

Starting a Business

You need to think about many things before you start a business. This checklist doesn't cover everything, but it's a good starting point. Print the document out and check the boxes. If you answer 'No' more than a few times, you may need to re-think – or at least do a lot *more* thinking.

Before You Start

	Yes	No
Business owners often have to work long hours under a lot of pressure, with no guarantee of success. Are you sure you want to own your own business?	<input type="checkbox"/>	<input type="checkbox"/>
Have you had any business training?	<input type="checkbox"/>	<input type="checkbox"/>
Have you ever worked in a management position?	<input type="checkbox"/>	<input type="checkbox"/>
Can you run a business efficiently?	<input type="checkbox"/>	<input type="checkbox"/>

Planning

	Yes	No
Do you have a business plan for yourself and your employees?	<input type="checkbox"/>	<input type="checkbox"/>
Could you make more money working for someone else?	<input type="checkbox"/>	<input type="checkbox"/>
Does your partner (ie. spouse, other partner) agree with your plan to start a business?	<input type="checkbox"/>	<input type="checkbox"/>

Business Structure

	Yes	No
Do you have a business structure in mind?	<input type="checkbox"/>	<input type="checkbox"/>
Have you talked to you accountant and your solicitor about your plans?	<input type="checkbox"/>	<input type="checkbox"/>
If you need a partner, do you have someone who in mind?	<input type="checkbox"/>	<input type="checkbox"/>

Money

	Yes	No
Do you know how much money you will need to get started?	<input type="checkbox"/>	<input type="checkbox"/>
Have you saved any money?	<input type="checkbox"/>	<input type="checkbox"/>
How much money of your own you can put into the business?	<input type="checkbox"/>	<input type="checkbox"/>
Can you borrow the rest of the money you need to start your business?	<input type="checkbox"/>	<input type="checkbox"/>
Do you know if you can get credit from your suppliers ?	<input type="checkbox"/>	<input type="checkbox"/>
Do you what net income per year you can expect from the business?	<input type="checkbox"/>	<input type="checkbox"/>
Can you handle a loss in the first year of business operation?	<input type="checkbox"/>	<input type="checkbox"/>
Are you willing to re-invest your salary/business profits to grow your business?	<input type="checkbox"/>	<input type="checkbox"/>
Have you talked to your bank?	<input type="checkbox"/>	<input type="checkbox"/>

Expenses

Yes No

Do you know what your expenses will be for:

advertising

communications (telephones inc. mobiles, internet services etc)

insurance

interest

rent

utilities

vehicles

wages

other expenses

Do you know which expenses are direct, indirect, or fixed?

Do you know how much your overhead costs will be?

Do you know how much your selling expenses will be?

Clients

Yes

No

Are businesses of the type you are planning needed?

Are most businesses of the type you are planning doing well?

Do you know who will want to buy your goods or services?

Do you know where you want to locate your business?

Have you thought about opening a different kind of business?

Premises

Yes

No

Have you found good premises for your business?

Is there room to expand if necessary?

Do you have an idea of fitout costs?

Is it close to transport?

Is parking available for staff and clients?

Equipment and Supplies

Yes

No

Do you know what equipment and supplies you need?

Do you know how much your equipment and supplies will cost?

Can you save some money by buying second-hand equipment?

Risks

Yes No

Are you aware of the major risks associated with your business? Can you minimize any of these risks? Are there risks beyond your control? Can these risks bankrupt you? **Products or Services**

Yes No

Have you decided what products or services you will sell? If products, have you found suppliers who sell you what you need at a price you can afford?

If services, who will supply them:

you? employees? contractors? **Business Records**

Yes No

Do you have an accountant? Can you track your income and expenses? Can you track your debtors and creditors? If you are selling products, can you keep track of your inventory? Can you keep payroll records? Can you keep tax records? Do you know what financial statements you should prepare? **Legalities**

Yes No

Do you have a solicitor? Do you know what licenses and permits you need? Do you know what legislation and regulations apply to your business? **Buying a Business**

Yes No

Would it be better to buy an existing business? Have you compared the cost of buying a business with the cost of starting a business? If you have a business in mind, are you sure you know the real reason why the owner wants to sell it?

Advertising

Yes No

Have you decided how you will advertise? (word of mouth, newspapers, professional journals, radio, television, internet, mail?)

Do you know where to get help with advertising?

Do you know how competitors advertise?

Prices

Yes No

Do you know what you should charge for your products or services?

Do you know what competitors charge?

Employees

Yes No

If you need employees, do you know where to find them?

Do you know what kind of employees you need?

Do you have a plan for training your employees?

Customer Credit

Yes No

Will you give your clients credit?

Do you know what credit terms are usual in your type of business?

Can you tell a good credit risk from a bad one?

As we said at the beginning of this list, it doesn't cover everything. If it made you think of other things as you went through it, add them to the list – and find out the answers.

After you have completed the checklist, save it under a different name so that you have a permanent record.