

Starting a Business - Guide

There are a series of questions you need to ask yourself before embarking on the road of setting up your own business. These questions will help you understand your strengths and weaknesses and how these can both help or challenge your future business.

Sometimes people want to start a business because they have invented a product or have a unique service offering a skill to a market. Others crave independence and want to work for themselves.

Fail to Plan - Plan to Fail

Some of the things that people are not factoring into their decisions when wanting to start a business are how they will support themselves, as well as the operating costs of the business before becoming profitable. So you will need to determine if you can start your business on a part-time or full-time basis and how much capital you have to inject into the business to support it whilst it starts.

The most important step you can take is to create a business plan. Your excitement and passion will only take you so far, so a plan will help you clarify and stick to a path. Here are the essential steps to document a plan:

- Understand your market through research and how your products/services fit into it.
- Identify who your target market is within that broader market/industry.
- Write down your strengths, weaknesses, opportunities, and threats.
- Work out the type of business structure you need.
- Set your goals.
- Document your products and/or services.
- Work out your marketing plan (including your strategy and all channels of marketing).
- Document your sales strategy and approach to selling.
- Work out how you will measure your success. You need to set some success metrics and milestones.
- Identify your team (who will need to be employed, subcontracted or partnered) and based on your business structure, who will be apart of the company or partnership.
- Document a 12 month projected cashflow (this will help you identify when you think you will receive income and your potential expenses, and when they will be due).
- Review the need for funding - document your funding requirements.
- Work out where you will set up your business.

A business plan doesn't need to be a long elaborate document. It will help you obtain finance, measure your progress against your goals and it can be fine-tuned as you discover more about yourself, your market and your products and services.

Once you have developed your business plan, if you plan to obtain finance or if you want to refine your influencing skills, your next job will be to create a pitch document.

There are many types of plans based on the type of business and the scale of business. We are focusing on the most important high-level plan, however, some other types of plans that business advisors can help you with are:

- Feasibility Plans
- Operational Plan
- Strategic Plans
- Product Plan (Roadmaps)
- Detailed financial plans

Prepare for Trial and Error

Whether you're starting your first business or your third, expect to make mistakes. This is natural and as long as you learn from them, also beneficial.

If you do not make mistakes, you do not learn what to do less of and what to emphasise. Be open-minded and creative, adapt, look for opportunities, and above all, have fun!

The great thing about owning your own business is that you get to decide what you want to do and how you'll grow.

So now that you have your business plan, you will need to think about setting up your space.

Make an appointment with a BEC business advisor for all your needs on starting or growing your business.