



# The Allan Gray Entrepreneurship Challenge

Module 5 Learner's pack

Module Video



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# Can you believe it?



You've made it through to the end of the challenge! Well done – getting to this stage means that you definitely have what it takes to become a future business leader.

As you probably expected, this module is going to be especially challenging. That's because you are about to enter a brand-new phase of business. Your little start-up has gone through a number of phases: from the very beginning, where you had to find **sources**, bring on a **team**, develop a **product**, grow the business through **sales** (organic growth) and **acquisition** (inorganic growth), it has now reached a stage where it is ready to go public – or, in other words, **list on the stock exchange**.

This means it's time for an Initial Public Offering (IPO) – but we'll get to that in a minute. First, it's time to reflect on what you learnt in the previous module.

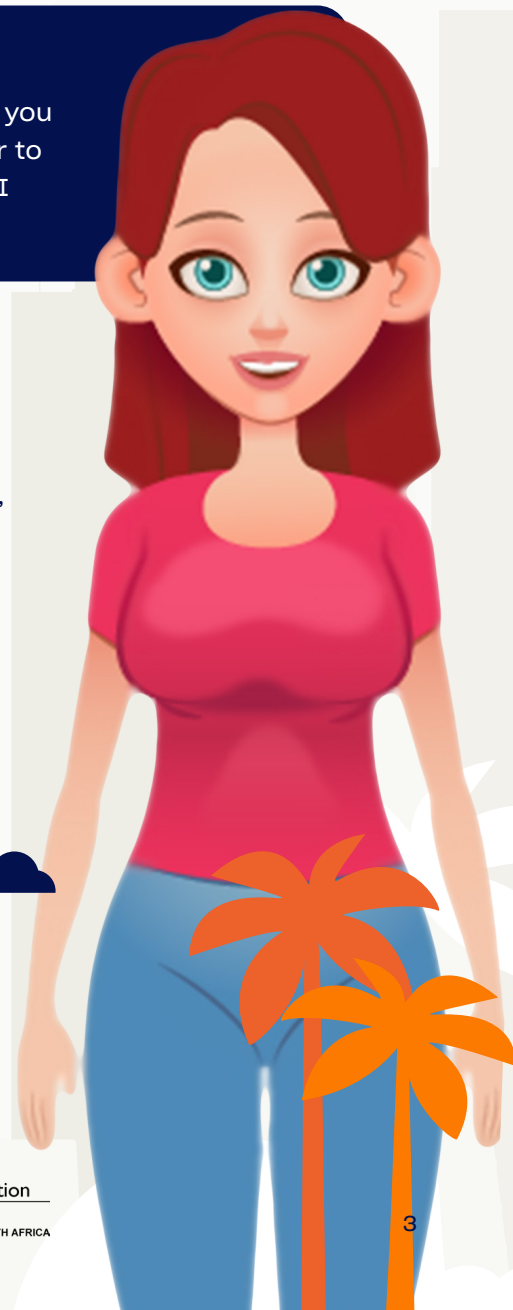
## Looking back on Module 4

Before we look at how you can handle this, let's take a look at what happened in the previous module.

### Important

In the previous module, you learned about competition. When you encountered the two companies that offered a product similar to your own, you were forced to consider the question: How can I make sure consumers buy my product, rather than theirs?

- Hopefully you consulted your CFO when you came across these rival companies. They would have been able to answer your questions around whether you should try harder to compete by reducing your pricing, upping your marketing activities or adding more value to your offering, or whether it would be a smarter move to acquire the company.
- If you acquired the right company, you're probably enjoying seeing your revenue grow. If not – uh oh. You've tried hard, but unfortunately your revenue is going to fall – possibly to a point where the company is no longer viable.



## This module's gameplay

Are you ready for what is probably the most exciting part of the Challenge? You're going to take your company public!

- If you don't know what a stock exchange is, it's time to find out. Learn all you can about **what a stock exchange is, why they're important, what our own stock exchange is called and where it is located.**

You'll notice that during this module, you have been given more revenue targets to meet. You'll also notice that these targets are very high, so it's unlikely you'll be able to achieve them through marketing alone.

- Your IPO is all about business performance, but there's another factor that you should consider when you judge your company's success, and that's the **social impact** it makes. We believe that doing good business and doing business well leads to social good, and that's something we should all strive for.
- Some companies dedicate entire divisions to social good. These Corporate Social Investment (CSI) divisions take on projects that help them amplify their good work.
- You'll also learn about **business strategy** this in this module. Essentially, business strategy is the long-term view that guides the business. Think of it this way: if you're standing in your house, the furthest you'll see is, perhaps, to your garden. Now, if you were to take a helicopter ride, you'd be able to see your whole house, even your street, and how the suburb comes together. In the same way, the operations (which are the tasks you've been concentrating on over these past few weeks) are planned so that they all align with the strategy - it determines how and when you do them. In turn, the strategy takes a cue from the company's vision and mission. To find your vision and mission, think about what you would like the company to achieve.

## The module ahead

We're sure you simply cannot wait to find out who the top players are! We're just as excited, but unfortunately, we're all going to **have try be** patient for a few weeks. Because this competition is open to the public, we have to make sure that all is in order before we release the results. We do this through a process called **auditing**. This is also why we will hide the leaderboard towards the end of the final module.

It's tough, but we have to hang on for just a little while longer. It will be worthwhile, we promise; after all, there are some fantastic prizes to be won!

## Please note

Remember that the top players will qualify for the Applied Learning Challenge - Business Venture Pitching Contest!

Thank you so much for taking part in this year's Challenge. We hope you learnt an enormous amount but, more than that, we hope you've had fun!

# Enquiries

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