

# Going into business checklist\*

**Most people find the thought of working for themselves appealing – being your own boss gives you the freedom to work your own hours, make your own decisions and create your own lifestyle.**

However, creating a successful business involves more than just a good idea and a commitment to working hard. You'll need the right balance of skills, persistence and knowledge to make it happen. But more importantly, you need to be clear about why you are doing it. A clear objective will provide extra motivation if times get tough.

## Handling the job

As your own boss, you'll need to self-manage, plan your work and be prepared to complete the important, but less exciting tasks that need to be done. This means you'll wear a few different hats – salesperson one minute, marketing and advertising manager the next – while still remembering to respond to customers and file your taxes. It's not an impossible task, but it is a challenge for most first-time business owners.

## Build a support network

Just because it's your business idea, it doesn't mean you have to do it alone. There are plenty of people who can help you build your business into a success, from mentors to family members and friends. Some options to consider:

- NFCC ([www.nfcc.org/smallbusiness](http://www.nfcc.org/smallbusiness)) is the nation's first and largest nonprofit dedicated to improving people's financial well-being. Talk to a [Financial Coach](#).
- SCORE ([www.score.org](http://www.score.org)) is a non-profit organization that offers free services to small businesses, including a mentoring service (they have over 10,000 mentors in every State) which is the nation's largest network of volunteer, expert business mentors. Find a mentor [here](#).
- Visit [USA Government portal](#) to starting and running your business.
- Almost every city and town have their own local business support services. One example is the [City of Philadelphia's online resources](#) to help start and manage your business.
- [The Small Business Agency](#) can help find mentors from SCORE, Small Business Development Centers and Women's Business Centers.

## Conduct direct research

The best way to gauge if you are pursuing a winning idea is to get it out there – ask a business mentor, industry specialists or potential customers what they think of your idea. Be prepared to listen to any constructive criticism or feedback – after all, it's much easier to change your offering before you launch than six months down the road.

Just make sure that you've put appropriate intellectual property protection in place before you start discussing commercially sensitive ideas with others. Talk to a patent lawyer about your options.

## Complete a feasibility check

These questions will help you highlight your strengths and identify areas where you might need to do a little more work before starting your business.

- What are the advantages or benefits of your idea? Is there a real need for it?
- What problems or difficulties is your idea expected to solve?
- Is your idea a new concept or an adaptation of an established idea?
- Can you protect your intellectual property? Are you infringing on an existing business's idea?
- Are the projected returns likely to cover your costs? What is the level of risk?
- Have you checked the idea for limitations or weaknesses?
- What is your competition doing in this area? Can your company survive in the face of competition?
- Have you considered the possibility of difficulties, or user reluctance?
- How soon could the idea be put into operation?
- How simple or complex will it be to take the idea to market?
- Could you offer variations on the idea?
- Is your idea easy to sell? Can customers afford it? Will they buy it? Is there a timing factor?

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Download the Business Plan Template to document your idea and use the Break-even Calculator to calculate how much you need to sell in order to cover your overheads.

## Can you afford to go into business?

Going into business can be expensive – you'll need to budget for various costs including your products and services, compliance costs, overheads and tax obligations. Furthermore, it could be months before you start turning a profit.

You might be intending to finance your business with personal savings, a bank loan or investment capital from a business partner, family member or friends. Regardless, you need to calculate your start-up expenses and decide how much money you'll need to keep afloat until you start breaking even.

Conducting a basic cost analysis enables you to accurately forecast how much capital you need so you'll avoid over-borrowing (with potentially crippling interest payments) or borrowing too little (not having enough capital to effectively grow your business). If you are using your savings, having a clear budget will ensure you get the most out of every dollar you invest in your business. Even a spare \$1,000 could be enough to develop a new product, attend a trade show, develop some marketing material or travel to meet a potential client – it's all about effective financial planning.

Download the Cash Flow Template to find out if your business is viable and the Start-Up Costs Template to determine how much capital you'll need to set up.

## Next steps

- Find out what support services are being offered in your local area or city.
- Look for reasonable ways to cut costs in your business. Ask your accountant or business advisers for input – they'll be able to identify any expenses that look out of balance.
- Be ruthless when deleting products or services that are not contributing any profit to the business (unless there is a good reason like a loss leader).
- Develop your own plan of action that suits your business.
- Use our [location finder](#) to visit a Store, call us on 1-855-278-8988 or [schedule an appointment online](#).

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