



# 5 Viewpoints to Consider | BAM360



## 5 Viewpoints to Consider While Evaluating Your BAM Business Idea

Your business idea is one of the backbones of your life as a Kingdom entrepreneur. There are a number of different methods to generate potential business ideas including:

Look for a current problem that you could solve

Find something that needs improvement

Identify a gap in the market – something that does not currently exist

Look for high priced items that you can offer for cheaper OR look for inexpensive items that you can sell with added value.

Many new and inexperienced BAM practitioners ignore these methods completely and simply copy something that has worked for a BAM business in another location. I'm not saying that this is a wrong approach. You can actually get some great ideas from others who have gone before you. However, you need to remember that there are many different variables to consider when starting a business.

Whether you are copying an existing BAM idea or are using commonly practiced business-idea-generation methods, it is unwise to jump into any new business venture without correctly evaluating it from multiple points of view.

### **Why is it important to use multiple points of view?**

BAM businesses are built around a unique set of assumptions, values and bottom lines.

So, what are some of the variables at play in a new BAM startup?

Your host culture has its own laws, cultural implications and perceptions.

Your experience and expertise could be limiting factors.

Do you belong to a mission organization? Their vision, values and risk tolerance could impact your business.

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Your investors' expectations on financial return may change the way you run your business.

The complexity of your business idea.

We have identified 5 unique viewpoints that you should consider before you launch into a new BAM venture. If you take the time to assess your idea from each of the following positions, you will have a better chance of selecting an idea that will work well in your unique situation.

## HOST CULTURE VIEWPOINT



Before you begin a new business in a host culture that is different from your own, you need to evaluate your business through that cultural lens. It is important to consider how the local population will perceive your new idea.

As you think through the following grid, remember to consider the various sectors of the community including your friends, government, religious leaders and the local business community.

## The 3 Angles of the Host Culture

### Welcomed

The primary consideration from the host culture is whether your new business idea would be welcomed. If any part of the community takes a stand against your new venture, it will be very difficult to make any progress.

Most countries are very open to new businesses that will bring employment and income to their population. That being said, if you try to bring in an idea that is not welcomed, you could get significant pushback.

#### Consider a few examples:

A coffee shop that directly competes with the only other coffee shop in town. If you are seen as a threat to one of the influential businessmen of the town, they can pull strings to make life very difficult for you.

An English school that uses a Bible based curriculum. If the religious leaders take offense to your methodology, they can quickly spread rumors and lies through the mosque. You may find that it is hard to attract students in the beginning.

A new photography business featuring drone capabilities. If the government has fears concerning intelligence or terrorism, they may outlaw the use of any flying equipment.

Remember: Even a small minority of the community that does not welcome your business will impact your progress. They might have the power to keep you from moving forward and being successful in your venture despite their size.

### Needed

Another area to consider is whether there is a perceived need for the new business. If your business idea addresses a felt need, the community will usually be excited about you bringing a new business to the area.

In some situations, the community may not yet understand that they have a need related to your proposition. When this occurs, don't necessarily throw out the whole idea. You may need to spend some time educating the community about the possibilities of your idea. It might be helpful to provide some free demonstrations. If you can convince a few of the need, those early adapters may help open the community to you.

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We have seen people address areas of need like:

Helping develop the English language abilities through a training center.

Helping small business grow their market share with a website design company.

Opening doors for study abroad with an educational company.

## Wanted

Sometimes you bring a business idea that is not necessarily a “need,” however, the community wants it. Whenever you focus on a business or service that requires disposable income, your business will probably fall in the category of a “want”.

As you assess your new idea, try to discern if there is a strong indication from the local community that they desire your product enough to pay for it.

When it comes down to making the final decision, you want to make sure that your business idea has a “yes” for at least 2 of the above criteria.

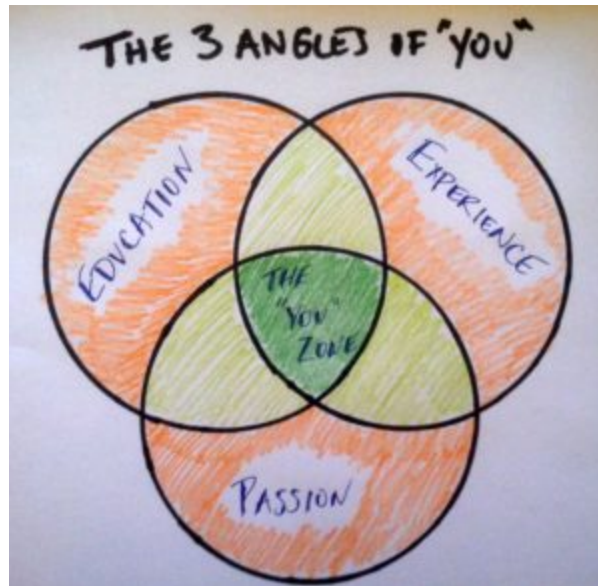
Welcomed & Needed: Green light to move to the next viewpoint

Welcomed & Wanted: Green light to move to the next viewpoint

Needed & Wanted: Proceed with caution. You need to determine if those who are not “welcoming” can potentially shut down your business. Make sure you understand who is opposing you and why you are not welcomed. Think about what you can change or how you can re-communicate to the community.

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## PERSONAL VIEWPOINT



Before you jump into your new business idea, it is important to take a good look at "YOU". Since this is going to be your daily work, you want to do your best to align your business with your training, experience and passion.

It is always a sad thing to me when I meet someone who is not "happy" in his or her BAM business. There are many reasons why this may be true, however, I believe one of the main reasons is a result of poor personal alignment.

### **A quick side note...**

I realize there are times when the Lord has called you to a certain location or people and there are a limited number of ways to get into the country. In cases like these, you need to do whatever it takes to gain access for proclaiming the gospel. You may not be working in your area of expertise or passion, but you can still choose joy.

Let's remember the purpose of these 5 viewpoints! The goal is to assess the best possible business idea for our BAM venture.

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In a perfect world, you would want to find a business idea where you have:

The appropriate training to execute the job.

Adequate “real world” experience in the profession.

A passion for the type of work.

## The 3 Angles of “You”

### Training

There are a number of reasons why appropriate training is important. In order to do any job well, you need to have the required skills. Training / education is one way that you can gain the necessary skills for your profession.

In some situations, you are unable to register a certain business (tourism, education, medical etc.) unless you have the required educational credentials. It is wise to understand the laws of the country to know if you are “qualified” to start your business idea.

### Experience

Having real world experience is also important when you launch into a new business venture. Whether you have worked for 5 years in your home country or completed a 6-month internship, there is nothing like hands-on experience.

Experience will help you avoid unnecessary mistakes. It will give you confidence because you have “been there and done it”. Experience can be showcased on your resume or CV for potential contracts.

I can't emphasize enough the importance of gaining experience in the business sector that you plan to work in.

### Passion

Working in an area you are passionate about may make up for your lack of training or experience. We have seen that people who are passionate about their project do whatever it takes to make it successful.

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Passionate people are 100% committed. Passionate people want to learn. Passionate people love what they do.

Working with what you love does not mean that your business will be automatically successful. However, this enthusiasm will give you the additional drive to move in that direction.

When it comes down to making the final decision, we recommend that “YOU” have at least 2 of the above criteria.

Training & Passion: You have the knowledge and drive. Practical experience will come over time. You will make mistakes but will learn from those mistakes.

Experience & Passion: You are positioned well for this new venture. You can always do additional training (online or seminars) in areas where you have knowledge gaps.

Training & Experience: You are equipped for this new venture. Ask yourself if you are ready to commit the time and energy to this new job.

## ORGANIZATIONAL VIEWPOINT



If you are connected with a mission organization or non-governmental organization (NGO), you will want to evaluate your potential business through their eyes. Organizations usually do not care which business you start, nor are they generally concerned about the day-to-day running of the business. They focus on whether your business idea will help accomplish their larger vision.



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It is wise to remember that your business is not the end goal. Proclaiming the name of Jesus and seeing the church established is the main goal. Your organization should help keep you accountable to this task.

## The 3 Angles of the Organization

### Kingdom Impact

One of the primary concerns of your organization is the Kingdom Impact. As you assess your new business idea, you must consider whether or not this business will enable or hinder the proclamation of the gospel.

It is important to state that without the power of the Holy Spirit, no business or project will have any impact.

Understanding the above, we do want to make sure our businesses:

Give us access to the local community

Provide opportunities to develop relationships

Do not hinder the proclamation of Jesus

### Legal

Organizations will also be concerned about the legal ramifications of your new business venture. Because you fit into a larger organizational structure, you will need to assess whether or not there are any legal concerns with your business.

Let me be clear here! I am not saying that you, as a business owner, do not need to consider the legal aspects of your business. This is an absolute necessity!

What I am saying is that you need to consider the larger scale legal implications of being involved in a larger organization such as taxation, non-profit status, and the liabilities connected with your involvement.

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## Risk

The final area to evaluate is the amount of risk involved in this new venture. Risk is a given in life and is not to be avoided, but you do need to be aware of the risk you are accepting. You will need to decide what level of risk you, or those in authority over you, are willing to take.

As you consider risk, remember risk comes in various forms like:

Loss of money or resources

Damaging your reputation or that of the organization

Expulsion from the country

Many times business owners are willing to take on more risk because of their “missional call”. They have already counted the cost for Christ. Organizations may have a harder time sending their people into a higher risk situation.

When it comes down to making your decision, we recommend that you have a serious talk with your organizational leadership to make sure that you are ready to submit to their authority and that they understand your commitment. Let's consider a few options:

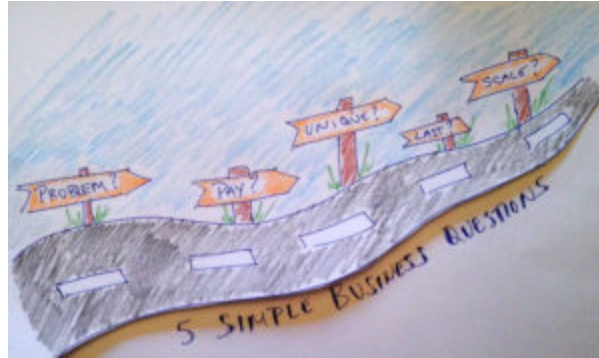
Illegal: This should be a non-starter for both of you.

High Kingdom Impact: Organizations are more willing to accept high risk if they perceive high Kingdom Impact.

High Risk: Organizations attempt to consider the overall Kingdom Impact over time and places. They ask if the same Kingdom results can be achieved with less perceived risk

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## INVESTOR VIEWPOINT



In most cases, investors are concerned with the overall potential growth and profitability of the business. Before an investor gives you any money, they are going to want to know that the business is financially viable.

Let's remember why we are using the 5 viewpoints – to assess the value of the potential business idea.

We are not going to look at complex financials models or 3-5 year forecasts. We are simply going to evaluate the idea using 5 straightforward business questions to assess the viability.

## 5 Simple Business Questions

### Does it solve a problem?

Most great businesses are built by solving a problem or need. When you are assessing your new business idea, you will want to make sure that your idea does one of the following:

Finds a pain point that people need solved

Saves consumers time or reduces stress

Enables consumers to have a better life

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You've probably heard it said that people buy solutions not products.

For example, when someone is interested in buying an exercise machine, they really want to get in shape or feel better about themselves. The exercise machine solves a problem: being out of shape.

## Will people pay for it?

You also need to ask yourself if people would be willing to spend their hard earned money on this service or product.

**Let's make something clear!** I am not talking about your friends and family. Most likely, your friends and families will tell you that your idea is wonderful and encourage you by buying from you. The real validation of your business comes when a random stranger pays you for your product or service.

I highly recommend that you test your product in the market before you launch into a full business. Run a simple, low-risk test to see if your future clientele will actually pay for your service.

## Is it unique?

Are you offering something different? Unless you are trying to copy some other business, you need to make sure your idea is unique. It may be a similar concept to existing businesses, but what makes it unique?

Often the unique value or differentiation is what will set you apart in the market. If you are perceived as exactly the same as every other competitor, there will be no reason for someone to switch to your product or service.

How can you be unique? You can consider offering a different service style, pricing options, guarantee, quality etc.

For example: let's say you are looking to start a new pharmacy in your city. You could simply offer a home delivery service for your regular customers. You could deliver their monthly prescriptions to them on time. This would be unique and allow you to solve a problem.

## Is it scalable?

An excellent business idea is one that can grow. Investors are not looking for an idea that will have limited potential or only short-term growth.

As you assess your business idea, you will want to consider whether it really has the ability to scale. You don't have to see huge growth in year one or two, but ask whether it has the potential to grow over time.

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An exaggerated example would be: Let's say you live on a small island with 5 families. Since the island was remote, it does not have electricity. You decide to go into business selling generators for your island. The idea is wonderful because it solves a huge problem. It is unique and the islanders would be willing to pay for it. But, is it scalable?

## Can it last?

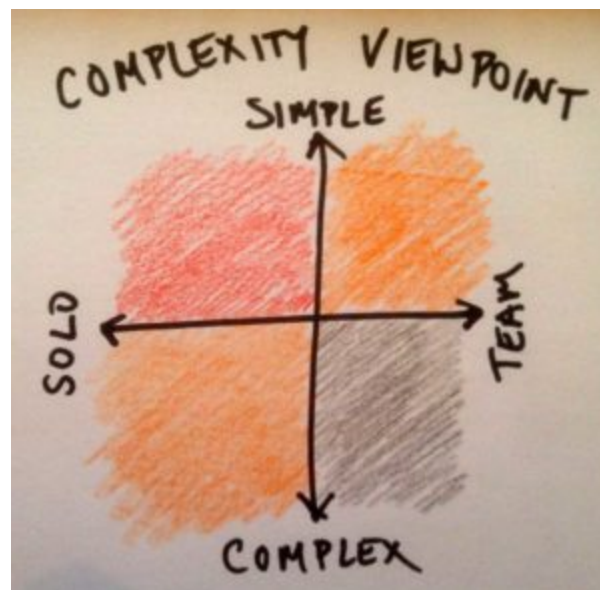
The final aspect to consider is whether the idea is a short-term need or will it last the test of time? For a long-term BAM initiative, you will want to have a business that can last years instead of months.

It is true that sometimes we create businesses around a crisis or short-term need. While you might decide to sell umbrellas on the day of a rainstorm, normally we are looking for an idea that will last for a long time.

When it comes down to analyzing whether your business idea has potential to be financially viable, you will want to make sure you answer "yes" to 4 out of 5 of the above questions. We actually recommend an idea that is 5/5!

If you do choose an idea with 4/5, make sure that you did not answer "no" to the question "Will people pay for it". People must be willing to pay for your product or service.

## COMPLEXITY VIEWPOINT



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The purpose of this classification is to assess whether or not you have the abilities, knowledge and personnel to successfully carry out the business idea.

The best way to understand the concept of complexity is to visualize it on a set of 2 axes. The horizontal axis represents how many people it will take to start & run the new business idea. The vertical axis represents the complexity of the business operations.

## Grid: Solo vs. Team; Simple vs. Complex

### Solo vs. Team:

As you consider the number of people that you will require for your business, you should ask yourself:

Is this something that you can do on your own?

Will you need to have a team of people to make this successful?

Do you have access to the necessary personnel to accomplish your idea?

A large business team can be a fantastic idea but people add complexity!

### Simple vs Complex:

This axis is trying to determine the difficulty of executing the proposed business idea. It is important to remember that complexity comes in all sorts of forms like skills, technology, finance, and law.

You will want to ask yourself questions like:

Can anyone start this business without any trouble?

Does this idea take specific training?

Do you need licensing to function this business? (i.e. travel agency)

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Does this business rely on complex technologies? (i.e. factory)

Do you need a small or large amount of capital investment?

When it comes down to classifying the complexity of your business, don't be too concerned about which quadrant your idea falls in. What is important is that you understand the implications of each quadrant and decide if they fit your overall strategy.

## **Solo / Simple:**

Perhaps will be seen as stealing something a local could do.

## **Solo / Complex:**

Great opportunity for someone with a complex skill (i.e. web design).

Perfect for the "solopreneur" but not for a team.

## **Team / Simple:**

Should be relatively easy to run.

Great opportunity for someone with a large team.

Could be copied but not as quickly because of the personnel needed.

## **Team / Complex:**

Usually represents a larger business startup.

High potential return but high risk.

Requires a strong business leadership team.

## IN CONCLUSION

Now that you have evaluated each of the 5 viewpoints, you are ready to make an informed decision concerning your business idea. Taking the time to analyze your idea could potentially save you heartache and headaches in the long term.



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