entrepreneurial journey as smaller businesses can't compete with larger market players' marketing spend and advertising campaigns. Not only are entrepreneurial competitions cost-effective to enter, but if entrants are successful as finalists or winners, the awareness thereafter can have a significant knock-on effect on their business' brand and bottom line.

The free competition is open to entrepreneurs from all industries and for businesses of any size. Entries close 16 June 2016. For more information, go to www.eoy.co.za.

For more, visit: <https://www.bizcommunity.com>