

The "made it" stories are doing us a disservice

The founders of Amazi are determined to share the reality of what they've gone through to establish their organisation, a social enterprise founded to progress the economic inclusion of women, and how for a founding team of young, black women, a lot of their experience has been traumatic.



Source: www.pexels.com

Lisa Mgcotyelwa, co-founder and COO of Amazi, says “We’re constantly fighting our internal self-doubt, insecurities, feelings of inadequacy. We’re confronting the bias our society has about us not being credible and we face this every day with banks, insurance companies, landlords, suppliers, service providers who either don’t offer us any opportunity to work with them or make the way they price their offering so unaffordable we’re excluded anyway”.

Existing for women entrepreneurs is a fight. There’s nothing glamorous about it. Divya Vasant, Amazi co-founder and CEO adds “the pressure to present stories of ‘making it’ does a disservice to the very real fight women, especially black women, take up when we set up businesses in a country and an economy that does not know how to include us.”

The female founders sharing practical insights and tools they’ve learnt along their journey in a free toolkit available on their [website](#) so that the information shared empowers young women with the realities of entrepreneurship rather than perpetuate the myths that mostly prevent women from even trying.

Here are 4 insightful learnings from their toolkit:

1. Starting is not as complicated as you may think

“Write a business plan, apply for financing, hire a team, rent some space and get going”. How many of us have been read articles, books, attend talks or events where we’re led to believe that these are the steps we should take to get our idea off the ground?

Mgcotyelwa shares that “there’s so much false advertising around how to start bringing an idea to life. Amazi started with none of these things. We started with conversation, in particular, conversation with the market of women we wanted to design solutions for. We asked questions to get a better sense of the problem’s women faced, so we could better design solutions that met these problems”.

When we are asked why we want to start our business or create a product, we often start our answer with “I am passionate about...”. Your passion is important but it’s not enough to make your idea viable. The Amazi team shares that a viable business solves a real problem faced by the market it wants to serve.

They suggest that when you phrase your business idea as the solution to the problem you are solving, you take an important first step in an ongoing conversation with your market to understand the problems they face.

If you aren’t clear on the problem you are solving, put together a survey that asks a few simple questions that you can circulate to your circle and use that feedback to articulate “the problem” and “your solution”.

2. Pricing isn’t about fancy finance

If you have an idea for a product or a service, thinking about how to price it is daunting. For many of us, the word “price” brings up long formulae and complex financial concepts that most of us feel out of our depth to figure out. One of the most valuable insights Amazi shares in their toolkit is that pricing isn’t about fancy finance.

Vasant summarises that “it’s the combination of conversation with your customer market to understand how much they are willing to pay for what you want to offer and your suppliers to understand how much it would cost to put together the things you need to take that offering to your market. It’s also a conversation that you can’t just have once. You have to keep getting this feedback so that you know the range you need to consider pricing at”.

3. Your earning needs to be incorporated into your costing

Vasant reflects that “one of the biggest mistakes we have made, and we see so many women entering entrepreneurship making is not including the cost of your personal survival in your costing exercise leading up to setting your price”.

Most of us know to research the costs from suppliers, service providers and landlords to get a sense of the total cost of creating the product or service we want to offer but, in this initial exercise, we often forget to include our own earnings. When we don’t include how much we need to earn to survive in this cost breakdown, we set a price that covers the operating costs of producing this product or delivering this service without taking into account that we are key to that operation.

So from day one, we struggle to earn from the thing we create. The team urges us to “include in your original costing breakdown, what you need to earn to survive so that when you look at setting your pricing, you create the space for you to at least survive”.

4. Scenario planning is your viability framework

Scenario planning forces you to identify the “levers” that make your idea viable and then play around with them to see how it changes viability. Costs, capacity, price, if you start changing these for different scenarios, you start getting an idea of what is doable and what isn’t.

The team believes that “it’s a great compass to measure progress. If you know what happens when your costs increase beyond a certain point and how that affects your viability or what happens when your pricing drops too low, you can use these guidelines to navigate what you can and cannot afford to offer customers and to pay to suppliers”.

It becomes an important decision-making framework to keep drawing yourself back to especially when you have so many things to think about that decision fatigue sets in and you need to take a moment, remember how everything connects, think bigger-picture and then look at how to decide your next steps.

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