

Starting In Business Checklist

Contributed by Penny

A comprehensive checklist for anyone thinking of starting out in their own business from our very own Penny who successfully runs <http://www.squatorange.com/>

STARTING IN BUSINESS CHECKLIST

FAMILY ISSUES

1. Have you talked to all your family about starting a business?
2. Are they happy to help if necessary?
3. Will they be able to live with the financial insecurity that being self employed can bring?
4. Do they realise and accept that there may be a permanent drop in living standards?
5. If you needed to use your house as security for raising money, do they understand and accept the risks this entails?
6. Can your family manage without you doing the shopping, washing, gardening etc?
7. Will the business be the sole family income or is there another income, which will keep you all going if needed?
8. Have you worked out how much the family currently spends, and how much you will need to survive?

BUSINESS SKILLS

Financial

1. Have you done any bookkeeping, for example, kept sales records, purchase records, used computer programs such as Sage or QuickBooks?
2. Have you ever had to chase anyone for money they owe you?
3. Would you know how to negotiate credit terms with a supplier?
4. Have you any experience of drawing up cash flows or profit and loss accounts?
5. Have you drawn up a budget and monitored your progress against it?
6. Do you understand break-even analysis?
7. Do you know when you would use an overdraft rather than loan?
8. Have you ever written a business plan?
9. Have you ever presented a plan to a bank or to others?

Marketing

1. Have you ever set a price, and do you understand the different ways to do this?
2. What experience do you have of selling?
3. Have you ever researched a market?
4. What experience have you had of choosing or buying advertising, or arranging public relations events?
5. Would you know how to draw up terms and conditions of sale?

Operational

1. What experience have you had of implementing a stock control system?
2. Do you completely understand your product/service? Are you an expert on it?
3. Do you understand the effect that controlling your costs will have on your profit?

Management

1. Have you ever had to recruit staff?
2. Do you have a basic understanding of employment law and do you know where to get information from?
3. What experience do you have of setting goals and objectives?
4. Have you ever been anyone's boss before?

ALL ABOUT YOU

Complete this as honestly as you can. You might find it useful to ask friends, family or colleagues for an outside opinion – Get them to complete it for you too!

1. Are you able to work long hours?

Always

Occasionally

Rarely

Never

2. Are you persistent in achieving your goals?

Always

Mostly

Sometimes

Never

3. Is this business more important to you than your leisure activities?

Completely

More important

As important

Less important

4. If the business struggled for several years, would you keep going?

Easily
Reasonably Easily
With difficulty
No

5. Is financial success your main motivator?

Yes, totally
Important, but not totally
In part
Not at all

6. Are you considered to be a survivor?

Yes
Usually
On occasion
Never

7. If you were faced with a difficult problem, would you come up with an original solution?

Every time
Sometimes
Occasionally
Never

8. Do you keep going until something is finished?

Yes
Sometimes
Occasionally
Never

9. Do you see problems as a challenge?

Yes
Usually
Sometimes
Never

10. Can you live with insecurity?

Yes, with no trouble
Yes, mostly
Yes, but with difficulty
No

11. How do you view failure?

As an opportunity to learn
Bit disappointing
An obstacle
Catastrophe

12. Can you accept criticism?

Always listen and analyse it
Accept it
Don't like it at all.
Deny it and reject

This checklist accompanies Penny's guide to starting your own business:

Happy selling guide
Part one of Penny's guide to starting your own business