

How to Launch and Operate Successfully

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Launching your dream business can be both exciting and terrifying. You will be the boss, writing not only your destiny but also the future employees'. The power of controlling a business can be overwhelming; so does the responsibility that comes with it.

Australia is one of the most ideal countries in the world to set up a new business. According to the International Monetary Fund of Australia, the business growth rate is on the rise, with a percentage of 4.2 in 2022.

As an accountant, I often get asked by clients how they can start a successful business. While there's no one-size-fits-all answer to this question, there are some key things to keep in mind if you're looking to start a business. It doesn't matter if it's a small startup or a big company, to launch and operate the business successfully, you must follow some protocols.

Here are ten tips for success in starting a Business in Australia :

Step 1. Develop a Business Plan

Before you launch a business, you need to develop an amazing plan that includes all the details to successfully operate the business and make a subsequent amount of profit from it. This is known to be the foundation step of launching a business. A business plan consists of a market analysis, product or service description, marketing strategy, and financial plan. It should also include details about the business, the products or services you will offer, and the market you will operate in.

When writing a business plan, you should consider factors like the size of the Australian market, your target customers, the competitive landscape, the growth potential, and the potential risks and rewards associated with your venture. You should also consider the legal requirements of starting a business in Australia. This includes registering your business, obtaining necessary licenses, obtaining necessary permits, and complying with the relevant health and safety regulations.

Finally, you should create a detailed budget that outlines the costs associated with launching and operating your business. This should include start-up costs, marketing costs, and any other costs associated with running your business. Your budget should also include a plan for how you will finance your venture.

Step 2. Choose Your Business Structure

After you are done developing the business plan, it's time to choose a structure for your business. Choosing the perfect structure that best fits your business is very crucial as it influences a lot of other factors, such as tax payment, safety requirements, personal liability, and regulatory obligations.

There are four types of business structures available in Australia from which you get to choose your preferred one according to your business plan. These four structures are

- Sole trader: Simplest structure with minimal establishment costs and legal requirements.
- Partnership: Inexpensive to form but often leads to disputes between partners.
- Company: Controlled by the Corporations Law where company directors have some obligations and liabilities.
- Trust: Flexible income distribution but expensive to step up.

Asset Protection:

When choosing the right structure for your business, Asset Protection plays a very crucial role. If you are looking for the best options in terms of Asset protection in Australia, you should go for Companies and Trusts. Sole Traders and Partnerships make your assets exposed to business liabilities.

You must take the necessary steps to ensure asset protection in your business if you want to protect your business from any unfortunate event of lawsuits or creditor claims. You can use trusts, get insurance or transfer all your assets to your spouse's name to protect assets.

As simple as it sounds, the Asset Protection process can be very daunting and may leave you feeling overwhelmed. In that case, you will need to take assistance from an expert. You can speak with a professional accountant and financial advisor to find the best way to protect your assets and help you achieve financial freedom.

Step 3. Apply for an Australian Business Number

You can't launch a new business in Australia without an Australian Business Number or ABN. An ABN is an eleven-digit number that works as a legal identifier of your business. To apply for an Australian Business Number (ABN), you need to register for an Australian Business Register (ABR) account. You can register through the Australian Government's ABR website, or through the Business Registration Service provided by the Australian Taxation Office (ATO).

To be eligible for an ABN, you must be carrying on a business in Australia. You will also need to provide your name, contact details, and business information. Once you have registered an ABR account, you can apply for an ABN through the ABR. You will need to provide your contact details, business name and address, details of your business activities, and information about any associated entities. After applying you will receive an ABN within 28 days.

Once you got the ABN, feel free to register your business name and launch the business logo, and other designs. Make sure to patent the logo to prevent copyright problems in the future.

Step 4. Register Your Domain Name

Once you are a registered Australian business, you can go ahead and get a .com.au domain. The name you choose as your domain represents your company and should be unique and easy to find. You can search for available domain names using the registrar's search tool. You will need to pay an annual fee for domain name registration. When registering a domain name in Australia, you will need to provide your business details and contact information.

Step 5. Apply for Other Necessary Licenses and Permits

You need to apply for different licenses and permits from the Australian Government depending on the structure and type of the business. This step is very important to avoid all kinds of legal problems that may arise in the future. This may include Trade Mark Registration. If you plan to use a logo, slogan, or other distinguishing marks to identify your business, you must register it as a trademark. Trademark registration is conducted through IP Australia.

You must obtain a Tax File Number (TFN) for tax reporting and other business activities. To apply for a TFN, you can complete an online application form. Depending on your type of business, you may need to obtain building and planning permits from your local council.

Step 6. Finance and Insurance

The process of organizing finance and insurance for a new business can be very complicated as well as time-consuming. The first step is calculating the amount of money that you may need to invest to launch your business. This includes the cost of equipment, materials, and labor. Then you should explore the various financing options available to you. You may be able to finance your business through personal savings, investments, or a loan.

When it comes to insurance, you should research the different types of insurance options available to protect your business. Depending on the type and size of business you operate, you may need to obtain a certain type of insurance coverage. Common types of insurance for businesses in Australia include

Business Insurance: Property, liability, and business disruption are all covered under this policy.

Public Liability Insurance: This sort of insurance covers claims for which your company is legally liable, including any kind of injury or damage caused by your company's actions.

Professional Indemnity Insurance: This sort of insurance protects you against allegations of professional malpractice. This is applied to companies that offer services.

Product Liability Insurance: This sort of insurance protects you if one of your goods injures or damages a third party.

Workers Compensation Insurance: This insurance protects your employees in the case of any injury while on the job.

Cyber Insurance: This insurance protects your company against cyber-related malfunctioning including data breaches, hacking, and online fraud.

It's quite difficult to operate a successful business in Australia if you don't have a secure source of funding. You can check out different funding options available for you. For example, you can apply for a loan from Small Business Development Fund if your business is based in Adelaide. You must find a financial professional to manage your business finances such as monitoring cash flow, maintaining books, and creating a budget. You will have to hire an accountant to manage taxes and give you financial advice.

Step 7. Create a Brand Strategy

After a successful launch, it's time to focus on operating the business smoothly. For that, you will need to come up with a brand and marketing strategy involving website development, and more social media interactions to ensure customer engagement. Creating a strong brand strategy includes the following steps:

- Establish a Strong Brand Identity
- Understand the Australian Market
- Develop an Engaging Content Strategy
- Invest in Strategic Partnerships
- Advertise Strategically
- Monitor & Measure Results

Collab With Other Businesses

Collaborating with other companies will help you enter a new customer market and attract new customers. For example, during covid-19, Uber made a collaboration with Dettol in Australia to supply hygiene kits to Uber drivers to ensure the safety of both the passengers and drivers.

Step 8. Understand Australian Consumer Law

You need to be familiar with [Australian Consumer Law](#) as a successful business owner. The Australian Consumer Law (ACL) is a law that sets out the rights and obligations of consumers and businesses in Australia. It covers a wide range of topics, including pricing regulations, refunds and return policies, warranties, and product labeling regulations.

The ACL is administered by the Australian Competition and Consumer Commission (ACCC). The ACCC is responsible for enforcing the ACL and providing information and advice to consumers and businesses about their rights and obligations. The ACL is designed to ensure that consumers are protected from unfair and misleading business practices and that businesses can operate in a fair and competitive environment.

Step 9. Logistics and Shipping Strategy

Shipping is one of the most challenging aspects of running a successful business in Australia. There are a few things to consider while planning a shipping strategy for your company. These are

- Knowledge of International markets and shipping.
- Managing an organized Inventory.
- Maintaining a successful shipping system all over the world with maximum customer satisfaction and fulfillment.

Step 10. Taxation Obligations:

1. Goods and Services Tax (GST)

In Australia, the Goods and services tax (GST) is a tax of 10% on goods and services sold or consumed. When you set up a business in Australia you must be familiar with GST. First of all, you must check if your business needs to be registered for GST. If your business has a turnover of \$75,000 or more, then you must register for it.

You can register for GST online with the help of a Business Activity Statement (BAS) agent. This process is called Standard GST registration. Once you register, you will collect this extra amount of money from your customers and pay this to the Australian Taxation Office or ATO when the tax is due.

2. Pay-As-You-Go (PAYG) Withholding:

Before you make a payment to your employees that is subject to withholding, you will have to register for PAYG withholding. Even when you do not withhold any payment, you will still have to make a registration for this. You can register ABN, GST, and PAYG at the same time using

3. Super Guarantee (SG):

The amount of money you pay to your employees for their retirement is known as superannuation. It doesn't matter what they are paid, you must pay a superannuation guarantee (SG) contribution if you have employees. It's the amount of 10.5% of the base earnings of your employees. This amount is going to be increased to 12% by 2025.

3. Payroll Tax:

Payroll tax is one kind of state tax based on the wages paid to employees. Each state of Australia has its payroll tax legislation. If you are an employer paying wages and your wages exceed the monthly threshold amount, then you must register for the payroll tax. In case you're unable to pay the amount by the due date, contact an auditor, who will help you negotiate an appropriate payment arrangement.

Step 11. Payroll Reporting

You can talk to your software provider to find out how to start reporting payroll using STP. If you don't have access to this accounting software, you can ask for assistance from a professional accountant or registered tax agent. As the reporting procedure through STP software on each payday is quite draining, it will be easier for you to take help from your registered tax agent to get this through.

Single Touch Payroll:

Single Touch Payroll (STP) is an initiative taken by the Australian Government to make reporting to government agencies easier for employers. The Australian Taxation Office (ATO) collects payroll information through STP-enabled software. Single Touch Payroll applies to

- Payments of the employees
- Director Remuneration
- Return-to-work payment to an employee
- Termination payments
- Unused leave paid
- Parental leave pay

Expanded Data Collection

The STP expansion or STP Phase 2 has been working to make reporting easier and to include more additional information. It helps your employees to get the right payment and at the same time, they can report information to multiple government agencies.

Flexible Transition Approach

STP Phase 2 is supposed to be quite flexible. You are allowed to apply for more time. Your circumstances and readiness will be taken into account when needed. Payments will be made directly to the people who are related to the business. To make employers' transition more smooth, support is also available too. You should talk to an accountant or BAS agent for more information regarding this.

Hiring Contractor Requirements

Hiring contractors in Australia is legal, but certain restrictions and requirements must be met. Companies must ensure that their contractors are legally entitled to work in Australia, are aware of their rights and obligations, and are paid by the law. Employers must meet various legal requirements when hiring contractors

- All contractors must have valid work visas or work permits to work legally in Australia.

- Employers must ensure they comply with the relevant occupational health and safety requirements, including a safe working environment to ensure contractors and offshore contractors are adequately trained to carry out their job duties.
- Employers must register with the Fair Work Ombudsman and comply with the Fair Work Act 2009. This includes complying with the relevant award and agreement provisions, such as payment of wages, leave entitlements, superannuation, and other entitlements.
- Employers must also comply with any relevant state or territory laws, such as workers' compensation or payroll tax.
- Employers must ensure they have relevant insurance coverage in place for any contractors and offshore contractors, such as public liability, professional indemnity, and workers' compensation insurance.
- Employers should also provide appropriate training for contractors and offshore contractors, including safety training and an understanding of the relevant agreement provisions.

Step 12. Prepare for the Unexpected

An emergency can occur without warning, whether caused by human error or a natural disaster. You need to act quickly in those situations by following a risk management plan. A typical risk management plan consists of

- Emergency Management
- Crisis Communications
- Business Continuity
- IT Disaster Recovery

Seek Help from an Experienced Accountant –

When you are thinking about launching and operating a successful business in Australia, hiring a professional accountant is essential not only to create the proper structure but also for taxation compliance. The accountant can help you register for GST, PAYG, and Super, as well as advise you on any employment agreements you may need.

In addition, accountants and BAS agents will give you advice on tax deductions and how to maximize your business' profits. Finally, they help you understand changes to taxation laws and their impact on your business.

Australia being a country of global free trade gives you the benefits of availing a highly skilled workforce and a diverse consumer market. Besides, it has had a stable political environment and economic growth for two decades now. The timing could not be more perfect if you are thinking about launching a business in Australia. Take a deep breath and go for it!

Good luck!

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