

Do You Have What it Takes to Start a Small Business?

Many people dream of starting a small business. Most have a passion for a product or a vision for a service they would like to bring to the local community that they perceive community doesn't have, and thus will find desirable, which will bring the entrepreneur satisfaction and success.

The fact is that while having a vision and passion is absolutely essential for your business to succeed, starting and running a small business requires a high level of focus, detailed commitment, and an owner/operator with access to the business skills and resources needed to be successful.

If a person has a vision and passion for his or her product or service, is hard-working, self-motivated and organized, then he or she likely has the personal skills to be successful in starting a small business.

Running a small business takes an incredible amount of energy. Starting your business will often require 12-hour workdays, with little time off because of the myriad of things that have to be done and the limited resources new small businesses typically have available.

But, for the right person, all the work can be more than worth it for the excitement you feel and the personal satisfaction of seeing your product or service embraced by the marketplace. Virtually all of the most successful businesses in America today started as small businesses, led by entrepreneurs who were able to bring vision, hard work and sufficient resources to bear to solve a market need.

IDENTIFYING OPPORTUNITIES

The most important first step in starting a small business is to identify a business opportunity that fits with your skills, experience and resources. Simply wanting to "make money" or to start a business in a field you've never worked in and feeling you'll succeed because you want it badly enough, is generally a recipe for failure.

So take an honest look at yourself. Do you wish to provide a service or product you are genuinely passionate about? Or perhaps you have a high level of expertise in a certain field of business?

Perhaps there is a need in the community which needs to be filled? Sometimes there is a need that the community does not realize it has. Some people do try to start a small business because of the profit potential they see. But for a business to be successful it must fill a market need not currently being met by other businesses. That can be a product or service that currently isn't offered, or isn't offered in that area.

It can also be delivering a product or service in a different way, or with a different emphasis.

THE BUSINESS PLAN

A well thought out, dynamic written business plan is crucial to guide the new entrepreneur. A typical business plan will include the vision and goals of the small business and detail the business's strengths, weaknesses, opportunities and threats. Goals should be geared around a timeline since some will be achieved early on, and some will come later. The plan should have a financial forecast, a cash flow forecast, and include your marketing plan.

Experts have found that businesses with business plans are 50 percent more profitable than those lacking a business plan. A business plan guides a company at all times, and helps you realize times when you are behind plan even though profits are good, and ahead of plan even though profits may be meager. A plan helps answer the critical questions: What should I be doing today? What should I be doing next week? And what should I be doing next month for my business to be successful?

Remember that business plans are dynamic, and meant to be reviewed and updated as the business progresses.

END OF PART I – PART II will cover:

FINDING MONEY

ORGANIZING YOUR BUSINESS

OBTAIN PROFESSIONAL ADVICE