"In the beginning, God created..."

Getting Your Business Started

- A plain iron bar is worth $5.00.
- If one forges horseshoes from that bar, the value increases to $10.50.
- If the bar is made into needles, the price rises to $3,285.
- And if one makes watch springs from it, then it is worth $250,000.

Therefore, the difference between $5.00 and $250,000 is creativity.

Rule #1:
- If there is no market, then there is no business.
Start-Up Strategies

Rule #2:

See Rule #1.

Ten Tips to Small Business Success

1. Target
You are not all things to all people. Decide on your niche--narrow your focus and broaden your appeal.

Classification of Businesses by Size

- VERY SMALL
  Under 20 employees

- SMALL
  20-99 employees

- MEDIUM
  100-499 employees

- LARGE
  More than 500 employees

Advantages of Owning a Business

- The opportunity to gain control over your own destiny.
- The opportunity to reach your full potential.
- The opportunity to benefit financially.

Advantages of Owning a Business

- The opportunity to contribute to society and to be recognized for your efforts.

Ten Tips to Small Business Success

2. Be Different
If your competitors are doing it, don't. Stand out from an overcrowded marketplace where so much of the advertising and products look the same.
Obstacles to Owning a Business
- Uncertainty of income.
- Complete responsibility.
- Long hours and hard work.
- Risk of losing your entire invested capital.
- Lower quality of life until the business gets established.

Problems Facing Small Businesses
- Inadequate financing.
- Inadequate management.
- Burdensome government regulations and paperwork.

Ten Tips to Small Business Success
3. Build a Team
Don't hire an employee to fill a position. Employ a person to be part of a team to build your business.

12 Characteristics of Entrepreneurs
1. Commitment and determination.
2. Desire for responsibility.
3. Opportunity obsession.
4. Tolerance for risk, ambiguity, and uncertainty.
5. Self-confidence.
6. Creativity and flexibility.
7. Desire for immediate feedback.
8. High level of energy.
9. Motivation to excel.
10. Orientation to the future.
11. Learning from failure.
12. Leadership.
Competencies of the Small Business Owner

- A focus on the market.
- Financial foresight.
- Building a top management team.
- Determining a role for the founding entrepreneur.

Ten Tips to Small Business Success

4. Be Fast
Time is the most precious commodity. When delivery is expected Friday, show up Thursday afternoon. Return calls and e-mails now.

Causes of New Venture Failures

- Management incompetence.
- Lack of experience.
- Poor financial control.
- Failure to plan.
- Inappropriate location.

Causes of New Venture Failures

- Lack of inventory control.
- Improper attitudes.
- Inability to make the entrepreneurial transition.

Ten Tips to Small Business Success

5. Say Thank You
A lot. Tell your customers and employees how much you appreciate them. Better yet, do it the old fashioned way: take pen to paper and write them a note.
Ideas Versus Opportunities

- Not every business idea represents a business opportunity!
- The key to success is to develop ideas that create value for stakeholders.
- Opportunities have well-focused target markets.

Screening Ideas

- How will the new product or service differ from what competitors already offer? How will it create value for the customer?
- What is the window of opportunity for the new product or service?

Ten Tips to Small Business Success

6. Be Consistent
   Make sure your business has a consistent look and feel. A customer must get the same flavor from everyone within your organization. Always.

Screening Ideas

- When evaluating business ideas, entrepreneurs must consider the risks involved in turning those ideas into successful business ventures.
  - How much will the venture cost to launch?

Ten Tips to Small Business Success

7. Smile
   Throw out the reasons you think people buy from you like price, product quality, or your warranty. They buy because they like you.
Four Start-Up Strategies

- Being the “firstest” with the “mostest.”
- “Hit ‘em where they ain’t.”
- Developing ecological niches.
- Changing the economic characteristics of products, markets, or industries.

Start-Up Strategies

- No matter how careful or how knowledgeable you try to be, mistakes will happen. Get used to the idea.

Ten Tips to Small Business Success

8. Fanatical Optimism
The glass must always be half full. Attitude will always win out in the end and infect all of those around you.

Start-Up Strategies

- Many missteps occur because new owners insist on doing everything themselves.
- Review what you do best and try to delegate or outsource the expertise you lack.
- When you make an error, learn from your mistakes.

Business Startup Mistakes

- Focus on answering one deceptively simple question:
  
  How will you make money?

Ten Tips to Small Business Success

9. Sell Soft
Don’t ever hard sell. Solve problems. Satisfy wants. Do what is truly best for your customer.
Business Startup Mistakes

**Don’t Overlook Your Loved Ones.**

- Startups demand 80- to 100-hour workweeks and serious support systems.
- They also require significant time commitments and financial sacrifices, both of which can strain a relationship.

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Don’t Overlook Your Loved Ones.

- That commitment isn't yours alone. You need ongoing buy-in from family and friends.
- Make sure your time and money is also spent on family or a significant other.

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Ten Tips to Small Business Success

10. **Leave Your Comfort Zone**
   
   Never accept the idea that this is the way you've always done it.
   Never accept that a new idea or technology could never work for you.
Small Business Start-Up Basics

Please give us your feedback.