Self-Employment

CAUTION: Entrepreneurship is NOT for the weak!

The idea of owning a business is attractive to many types of people. Some are drawn to 'be their own boss', to work closer to where they live, or to provide a product or service to an area where it is needed. Some people feel they can take more pride in their work and also be recognized for their efforts, still others feel they can have greater job security and may even be able to sell their business or pass it on to their children. Our shared *American Dream* features a 'rags to riches' story that includes a plucky protagonist that pulls her- or himself up with their bootstraps to achieve financial and social success.

One of our basic human needs is to feel we have the power to determine our destiny. Owning your own business is certainly one way to take control. Unless the start-up is handled cautiously, intelligently and with a long-term commitment, however, a person can drive their dream right into the ground.

This brief document will only cover the very basics (mostly using bullet points!) of things to consider in starting a business. It is merely a check list to assess if this is the right path for you, and also to consider some of the many things you'll need to address to get started…and then to keep it running.

Let's begin with some simple questions to ask yourself:

- What kind of business do I want to start? Will I provide a product or a service?
- Where will my business be located? What type of community supports my business? (examples: neighborhood, city, state, internet)
- Who are my customers? What makes them different from other consumers?
- How must I organize my company: What regulations must I follow? Does this business require special licensing or permits? How should I incorporate? (examples: LLC, S Corp, B Corp, non-profit)
- Where and how will I advertise or otherwise communicate to my customers?
- Does my business benefit all of the members of the community in which it is located?
- What is the name of my business and what is my 'tag line' or 'elevator speech' to describe it?
- How will I explain my business to my grandmother? (good practice; even if she is no longer with us)
- Can I tolerate book-keeping or am I able to pay someone who can?

Are you willing and able to:

- Start organized and stay organized?
- Follow legal procedures (including lots of paperwork!)?
- Ask for help?
- Pay taxes willingly?
- Be flexible, creative and responsive when things don't go as planned?

Now let's look at some difficult things to consider in starting a business:

- Can I handle a lot of rejection and nay-sayers?
- Will I feel jilted or jaded when my friends are not willing to be my customers or backers?
- Can I live with little to no income for at least 1 year and up to 3 years?
- Am I willing to sacrifice much of my leisure time or social life for up to 3 years as well?
- Do I have a super-strong moral base? (The temptation to cheat can be powerful for many.)
- Can I provide clear proof I will be able to succeed - and that I am a worthwhile risk - to small business loan officers?
- Do I have solid back-up plan for repayment?
- Am I comfortable with risk or will I worry?
- Am I physically strong enough to endure hard work, stress and exhaustion?
- What aspects about running a business matter most to me?
- Am I a 'people person' and if not, can I hire this person, or how will I communicate with customers?
- What are my 'competitors' doing? What do I do similarly or differently to what they are doing?
- How long will it take to start my business before any money begins to come in? Can I start it while I work at another job?
- Am I willing and able to trademark, copyright or patent my name, logo, written or recorded material or invention?

Some possible snags or ways to fail at starting a business:

- Need others to do work or research for you to get started.
- Blame others or 'the system' when things get difficult
- Require more resources from outside investors than you are willing to contribute yourself.

A couple of resources for entrepreneurial hopefuls:

SCORE: https://www.score.org/

Small Business Administration: https://www.sba.gov/

US Patent and Trademark Office: http://www.uspto.gov/

How to Write a Business Plan: http://articles.bplans.com/how-to-write-a-business-plan/

Free Government Publications: The Consumer Information Catalog lists approximately 200 free and low-cost publications available to you from various federal agencies. The publications cover topics such as money, health, employment, housing, federal programs, travel, small business, and education.
To write for your free catalog, send your request and address to: **Federal Citizen Information Center**
Also ask for "How to Write a Business Plan Pub #173 Attn: Catalog
Pueblo, CO 81009

Please share your thoughts, ideas, questions and concerns. Your questions, suggestions and ideas will help me improve this page to better serve our future business owners!