**Training Fiche Template**

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| **Title** | **My home- based business** | |
| **Keywords** | **Home- based business, franchise, direct selling, part- time business, start- up, single- level/ multi- level marketing, operating costs, business attitude** | |
| **Provided by** | **ADDE** | |
| **Language** | **English** | |
| **Objectives** | In this module we will focus on how to start a home- based business, to plan it, grow it and turn it into a successful business, facing all the challenges that are going to be met during such a surprising journey.  We will also focus on attitudes and actions that will support the main beneficiaries to have a clear image of a home- based business, with advantages and disadvantages, and develop a serious business behaviour, as well as becoming experts in their domains. | |
| **Learning outcomes** | * Acquire basic knowledge on home- based businesses * Identify the advantages and disadvantages of a home- based business * Enhance competences in planning a home- based business * Define, explain and apply management methods/ techniques * Provide useful tips on how to avoid difficult situations while growing a home- based business | |
| **Training Area** | Digital Entrepreneurship in rural setting |  |
| Female Entrepreneurship |  |
| Access to Finance |  |
|  | Sharing economy |  |
| **Content index** | **Course 4: My home- based business**  **Unit 1: At the beginning of a home-based business**  Section 1**: What is a home- based business?**  Section 2**: Advantages and disadvantages of a home- based business**  Section 3**: What I need to know before starting a home- based business: Planning my business**  **Unit 2: Tips for a successful home-based business: “Do What You Love”**  Section 1: **Having a serious business attitude**  Section 2: **Become an Expert**  Section 3: **To grow or not to grow** | |
| **Content development** | **Unit 1: At the beginning of a home- based business**  **Section 1.1: What is a home-based business?**  A *home-based business* is, not surprisingly, a business based in your home. Either you do all the work in your home or on customers’ or third-party premises, or you run a franchise, a direct-sales operation, or a business opportunity, if the centre of your operations is based in your home, it’s a home-based business. There are two major types of home-based businesses: businesses you start from scratch and businesses you can buy. Businesses you can buy are split into three categories: franchises, direct selling, and business opportunities. The advantage of a business you start from scratch is that it can be adjusted to your preferences and to existing and emerging markets, so it provides a great variety of possibilities.  Categories of businesses you can buy:   * **1.1.1Franchise**   A *franchise* is an agreement in which one business grants another business the right to distribute its products or services. A famous home-based franchise is **YOLE**:  Yolé shows you the new ERA of ice cream and frozen yogurt. Its revolutionary formula will take you to a new dimension, that of low calorie, full of flavour and zero added sugar. Yolé means a new way to make and eat ice cream: Better, healthier and above all, full of flavour.  What sets them apart from other ice cream brands? Slogan:) Hello taste, goodbye sugar, and product range – with the help of premium natural ingredients, Yole created a rich-flavored ice cream without adding a gram of sugar.  The story of Yolé began in 2020 and in 2 years the brand is present in over 9 countries (Singapore, Malaysia, Cambodia, USA (Miami), Portugal, Spain, England, Taiwan, Brunei, Indonesia) with over 35 stores and over 600 points of sale.  2023 is focused on Europe expansion, the research and product Development Unit is in Malaga, which ensures a safe and efficient supply chain for expansion in Europe’s main markets.  Anyway, you may check your national franchises available, and for sure there is something you would like!   * **1.1.2 Direct selling**   *Direct selling* involves selling consumer products or services in a person-to-person manner, away from a fixed retail location. There are two main types of direct-selling opportunities:  -**Single-level marketing** is making money by buying products from a parent company and then selling those products directly to customers.  - **Multi-level marketing** involves making money through single-level marketing and by sponsoring new direct sellers.  You can use as examples the following: Amway (household cleaning products), Avon ( cosmetics), Discovery Toys ( toys).   * **1.1.3 Business opportunities**   A *business opportunity* is an idea, product, system, or service that someone else develops and offers to sell to others to help them start their own, similar business. (One way to think of a business opportunity is that it’s any business you can buy from someone else that is not direct-selling or a franchise.) Your customers and clients pay you directly when you deliver a product or service to them. Here are several examples of business opportunities that can be run out of one’s home:  - Balloon Wrap, Inc. (balloon gift wrap)  -Cardservice International (transaction service provider)  - Home Video Studio, Inc. (video studio)  If you are interested in business opportunities, you may check [www.entrepreneurmag.com](http://www.entrepreneurmag.com), or you can also do an online search on [www.google.com](http://www.google.com) using the keywords ***business opportunities***.  **Section 2: Advantages and disadvantages of a home- based business**  The motivations behind people who decide to start a home business are the most diverse: the fact that they have the opportunity to fulfill a dream or turn their hobby into a business, the fact that they are free to make their own decisions and put their ideas into practice, the possibility of obtaining an additional income. There are both advantages and disadvantages when it comes to starting your own home-based business. The good news is that the advantages probably outweigh the disadvantages for most of us. As all entrepreneurs are optimistic people, let’s start with the good news!  **2.1 ADVANTAGES**  **2.1.1 Probably the greatest thing is FREEDOM!** Being your own boss and the master of your own life makes you feel as free as a bird in the sky!  **2.1.2 You have the flexibility to work when and where you want-** With your own home-based business, you’re the one who decides when and where you work.  **2.1.3 The opportunity to develop a part-time business.** By developing a home- based business you can keep your own job for a period of time to ensure a stable income until the business starts to grow.  **2.1.4 You get to choose your clients and customers.** When you own a business, you can fire the clients you don’t want to work with.  **2.1.5 Start-up and operating costs lower than a traditional business.**  **2.1.6 Tax advantages:** If you have an office in your own home, you can deduct some of the maintenance and amortization expenses of your home.  Remember that you don’t live twice! If you’re tired of working for someone else, or having your creativity caged; if you’re full of great ideas — ideas you know will lead you to success; if you have the opportunity to put them into practice; if you long for something better, well, there is something better: a home-based business. And when you find the business that’s right for you, it can change not only your life, but also the lives of those in your community!  **2.2 DISADVANTAGES**  **2.2.1 Higher stress levels due to the inability to find a balance between business and family.**  **2.2.2 A home-based business is (usually) a very small business.** As a consequence, you are more exposed to ups and downs than larger businesses are. Besides that, if a customer doesn’t pay you, or delays payment, it could be very harmful to your business. Therefore, remember the advantage of choosing your own clients!  **2.2.3 Lack of clear discipline:** This will make you lose sight of your business goals and not work as hard as you should.  No matter the pitfalls mentioned above, just keep telling yourself**: I can and I will be a success! Period.**  **Section 3: What I need to know before starting a home- based business: Planning my business**  Do you plan to develop a business, but don’t know how or where to start? Don't stress out! Most entrepreneurs at the beginning of their journey have the same questions as new parents: Will I be successful? What expert person can advise me? Where can I find examples of good practice? How am I going to handle the money? How much will it cost me if I seek professional help? In general, these questions come at the same time, and that’s why starting a business can seem much more difficult than it actually is.  What do you have to do? Clarify what you want to do and plan your steps as carefully as possible. Remember that success is 1% inspiration and 99% sweat, so you have to acknowledge, at least in the first period, that you will invest a lot of time and work in your home- based business development.  How can you best invest your time and work at this stage? Learn as much as possible about the business and the market in which you will operate.  A well-done research at this stage can save you from many troubles and financial losses in the future. In addition, all the information gathered from the research will be included in the business plan and will help you to better substantiate your business decisions.  Writing your business plan is a very important step because it will help you clarify your business concept and give you a map of your future business development.  As with any business, you need to have a clear goal and objectives and also have realistic planning to achieve them. For this you do not need complex and complicated documents, keep things simple and remember: Plans are not important, but planning is everything.  The **three most important things** to consider when starting a home business are:  **3.1 Preparing the location.** If everything is going to happen from home, you definitely need to make some changes or adjustments.  **3.2 Setting the price for your product/service.** Here’s the way you should think: If your prices are too high, your clients will look for less expensive sources for the products and services you provide, and you’ll soon find yourself going out of business from lack of sales. If you set them too low, even if everyone loves a bargain, your profit margins will be too small to sustain your business to develop. The key is to find a compromise between these two extremes that pays you what you’re worthwhile generating sufficient business to keep you working as many hours as you want. You can decide the convenient prices for your products and services in a variety of ways. In many cases, though, finding the right price comes down to good old-fashioned trial and error: Do some research, check the competition, set a price, and see what happens. If sales aren’t high enough, you can decide whether to lower your prices. If sales are too high, but the resulting profits too low, you can choose to raise your prices to improve your margins.  **3.3 Finding your clients.** Customers are the central element of any business, so it is important to invest time and resources to reach out to them and convince them to purchase your product/service.  What does your ideal customer look like? Here are a few questions to ask in order create a profile.   * **Are your best customers individuals or businesses?** * **If they’re individuals, what do they and don’t they like?** * **What are their needs and problems?** * **How can you address those needs and problems?** * **What’s most important to your best customers?** * **What’s least important to them?** * **How will you provide more of the former and less of the latter?**   **Do not worry if you cannot answer all these questions now! Allow yourself some time for critical thinking and add some online research! For sure, the answers are going to be found.**  Before starting your business or writing your business plan, it will be extremely useful to answer the following questions to get a clear picture of your future actions:   * **What is the market segment I will enter?** * **What kind of product or service will I sell?** * **What competition will I face?** * **What can I offer in addition/different from the companies already on the market?** * **Can I generate demand for my product/service?** * **How will I reach my potential clients? Will I advertise, rely on recommendations, open a website/online store?**   Once you have determined that your business idea is feasible, in the next step answer the following questions:   * **What skills and experience do I bring to the business?** * **What is the most appropriate legal structure for my business?** * **Do I need insurance? What type of insurance is best?** * **What kind of raw materials/supplies do I need? Are there suppliers for them? Who are they?** * **What own resources do I have?** * **How much money do I need to start my home- based business?** * **How much money do I assume to get from my weekly/monthly/annual business?** * **What volume of production should I achieve in order to reach the amounts mentioned above?** * **What is the best name for my business?** * **How many employees do I need? What will be their profile?** * **In which part of the house will I run my business?** * **Do I need a lot of changes to make the space right for my business?** * **Do I need the approval of my neighbours or special permits to carry out my work from home?** * **Do I need equipment to carry out my work? What kind of equipment? Does it fit in the space I have?** * **Will I be able to work from home? Doesn't it bother me that I'm going to be isolated? Will I miss the Community? Can I work in the presence of family members? Will they be a disturbing factor?**   By answering the questions above, you will clarify your business concept and have all the necessary information to put your business plan on paper.  **Unit 2: Tips for a successful home-based business: “Do What You Love”**  We all dream about the job that we would do if only we had the opportunity to do it. Unfortunately, for many of us, our current job is something we do because we have to pay the bills, not because we want to. What if you could do what you really love doing? Wouldn’t that be great? It is, and it’s exactly the opportunity you get by starting your own business.  **Section 1: Having a serious business attitude**  It’s your dream — you’re the one who decide. In order to do what you love, you first have to know what kind of work you really want to do. This requires intense introspection and an understanding of which kinds of work makes you creative and fulfilled and also requires to improve or change your attitude.  **2.1 You’re the one who decide**  Your home-based business is no different from any other business. You chose to start it because you were looking for something that working for someone else couldn’t provide. Maybe it was freedom, autonomy, control, flexibility, money, or any number of other reasons. A home-based business, though, is a business first and fore most, and if you hope to be successful (and we’re sure you do), you have to treat it like a serious business.  This means your business is not:   * Something you do just every once in a while * A get-rich-quick scheme. Starting a home-based business is not the same as buying a lottery ticket and hoping your numbers come up. A home-based business is like most businesses — it takes a lot of hard work and no small amount of time to build sufficient income to make a full-time living. Unfortunately, the world of home-based business comes with all kinds of get-rich quick come-ons, blue-sky promises. Focus on working hard to create a business where you can do what you love, serve your customers, and make money at the same time — for the long term, not overnight. * A hobby * Just amusement or having fun   Don’t forget, you hold the key. It’s up to you to decide what’s most important to your business and then to act on it. You’re the boss now; no one else is going to decide for you. Avoid procrastination. Putting work off until later, sometimes much later, is a powerful enemy of the home-based businessperson that you must defeat in the short run if you hope to be successful in the long run. Reward yourself for achieving your goals.  Don’t forget to give yourself some sort of reward for accomplishing a significant task or achieving an important objective. Just have **a serious business attitude** !In this respect, here are some hot tips:  **2.1.1 Be Organized**  **Keeping your work life and personal life separate - Y**ou have to draw a line between your home life and your work life. Here are some of the most important pieces of advice for you to consider:   * **Don’t turn your bedroom into your office -** One of the first questions many new home-based business owners ask is this: “Where am I going to put my business?” One of the first thoughts for new home-based business owners short on space is to turn a bedroom into an office. We have one word for you: Don’t! Cell phones, multi-tasking machines, voice mail, e-mail, and more are conspiring to take your privacy and non work time, and you need a safe place to get away from it all. Your bedroom must be a refuge from the pressures of work and life where you relax. * **Use a separate room** - Having a room that is dedicated exclusively to your business— is the first step in making your home office into a real office. If you don’t have an extra room available for your office, reconfigure a larger space using separator panels. * **Use a separate entrance... if it's possible -** Should your clients really have to pass through a "mountain" of toys and cranky children (or spouses!) to get to your office? A separate entrance helps keep your work life separate from your home life. * **Set a work schedule -** When you own your own business, you can work whenever you like. You may find it easier (and more productive) to establish a regular work schedule. That way, those around you know when it’s okay to interrupt you and when it’s clearly not okay. Maintain regular business hours just as you would be working for a regular business. It doesn’t matter if you decide to work from 9 to 5 or from 5 to 9, as long as your schedule meets your needs and the needs of your clients and customers. As the owner of your own business, you get to decide! * **Ask for help!** Instead of trying to juggle your obligations at home while trying to keep up with your work obligations, consider getting the help you need to allow you to focus exclusively on your work when you need to do just that. You could, for example, ask an elder retired relative to come into your home to watch your young children. The main thing to keep in mind is that you do have alternatives available to you if you feel overwhelmed. * **Dress for success! -** As a general rule, you should always dress one level higher than the client you’re meeting with. If your client is dressed casually, you should have a dress. If your client goes for jacket and tie, wear a suit. Of course, if you’re at home — and there’s no chance a client will come to you unannounced — you can wear whatever makes you comfortable. * **Get a dedicated phone line -** You’ll make a much better impression by having a dedicated phone line for your business, hooked up to a dedicated answering machine or voice-mail system. * **Avoiding distractions -** Remove the sources of distraction. Take the television out of your office. Watching TV is one of the top five home-office bad habits. Turn them off, throw them out, or move them to another room. If the Internet or e-mail is a problem, set definite times — perhaps during lunch or maybe no more than five minutes every hour — during which you allow yourself to spend time on those activities.   **2.1.2 An Organized Home Office Is an Efficient Productive Home Office**  Some people can have stacks and stacks of random pieces of paper all over their desks and around their offices, on top of things. For many people this is a recipe for disaster. Don’t underestimate the power of organization. Being organized, efficient, and effective can mean the difference between being successful in your home-based business and being less than successful.  **Managing your time:**   * **Schedule appointments for yourself, friends, and family -** The everyday events that take place in a typical business — home-based or not — can quickly fill up your schedule. The secret to getting the most out of each and every workday is to manage your time. Time management is a familiar topic to become organised in business. Done right, time management can indeed be an effective technique for focusing on what really needs to be done while removing the clutter and distractions that may get in the way of achieving your goals. * **Review your priorities at the beginning of the day -** Each work day, before you do anything review your priorities for the day to see what you need to work on right away. What’s a priority and what’s not? Priorities are actions that have a significant impact on achieving your goals. Most people think they know what’s most important in their businesses, but many don’t follow through on this knowledge and instead let trivial events and distractions rule their schedules. One of the main reasons for creating a business is to make money, pure and simple. Sure, you want to do fulfilling work that taps your creativity, but if it doesn’t pay the bills, you won’t be doing it for long. What kind of impact will the action have on your bottom line — will it reduce your expenses or increase your revenues? The greater the impact on improving your bottom line — your profitability — the higher it should rate on your list of priorities. If an action has little or no impact on your bottom line, give higher priority to other actions that do have a real impact. * **Is the action in response to a client emergency**? - Another reason that many people start their own businesses is to solve their client’s problems and to provide them with solutions. Because clients in many ways are the heart and soul of any business, solving their problems is clearly a priority. And when your clients have an emergency, the actions you need to take to solve them should be top priorities for you. Prioritizing “emergencies” gets easier with experience. * **Buy an appointment calendar, daily planner, or electronic organizer, and use it -** Organizers and planners — whether electronic or paper based — can be effective tools for keeping your life organized. * **Junk mail (and junk e-mail, also known as spam) is an incredible time-waster -** For junk e-mail, use your e-mail program to filter out messages from junk senders before you even see them One more thing: be careful about giving your e-mail address to people and Web-site operators who may just turn around and sell it to the highest bidder. You may want to create a free Web-based e-mail address for just such use while keeping your real address more private. * **Get a faster computer** If you still have a slow computer and modem, all the time you spend waiting could easily add up to several hours every month. This is time down the drain. Do yourself (and your customers and clients) a favour, and get a faster computer and a faster modem.   **Make a regular habit of keeping your office organized and clean.**  **Managing your office:** So where should you start in your efforts to get your work life organized? Start with the one place where you probably spend more time while you’re working than any other place: your home office!   * **Clean up your desk -** Mess on your desk? The busier you get, the less time you have to clean up the paper, the old coffee cups, the pencils and pens, the post-its, the cell phone, the sun glasses, and all the other things that accumulate on your desk. The trouble with that is that the more stuff that accumulates, the harder it is for you to do your job. Not only you have less space in which to work, but things also mysteriously begin to disappear. After you have your desk under control, you can move on to other areas. * **Clean up your office -** After your desk is a model of organization, turn your attention to the rest of your office. All those boxes stacked over in the corner can be moved into your basement or garage, or straight into the recycling bin. An organized office is so much easier to get around in, and you have far less chance of losing something important in your daily shuffle. * **Revisit your office layout -** After you’ve had a chance to get settled into your newly cleaned-up office, take some time to assess whether it’s really set up as effectively as it could be. Is the file cabinet in a convenient place? How about your computer, printing machine or your paper supply? Periodically revisit your office layout to make sure it’s working for you, and don’t be afraid to make adjustments as you need to. * **Labelling** - Managing your important documents: Customer contracts, invoices, documentation necessary for production and for your home business, guarantees and user manuals of the means of production. Book a shelf that is large enough to sort the papers/documents necessary for the proper functioning of your business. Organize them into categories placed into folders that you label properly. Organize items by category and put them in LABELED boxes, for example: * tools * instruments * spare parts/components * materials/ raw materials (by colour, by size, by utility), etc.   If you have a production chain, place the boxes in the order necessary to carry out the production stages/ chain.   * **Work as paperless as possible -** Do you really need to print out a copy of every single document that you create on your computer? Probably not. Most of the documents you create can be stored more efficiently on your computer. And if you use your computer as a fax machine, you can store all your incoming faxes on your computer, too. It's also a sign that you love our planet! There is no planet B!   **Routines are a part of life**.  No matter what you do, someone, somewhere, will interrupt you. The key is to stay loose and not let the interruption totally destroy your ability to jump right back onto task. Learn to be flexible, and find ways to get back on task quickly. To be more efficient, create positive work routines! Efficiency is making your business or system processes more efficient. This measurement factors in both time and resources spent on a process and either directly or indirectly affects your home business’ revenue.   * **Routines are a good thing -** They help you stay focused on the things that are most important. They provide the structure and continuity that you — and your clients and customers — rely on to do business efficiently and effectively. Establish a regular work schedule. Take plenty of short breaks. Focus on your goals and priorities. Although you may not be able to keep from being thrown off track when an interruption occurs, you should be able to quickly return your focus to the goals and priorities at hand. You must manage the interruption as quickly as possible and then refocus your full attention on your work. If someone is interrupting... Be kind, but firm.   **Section 2: Become an Expert**  **2.2. Assume the role of an expert.**  People respect those who know more than they do. By specializing, you assume the role of a presumed expert, even if you’ve just started your business. It makes good business sense for your clients to hire an expert instead of someone less experienced. The interesting thing about becoming an expert is that the passage of time makes you increasingly more experienced in your field. As time goes on, potential clients and customers will get in touch with you just to get the benefit of the expertise you’ve developed through experience and education.  **2.2.1 Pomodoro technique**  The Pomodoro technique **is a time management  method** developed by Francesco Cirillo in the late 1980s. It uses a kitchen timer to break work into intervals, typically 25 minutes in length, separated by short breaks. Each interval is known as a pomodoro (from the Italian word for tomato, after the tomato-shaped kitchen timer Cirillo had used as a university student). The technique has been widely popularized by apps and websites providing timers and instructions. Closely related to concepts such as timeboxing  and  iterative and incremental development used in software design, the method has been adopted in pair programming contexts. **The original technique has six steps**:   1. Decide on the task to be done. 2. Set the pomodoro timer (typically for 25 minutes). 3. Work on the task. 4. End work when the timer rings and take a short break (typically 5–10 minutes). 5. If you have finished fewer than three pomodoros, go back to Step 2 and repeat until you go through all three pomodoros. 6. After three pomodoros are done, take the fourth pomodoro and then take a long break (typically 20 to 30 minutes). Once the long break is finished, return to step 2. For the purposes of the technique, a pomodoro is an interval of work time. For more info, please visit: [**https://en.wikipedia.org/wiki/Pomodoro\_Technique**](https://en.wikipedia.org/wiki/Pomodoro_Technique)     **OUR ADVICE IS TO ADAPT THIS TECHNIQUE TO YOUR NEEDS**:  1. Before applying this technique, time what you want to achieve. For example, if it’s about assembling a product, find out how long it takes to complete the activity without haste and without mistakes. Let’s say that the time required for assembling is 15 minutes and add a break of 3 minutes ….to sip two coffee mouths. Three-minute break separates consecutive pomodoros.  2. Then set the kitchen clock to ring at 18 min.(15+3)  3. Start your production activity. After the first 18 minutes, the clock will ring and you will check the assembly of a product. You have “a pomodoro”.  4. Repeat the operation by fixing another 18 minutes for a new assembly. Here is the second product ready, meaning “the second pomodoro ticked”…. Repeat this so you can make a PACKAGE of 4-5 “pomodoros/ tomatoes”  5. Then you take a longer break: 20 minutes…  6. Check as many PACKAGES of 4-5 “tomatoes” as you can, according to your working rhythm. Don’t forget to measure your effort correctly. Home business does not require exhaustion.  This technique can also be used in terms of to do list, you only have to make sure of the dosage of effort and adapt the pomodoro watch for each activity by estimating…. If you have longer activities, you can separate them into stages, each stage can be a “pomodoro”.  **2.2.2 Production log**  You can write in a special notebook the entire technological process of production, in case you produce goods. The same can be done if you do the provide services or create content: to remember, you can write in detail the planning of the activity you have to undertake. You can inspire from a method that famous brands use in order to improve their performance and product quality.  One of these is Plan (P), Do (D), Check (C), Act (A). What is this method?  What is the **PDCA** cycle?  The PDCA cycle is a method of organizing and conducting management or production activities, oriented toward continuous improvement of the quality management system. This quality improvement method was designed and graphically represented by Dr. W. Edwards Deming; it is also called the Deming cycle, the Shewhart cycle, or the Deming Wheel. The name of the method comes from the initials in English of the constituent phases: **Plan (P), Do (D), Check (C), Act (A)**. In SR EN ISO 9001:2001, clause 0.2, it is stated that all processes may be subject to the PDCA methodology. The Plan – Do – Check – Act cycle is a four-phase (or four “steps”) model for quality control strategy and continuous quality improvement. It is used in the following situations:  • as a model for continuous improvement;  • when a new improvement Project is initiated;  • when developing a new and improved model of a process, product or service;  • when a repetitive work process is defined;  • when any kind of change is implemented.  **Plan (P), Do (D), Check (C), Act (A)**  **1. Planning phase: Plan (P).** In this phase, decisions are made on the objectives to be achieved and on the processes necessary to achieve results / products .They can be improved along the way by repeating the PDCA cycle, in line with customer requirements.  **2. Performing phase: Do (D).** The production or improvement plan developed during the planning phase (P) shall be tested, preferably on a small scale.  **3. Check (C) or study phase: verification.** The results of small scale implementation of the production or improvement plan are investigated. This verification involves monitoring and measuring the effects of any change in the performance phase (D), as well as analyzing the extent to which differences between customer needs and product/service performance have been reduced by the implementation of the plan. The results of the verification may or may not confirm that the production or the improvement is correct. Questions that can be asked at this stage: What can be learned from how the design of the product/service compares to what was expected, with the projections made? What went wrong? New information is used to better achieve the goals of the producer of the process of obtaining it.  **4. Action phase: Act (A).** At this stage, the necessary actions for improvement are taken: Changes will be adopted or abandoned depending on the results of the previous phase. If the results of the verification phase do not show significant improvements in meeting customer requirements, measures shall be established for a corrective action and another PDCA cycle shall be started. Sometimes it may be necessary to reconsider the entire technological process of production, establish other procedures, strategies to have the expected success.  **For further improvement, a new plan is being developed, the cycle resuming/ repeating!**  **Benefits of the PDCA Cycle**   * Here are a few benefits of the PDCA cycle that directly impact your business: * The **PDCA** Cycle is a simple, yet powerful tool that results in successful change while helping to reduce waste and increase process efficiency. Process efficiency is making your business or system processes more efficient. This measurement factors in both time and resources spent on a process and either directly or indirectly affects your home- based business revenue. The efficiency of your business mostly reduces to the following items:  1. The overall efficiency of the process: you have to see if you usually earn more than the value of the labour, time and cost that you invest 2. Throughput. What’s your average production during any specified period of time? 3. Labour productivity: how much effort do you generally consume within that unit of time? 4. Resource efficiency. You can minimize your waste and maximize your assets (e.g., money, materials, and staff)  * Repeating the PDCA Cycle multiple times simplifies processes and minimizes errors, helping to create standard operating procedures. * The PDCA Cycle is a versatile technique used for various use cases across industries, such as project management, change management, product development, and quality management. * The PDCA Cycle is an exceptionally effective methodology that gives you visibility into core processes and captures data to prove results.   **When should you use the PDCA process?**   * The Plan-Do-Check-Act model is a helpful tool that can be used for a number of applications: * Exploring and testing multiple solutions in a small, controlled trial * Avoiding waste by catching and adapting ineffective solutions before rolling them out on a large scale * Implementing change and continuous improvement * Developing or improving a process * What is great about the PDCA cycle is that it can be applied across industries and any organizational types.   **Section 3: To grow or not to grow**  Because you’re the one who has to live with the consequences of the decision of growing or not, it’s in your interest to thoroughly examine yourself, your business, and the marketplace to make sure that whatever decision you make, it’s the best one for you and for your business.  **2.3 Ask yourself whether or not to grow your business:**   * **Ask your heart**. The first place to look when you’re thinking about growing your business is deep inside your heart. Take some time to get away from the hustle and bustle of your business, and really listen to what your heart tells you. * **Analyze your lifestyle**. Will your favourite lifestyle support or be in conflict with the growth of your business? If, for example, the growth of your business will take you away from your family — and spending more time with your family is one of the key reasons why you started your home based business in the first place — you’ll likely resent the extra time you have to devote to your business, as will your family, who will have less of your time. * **Solve some “math” problems in order to go further! Check the numbers**. Of course, your heart and lifestyle may say “go,” while your business (more specifically, your business’s financials) says “no.” If your company’s sales are too low or costs too high, growing your business probably isn’t the best thing to do. Can you somehow increase sales or decrease costs enough for growth to make sense? If not, either figure out some way to put your financials on the right track or put your growth plans on the back burner until the numbers do make sense. * **Test your product / your work on social media market.** You may think it’s time to grow, but the market in which your business operates may not be ready for you. Before you invest lots of time, money, and effort in growing your business, be sure that enough potential customers and clients are interested in buying your products and services. If they aren’t, you’re just wasting your time and your hard-earned money — two things that are especially precious for every home-based business owner. Ask your friends to share their opinion about your product. Ask them to suggest some improvements according to their needs. Ask them about product layout. Ask them about the aesthetic of the product. You may receive useful data to improve your work, also their opinion should be a part of **PDCA** cycle. | |
| **Glossary** | **A HOME- BASED BUSINESS** is one where your home is also the main place of your business.  **A FRANCHISE** is an agreement in which one business grants another business the right to distribute its products or services.  **DIRECT SELLING**involves selling consumer products or services in a person-to-person manner, away from a fixed retail location.  **A PART- TIME BUSINESS** means working fewer days per working week for a business  **JUNK MAIL/ SPAM** is an unsolicited mail that consists mainly on promotional materials  **SOCIAL MEDIA MARKET** is a form of internet marketing that uses social media apps as a marketing tool. | |
| **Self-evaluation (multiple choice queries and answers)** | 1. **What is a home-based business?**    **a) a business based in your home**  b) working for an employer from home  c) I don't know  2. **Are there more advantages than disadvantages to start a home- based business?**  a) there are only advantages  **b) there are more advantages**  c) there are only disadvantages  3. **What I need to know before starting a home- based business?**  a) I don't need to know anything  **b) to plan my business as well as possible**  c) to think only about profit  4. **Your home-based business is:**  a) a hobby  b) a get-rich-quick scheme  **c) like any other business**  5. The best way to succeed is:  **a) having a serious business attitude**  b) just to have fun  c) to expect to succeed over night | |
| **Bibliography** | * 1. Women’s CED Network,2016,: ‘*Starting a home- based business: A collection of tips, ideas and resources for women’*, p. 2- 25   2. Paul and Sarah Edwards, Peter Economy, 2010, : Wiley Publishing, Inc.: ‘*Home- based Business for Dummies*’, 2nd edition   3. Dorling Kindersley, 2021, ‘*How to Start your Own Business…and Make it Work*’, DK Publishing, p 21-65; 110- 143   4. Eric Tyson, Bob Nelson, 2022, ‘*Starting a Business All- in- One’*, John Wiley & Sons, p. 345- 410   5. Steve Mariotti, 2014, ‘*The Young Entrepreneur’s Guide to Starting& Running a Business’*, Random House, p. 116- 237   6. Carmen Rădulescu, Paula Araujo, Albertina Marques, 2017, ’LEEN - Liminalitate și Antreprenoriat Educațional: o călătorie inițiatică’ | |
| **Resources (videos, reference link)** | * 1. [**https://en.wikipedia.org/wiki/Pomodoro\_Technique**](https://en.wikipedia.org/wiki/Pomodoro_Technique)   2. <https://ro.wikipedia.org/wiki/Ciclul_PDCA>   3. [www.entrepreneurmag.com](http://www.entrepreneurmag.com)   4. <https://startarium.ro/invata/business/leadership-soft-skills>   5. <https://www.jaromania.org/> | |