

Do You Have What it Takes to Start Your Own Business?

Each week the media reports hundreds of thousands more people losing their jobs. Since the recession started, over 5 million people have been laid off. For many of these workers the idea of going back into a corporate role gives them the chills. There is a disillusionment from those who have been effected by a lay off that makes them want to avoid getting back into it.

The same is true for students graduating from college and finding it difficult to get a good job. The idea of going to work for someone else in a large company that seems to have very little loyalty to workers isn't appealing.

For many of these people the lure of being your own boss and setting your own agenda will cause them to start a business. Being a business owner is not for everyone and it is important to really think through what it means to own a business before making the leap. There are some critical things to consider to improve your chance of success. Here are five things you should consider carefully when evaluating your fit as a business owner.

1. **Be sure to start a business, not just create a job.** There is a difference between creating a job for you to go to every day and starting a business. Don't just transfer a skill you have to a job. This will cause you to be tied to the work everyday. This puts you right back in the position of trading your time for a paycheck you will need to create. As a business owner your goal is to create value, wealth and a better life. Be sure to create a business plan that allows you to grow your business into much more than a job where you do all the work. The expandability of your idea is important to creating wealth and freeing you from the day-to-day hands-on work of the business.
2. **Find something you can enjoy doing.** You will need to devote significant time and effort to the business. You will also need to sell your product or service to others. This is very hard to do if you are not excited about what you do. If you are going to commit to building a business, it is important for you to also believe in it and enjoy doing it.
3. **Are you good at running a business or are you just a good technician?** Don't make the mistake that thinking that because you are good at creating web sites that you are also ready to run a web design business. Your former jobs and skills are great experience to help you create a great product for your customers, but it may not have given you the skills you need to run a business. You will need to understand leadership, sales, marketing, financial management, hiring, training, and much more. If you don't have these skills, get them. Learn them or hire a coach. Make sure you have a good attorney, accountant and mentor to help you make the transition.
4. **Buy into a growing industry and market or make sure you have an idea for a new one.** Many businesses have started in industries that are saturated and are

- commodity businesses. This forces you to compete on price and can make it very difficult to maintain a healthy profit margin and achieve strong growth. Make sure you are in a growth industry or have identified a niche you can compete in effectively or have a new idea with a strong demand.
5. **Honestly assess your strengths and weaknesses before making the leap.** Understand what you are good at and what you're not good at. Be honest because you will be required to do things you have not done before to succeed. This is not just about identifying your knowledge gaps. It is about understanding your personality and what you are comfortable with and willing to do. By knowing what you don't like to do you are much better prepared to get help before it is too late. For example, if you have never had to do selling or marketing before and get nervous just thinking about it, then you need to create a plan about how to overcome this issue. Don't wait until the business is suffering to be honest with yourself about what you can and will do. The more honest assessment you do before you start the better position you will be in to succeed.
 6. **Make sure you have the financial resources.** You will need to be prepared to support your personal life with funds outside the business for some time period. Don't anticipate the business will begin to provide you a paycheck right from the start. This allows you to use the income from the business to re-invest in the business for growth.

You may wonder why there are six items when I told you there would only be five. That's because a good business will always deliver what it promises but a great business will deliver more than it promises. If you are going to become your own boss be sure to take the attitude into it that you will always give more than they expect and it will serve you well.

Recessions have always been a breeding ground for new businesses. Many successful businesses have come from the ranks of the unexpectedly unemployed. Now can be a great time to get started; just make sure you do it after some thoughtful analysis and a clear mind. Your chances of success will be greatly enhanced.

To your success,
Dennis