

Is Entrepreneurship For You?

In business, there are no guarantees. There is simply no way to eliminate all the risks associated with starting a small business, but you can improve your chances of success with good planning, preparation, and insight. Start by evaluating your strengths and weaknesses as a potential owner and manager of a small business. Carefully consider each of the following questions:

Are you a self-starter? Nothing in business happens by itself. As the owner, you're responsible for everything from establishing your firm's vision to setting the daily work schedule. It will be entirely up to you to develop projects, organize your time, and follow through on details. The fact that you're exploring small business ownership and asking questions is a good sign.

Are you a positive thinker? The moment you become a business owner, you represent yourself, your business and your expectations for success. What you say and do must convey confidence and commitment to moving forward. Employees who sense these qualities will share that determination to succeed, even under difficult circumstances. If you work alone, there will be days when you have to be your own cheerleader.

How well do you get along with different personalities? Business owners need to develop working relationships with a variety of people including customers, vendors, staff, bankers, and professionals such as lawyers, accountants, or consultants. Can you deal with a demanding client, an unreliable vendor, or a cranky receptionist if your business interests demand it?

How good are you at making decisions? Small business owners are required to make decisions constantly—often quickly, independently, and under pressure.

Do you have the physical and emotional stamina to run a business? Business ownership can be exciting, but it's also a lot of work. Can you face six or seven 12-hour workdays every week?

How well do you plan and organize? Research indicates that poor planning is responsible for most business failures. Good organization—of financials, inventory, schedules, and production—can help you avoid many pitfalls.

Is your drive strong enough? Running a business can wear you down emotionally. Some business owners burn out quickly from having to carry all the responsibility for the success of their business on their own shoulders. Strong motivation will help you survive slowdowns and periods of burnout.

How will the business affect your family? The first few years of business start-up can be hard on family life. It's important for family members to know what to expect and for you to be able to trust that they will support you during this time. There also may be financial difficulties until the business becomes profitable, which could take months or years. You may have to adjust to a lower standard of living or put family assets at risk in the short-term.

Are you persistence? You will probably not reach your objectives immediately, so you will need to accept the short-term failure and have the will to try, try, and try again. It takes between three and six exposures to something before it will sink in or be recognized. Most people will not remember your name until you have

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told them at least three and preferably six times. The same is true with potential customers remembering your products and services.

Are you disciplined? Your days of the “9-to-5 routine” are over. Running a small business requires a continuous commitment to quality and detail. You cannot afford to cut corners, miss deadlines or make promises beyond your capabilities. If you plan to run the business from home, you must be able to resist temptations and distractions in order to get your work done.

Are you a lifelong learner? Entrepreneurs who continually seek information, new ideas, and sound advice have the best chance for success. Being attuned to market trends and issues makes it easier to adjust products and services to customers’ needs and preferences. You’re also in a better position to enhance your competitive advantage and efficiency, and address potential problems before they harm your business.

Can you market yourself and your business? Some people have trouble with this one because of the negative (and often unfair) connotations associated with being a “salesperson.” No business, no matter how good, will succeed without some kind of marketing. The good news is that promoting your business is easier than you may think as long as you know what to do and how to do it. When you craft and tell your story in the right way, more people will be willing and eager to hear it.

Can you be objective? Your ideas and practices may seem “bulletproof,” but reality may be far different. Is there really a need for your product or service in your area? Are the hours of operation fair to your employees? Is renting equipment better than owning it? A good business owner knows how to examine an issue from many perspectives and understand that strengths and limitations of each.

If every answer was a “yes,” your small business dream is on its way to becoming a reality. For areas of concern, the solution may be business counseling, management courses, or a concerted effort to discard some unproductive habits in favor new ones.

Make it a point to conduct regular self-reviews. Approaches that worked in the start-up phase may not be as appropriate for a thriving concern or if a major market shift occurs. When you work for yourself, you want to be confident the entrepreneur-owner-boss knows exactly what he or she is doing.

You can also take SBA’s Small Business Readiness Assessment at <http://www.sba.gov/assessmenttool/index.html>. This assessment tool is designed to help you better understand your readiness for starting a small business. It will prompt you with questions and assist you in evaluating skills, characteristics and experience—as they relate to your preparedness for starting a business.

Your responses will be scored automatically and an assessment profile provided, when you click the submit button. You will also receive, based on your score, a statement of suggested next steps, directing you to the most appropriate SBA resources to help improve your business preparedness.

Taken from http://www.sba.gov/smallbusinessplanner/plan/getready/SERV_SBPLANNER_ISENTFORU.html and http://www.score.org/mindset_skills_entrepreneur.html