

CHAPTER 3

1. IF I WAS LEFT ALONE ON A DESERTED ISLAND, I WOULD

- a. probably go insane from loneliness.
- b. eventually adapt to the situation.
- c. be as happy as a clam.

2. THE MOST MONEY I'VE RISKED IN EITHER A BUSINESS VENTURE, GAMBLING, OR OTHER SITUATION IS

- a. a month's wages.
- b. a year's wages.
- c. more than a year's wages.

3. WHEN A VENTURE DIDN'T PAY OFF FOR ME, I FELT

- a. devastated; I'll never do it again.
- b. down for a week or so, then I bounced back.
- c. nothing ventured, nothing gained . . . on to the next venture!

4. WHEN I HAVE TO MAKE AN IMPORTANT BUSINESS DECISION, I FEEL

- a. analysis paralysis; I seek someone else to make the decision.
- b. some anxiety and procrastination, but I follow through.
- c. energized and fully engaged.

5. WHEN THINKING OF INVESTING, I EXPECT A RETURN ON MY INVESTMENT

- a. as soon as possible (i.e., within the first year).
- b. in the short term (over the next couple of years).
- c. over a longer term (five or more years).

6. WHEN I WORK IN A TEAM, WHAT I REALLY WANT TO DO IS

- a. stay quiet so I don't cause conflict.
- b. build consensus so everyone gets heard.
- c. take the lead, have control.

7. I WOULD PREFER TO BE INVOLVED IN A TEAM SPORT AS

- a. a spectator.
- b. a coach, trainer, or helper.
- c. a key player on the team.

8. IF I IMAGINE HAVING A BUSINESS EMPIRE IN THE FUTURE, I FEEL

- a. skeptical; it's not likely to happen.
- b. cautiously optimistic about the possibility.
- c. gung ho—let's get 'er done!

Now add up your points:

1 point for each *a* answer

2 points for each *b* answer

3 points for each *c* answer

If your total number of points is

8: You're probably not ready to be an entrepreneur at this time in your life. But don't give up; do some more soul-searching and research, and take this quiz again in a few months or a year.

9–16: You're ready to become your own boss, cautiously at first. A "Company of One," such as buying a franchise, might be a good start for you at this time.

17–23: You're busting to get started! Your best options probably fall under the "Boss of a Few" or "Business of Many" headings—that is, either buying an existing business or franchise, or creating a start-up.

24: Wow! You're slated to become an entrepreneur on steroids—growing your venture quickly via diversification or multiple units.

To take a more in-depth version of this entrepreneurial readiness quiz, go to yourbestboss.com/quiz.

CHAPTER 4

COMPANY OF ONE CHECKLIST

- ❑ List everything you're good at and care about (yes, even hobbies) to see what might provide long-term satisfaction for your new business.
- ❑ Figure out what level of investment you can bring to your venture initially.
- ❑ Try to figure out how working alone might suit you. Talk to your friends, spouse, and other family about how *they* think you'd do as a solopreneur.
- ❑ Incorporate your new business right out of the gate. Becoming You Inc. or You LLC has great benefits in tax write-offs.
- ❑ Don't overlook the support of family members as (unpaid) employees, at least at the start, or as helpers in other parts of your life, so you can devote yourself to your Company of One.

CHAPTER 5

BOSS OF A FEW CHECKLIST

- Hire more employees only as the workload warrants.
- Franchising can be a relatively easy way for a quick start.
- Plan for the time to properly train your employees and put the appropriate business operation systems in place.
- Pace yourself, moving carefully and methodically through the start-up steps required, following professional advice.

CHAPTER 6

BUSINESS OF MANY CHECKLIST

- Investigate quick-service food (and some retail businesses) as franchise opportunities.
- Where possible, get like employees to train each other (i.e., job shadowing).
- Use the time freed up by having more staff to work on strategy to keep the business growing.
- Invest in your ongoing business education—online, in person, at school, etc.—to stay current with best practices in marketing, sales, operations, and the like.

CHAPTER 7

FRANCHISING CHECKLIST

- Give some serious thought to how much doing things “your way” matters to you, particularly when it comes to processes, marketing, supplies, and other operational procedures.
- Talk to other franchise owners to see what their experience has been like.
- Consider hiring a professional franchise consultant to narrow your choices and to help you through due diligence with the franchisor.

CHAPTER 8

BUYING AN EXISTING BUSINESS CHECKLIST

- Work with several business brokers to find a suitable company and help you negotiate the deal.
- Don't overlook franchise resale opportunities.
- Trust the bank's valuation of the business, not the seller's valuation.
- Talk to employees of the company, people in the community, competitors.
- Be careful about what stays and what goes with the seller.
- Get the seller to sign a noncompete agreement through your attorney.
- Get professional advice on an "owner carry" arrangement.

CHAPTER 9

BUILDING YOUR OWN BUSINESS CHECKLIST

- Find a niche market that is underserved in your region.
- Put significant time into building the right processes and systems, no matter how boring you find it.
- Technology can enable both “virtual” and actual offices.
- Hire the best service providers (attorney, financial advisor, etc.) you can afford.
- Build reciprocal referral partnerships in your community.

CHAPTER 10

PARTNERSHIP CHECKLIST

- Be sure to partner with someone who has skill sets and/or assets that are complementary to your own.
- You and your partner don't have to be friends, but you do need to be *friendly*, day in and day out.
- Consider partnership as a long-term commitment that requires as much work as a good marriage, before and during.
- Have a business attorney draw up a formal, legally binding contract of partnership that *very clearly* states expectations and contributions, and review those expectations and contributions regularly.
- Perform due diligence even on your friends if considering them as business partners.
- Hire a professional advisor, such as a business broker, who has experience finding partners and arranging partnerships.
- If a couple partners, consider one spouse keeping an outside job while the business gets going, so the family has a fallback income.

CHAPTER 11

CHECKLIST: BEFORE OPENING DAY

1. Hire professional advisor team
 - Accountant
 - Payroll
 - Legal
 - Real estate
 - Business mentor(s)
2. Conduct a demographic review, leading to site selection (i.e., close to campus, mall?)
3. Negotiate lease (whether office, retail, or food service)
4. Apply for building and/or construction permits
5. Make tenant improvements
6. Install furniture and/or equipment (buildout)
7. Apply for required paperwork, such as
 - Business license (federal/state/county/city)
 - Sales tax
 - Workers' compensation

- Unemployment insurance
- Specialty registrations (e.g., food, alcohol, hospitality)
- 8. Purchase and install inventory control and point-of-sale system(s) if required
- 9. Establish a business account at your bank
- 10. Establish a merchant services account to accept credit cards
- 11. Prepare for inventory:
 - Apply for supplier accounts
 - Establish payment terms
 - Order initial inventory
- 12. Prepare HR and training procedures and manuals
- 13. Hire employees and train them
- 14. Marketing:
 - Mobile-friendly website
 - Send press release(s) online and to local media
 - Purchase e-mail delivery tool/marketing automation for your lists
 - Consider a soft opening (not publicly announced) in case of errors or delays, or the need for additional employee training
 - Investigate customer relationship management (CRM) systems

BUSINESS PLANNING CHECKLIST

- If you fail to plan, then plan to fail.
- Have in-depth knowledge of your market: demographics, local trends, average incomes, competitors.
- Make sure you procure all the licenses and permits you require.
- Work with a knowledgeable Realtor, attorney, business broker, etc.
- If needed, employees should be one of your first and most important considerations.
- Don't wait for your launch to build bridges in the community; find partnerships and promotion channels ahead of time.

CHAPTER 12

BUSINESS FUNDING CHECKLIST

- How you choose to fund your business will profoundly affect your success.
- Aim to invest about 40 percent of your overall net worth in funds: all personal assets minus all liabilities.
- A 401(k) loan is a very different (and less desirable) animal from the self-directed 401(k).
- The self-directed IRA and self-directed 401(k) are ways to avoid debt, taxes, or penalties when rolled over into your own corporation.
- Be careful borrowing money from friends or family; make sure the loan is documented in a legal agreement overseen by a third party.
- Putting your personal assets on the line can add a dimension of stress to an already anxious time.

CHAPTER 13

GAINING TRACTION PHASE: FIRST SIX MONTHS CHECKLIST

- Remember that cash flow is king.
- Manage your fears; turn them into motivation.
- Train yourself to focus on one task at a time.
- Refer back to your USP and business plan if you feel lost or overwhelmed.
- Automate or delegate to create the best efficiencies.
- Make tough decisions early.
- Consider outsourcing tasks on the personal and home fronts.

CHAPTER 14

ACCELERATION PHASE: SIX MONTHS TO TWO YEARS CHECKLIST

- Manage growth by balancing number of staff with market demand.
- Evaluate which customers help or which hinder your growth.
- Attract quality employees by offering a 401(k) plan and other benefits.
- Regulate volume of new business by increasing or throttling marketing spend.
- Spend a lot of time learning, and applying, tried-and-true marketing strategies.

CHAPTER 15

FULL SPEED: TWO-PLUS YEARS CHECKLIST

- This phase should be a chance for your employees to become more specialized in their roles.
- Continue to improve your operations, keeping the 80/20 rule in mind.
- Learn to adapt to changes in technology, your market, and the competition.
- A self-directed 401(k) will allow you to sock away a significant amount of pretax money—and put it right back into your retirement.
- During this phase, think about your exit from the business, no matter how many years away that may be.

CHAPTER 16

EXIT PHASE CHECKLIST

- Think like a businessperson, not a relative, if thinking about handing off the company to a family member.
- A partial exit strategy is an option; retirement doesn't have to be "all or nothing."
- Franchise resale is possible should you not wish to cut short the length of your franchise agreement.
- A stock sale is more advantageous for you than an asset sale.
- Profit from the sale can stay in your retirement account, tax-free.

ADDITIONAL RESOURCES

NOTES FOR MY BUSINESS PLAN

My unique selling proposition (USP) is

to offer (product and/or service): _____

to (target demographic): _____

In the region of (geographic location): _____

Resources close by include

College campus: _____

High-value residential area(s): _____

Sporting or entertainment facility: _____

Selling via the Internet

National: _____

International (which countries): _____

My main competitors are

1. _____

2. _____

Required location(s) (specify square footage)

Retail: _____

Production facility: _____

Office: _____

Food service: _____

Required number of employees

Full-time: _____

Part-time: _____

Training

For staff: _____

For myself: _____

Required inventory: _____

Potential partnership(s): _____

Potential investor(s): _____

Start-up Funds Available

Personal savings: _____

401(k): _____

IRA: _____

Family/friend loan: _____

SBA loan: _____

Home equity loan: _____

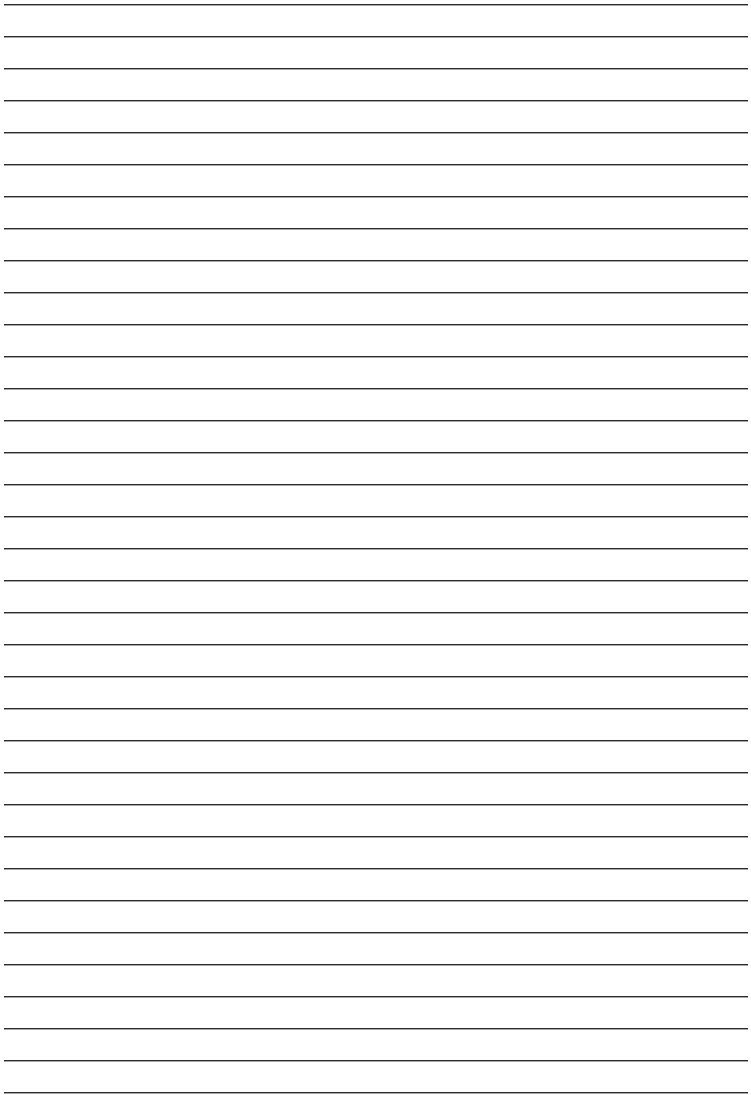
Conventional loan(s): _____

Unsecured line(s) of credit: _____

Other: _____

Approximate total of start-up funds: _____

Other notes: _____



TAKE THIS MYTH-BUSTING QUIZ

TO BE A SUCCESSFUL ENTREPRENEUR . . .

1. *You have to get into debt.*

- True
- False

2. *You should have a business partner.*

- True
- False

3. *You have an advantage if you're older (midcareer).*

- True
- False

4. *You'll do better if you have an original idea for a business.*

- True
- False

5. *All you need is a few years.*

- True
- False

6. *You have to be born with entrepreneurial tendencies.*

- True
- False

7. *The corporate world prepares you well.*

True

False

8. *You need to follow the latest marketing system and tactics.*

True

False

9. *You need formal business training.*

True

False

Answers: upside down on bottom on this page.

1. F 2. F 3. T 4. F 5. T
6. F 7. T 8. F 9. F