

Is Owning a Business a Good Fit for You?



FDIC



SBA

Pre-Test

- Locate the Pre- and Post-Test Form at the back of your workbook.
- Complete the BEFORE Training column to assess your knowledge on this topic *before* participating in this class.

In your workbook



Agenda

- Welcome, Pre-Test, Agenda, and Learning Objectives
- Introductions: What Is YOUR Motivation?
- Business Ownership Terms
- Myths and Realities of Small Business Ownership
- Roots of Power
- Start – Stop – Continue Action Planner
- Summary, Post-Test, Evaluation

Learning Objectives

- Clarify some of the myths and realities of small business ownership.
- Start a self-assessment to determine your readiness to become a small business owner.
- Set a plan of action to complete your self-assessments by seeking feedback from stakeholders, such as family, friends, and potential customers.

Introducing Marlena

See page 4 in your workbook.

- Marlena has the potential to be a successful business owner.
- She also has some concerns about business ownership.
- As we review Marlena's decision-making process, ask: is this role a good fit for Marlena... and for me?

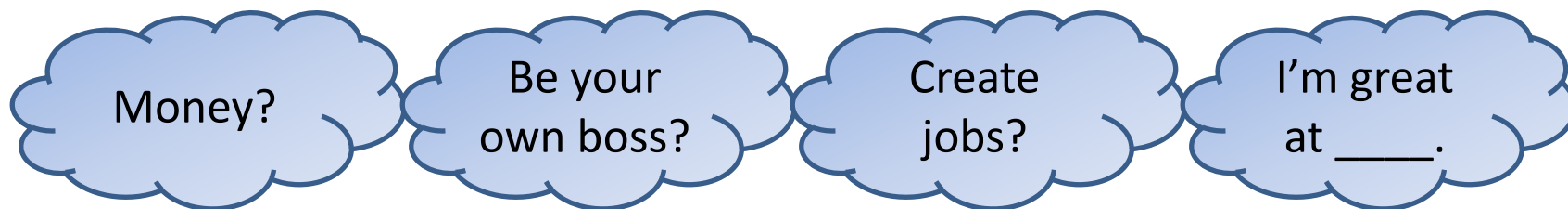
Is owning a business a good fit for me?



Introductions: What Is YOUR Motivation?

Complete the worksheet on page 5 in your workbook.

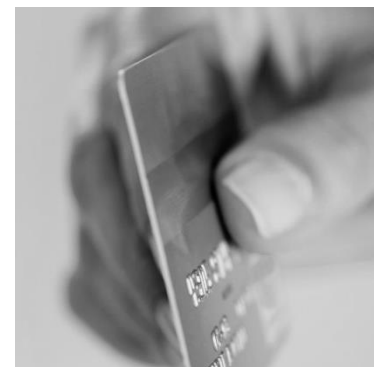
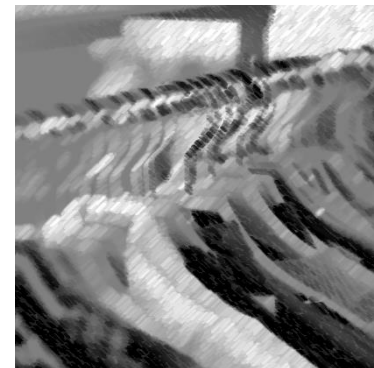
- Rate the list of motivations as High, Medium or Low for yourself.
- There are no wrong answers.
- Marlena's answers are provided as examples.



Business Ownership Terms

See page 6 in your workbook.

- Sole ownership or proprietorship
- Partnership
- Franchise
- Home-based
- Start-up or high-growth
- Brick-and-mortar
- Online
- Existing business



Myths and Realities of Business Ownership

Complete the worksheet on page 7 in your workbook.

- What are your assumptions?
- What do you think is true or false?



True or False?

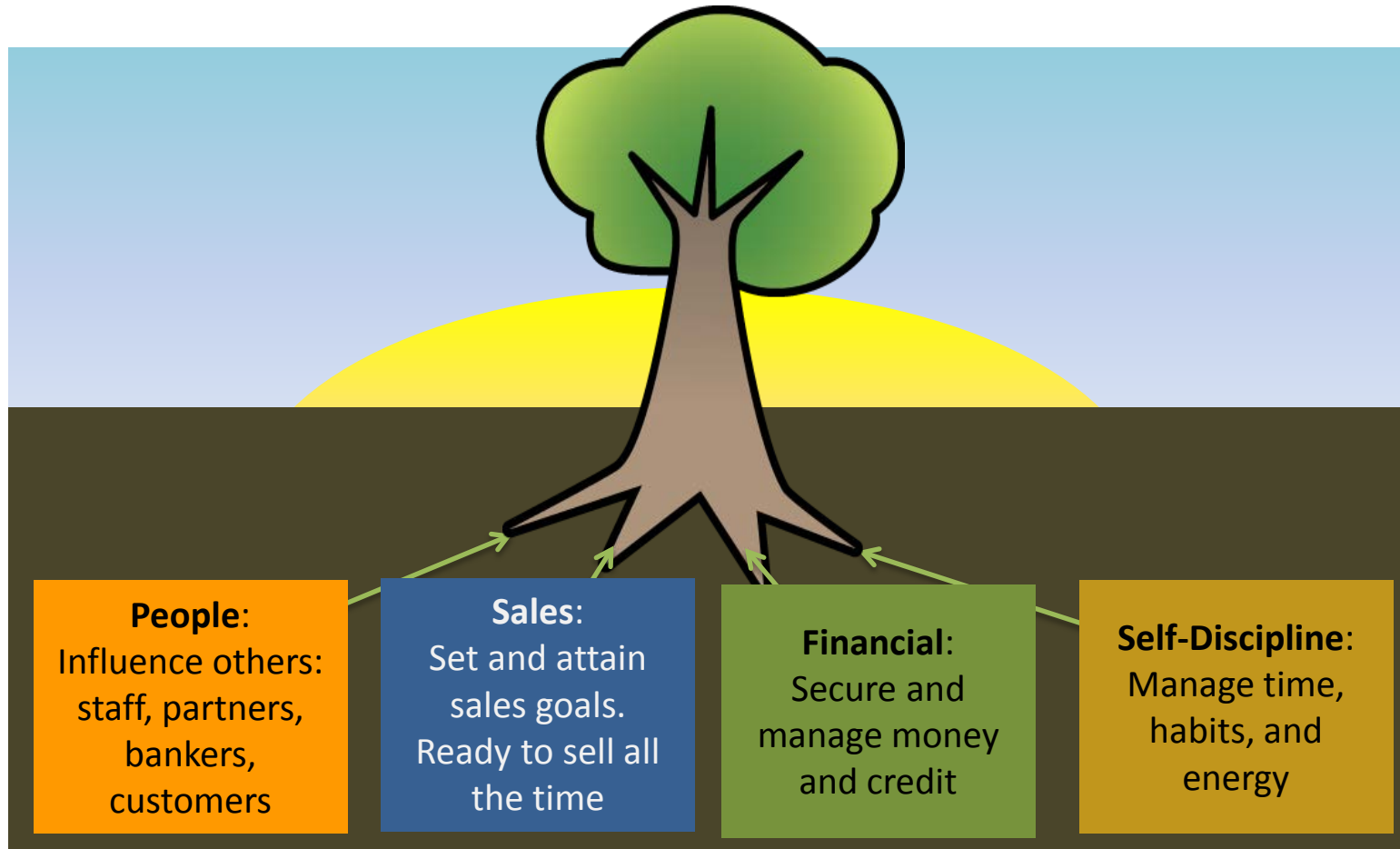
See page 7 in your workbook.

1. Starting a new business can be a huge personal sacrifice for your family.
2. There are a lot of emotional ups and downs.
3. You have to “get it right” every time.
4. You do not need a big cash reserve to be successful.
5. After about a year, you can relax and enjoy the profits.
6. It is easy to get loans for a great idea.
7. Successful entrepreneurs do it all themselves.
8. You will not have a boss.
9. You will have more freedom, control, and work–life balance.
10. Starting a business is risky.

True or False? Answers

1. Starting a new business can be a huge personal sacrifice for your family.	True
2. There are a lot of emotional ups and downs.	True
3. You have to “get it right” every time.	False
4. You do not need a big cash reserve to be successful.	It depends
5. After about a year, you can relax and enjoy the profits.	False
6. It is easy to get loans for a great idea.	False
7. Successful entrepreneurs do it all themselves.	False
8. You will not have a boss.	False
9. You will have more freedom, control, and work–life balance.	False
10. Starting a business is risky.	It depends

Roots of Power



Marlena's Roots of People Power

See page 9 in your workbook.

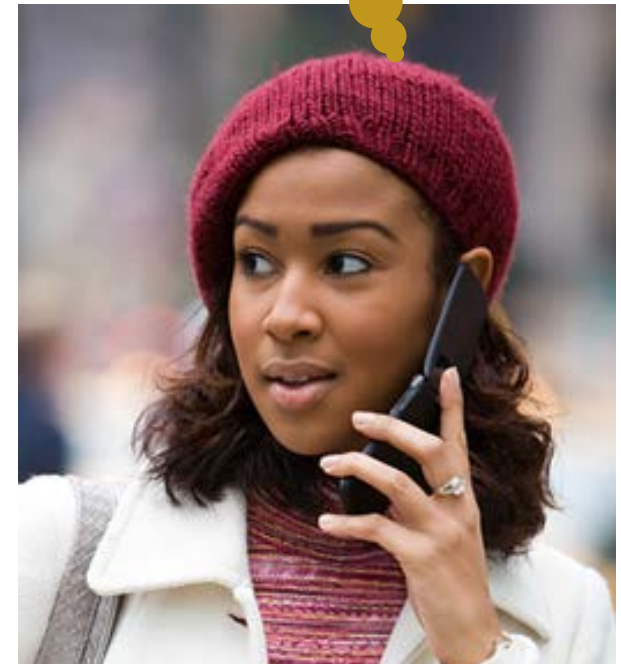
High:

- Easy-going and likable
- Active listener
- Honest
- Respectful of others
- Strong vision and belief

Low:

- Connecting and networking
- Management/supervision skills

Some people
tell me I'm TOO
nice!



What Are YOUR Roots of Power?

Roots of Power Self-Assessment on pages 10–13 in your workbook.

- People Power
- Sales Power
- Financial Power
- Self-Discipline Power

Finish the self-assessment at home.

You will not have time to complete the self-assessment in class. Make sure to complete it on your own. Ask stakeholders for feedback!

It Is Professional to Ask for Help

Ask for advice and feedback:

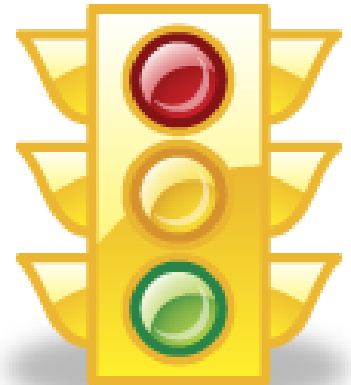
- Family and friends: How will they react if you work 60 hours per week?
- Potential customers: What do they want? What are they willing to pay?
- Other business owners: They can tell you what works (and what does not work).
- Bankers: Start a relationship with a banker *before* you need a loan.
- Potential partners: Look for partners who have skills and experience.

Start–Stop–Continue Action Planner

Start the worksheet on page 14 of your workbook.

- Based on your self-assessment and our conversations, what do you need to...
 - Start doing?
 - Stop doing?
 - Continue to do?

Finish the worksheet at home.



Industry-Specific Self-Assessments

See pages 15 – 17 in your workbook.

Extra self-assessments are provided for other industries and fields:

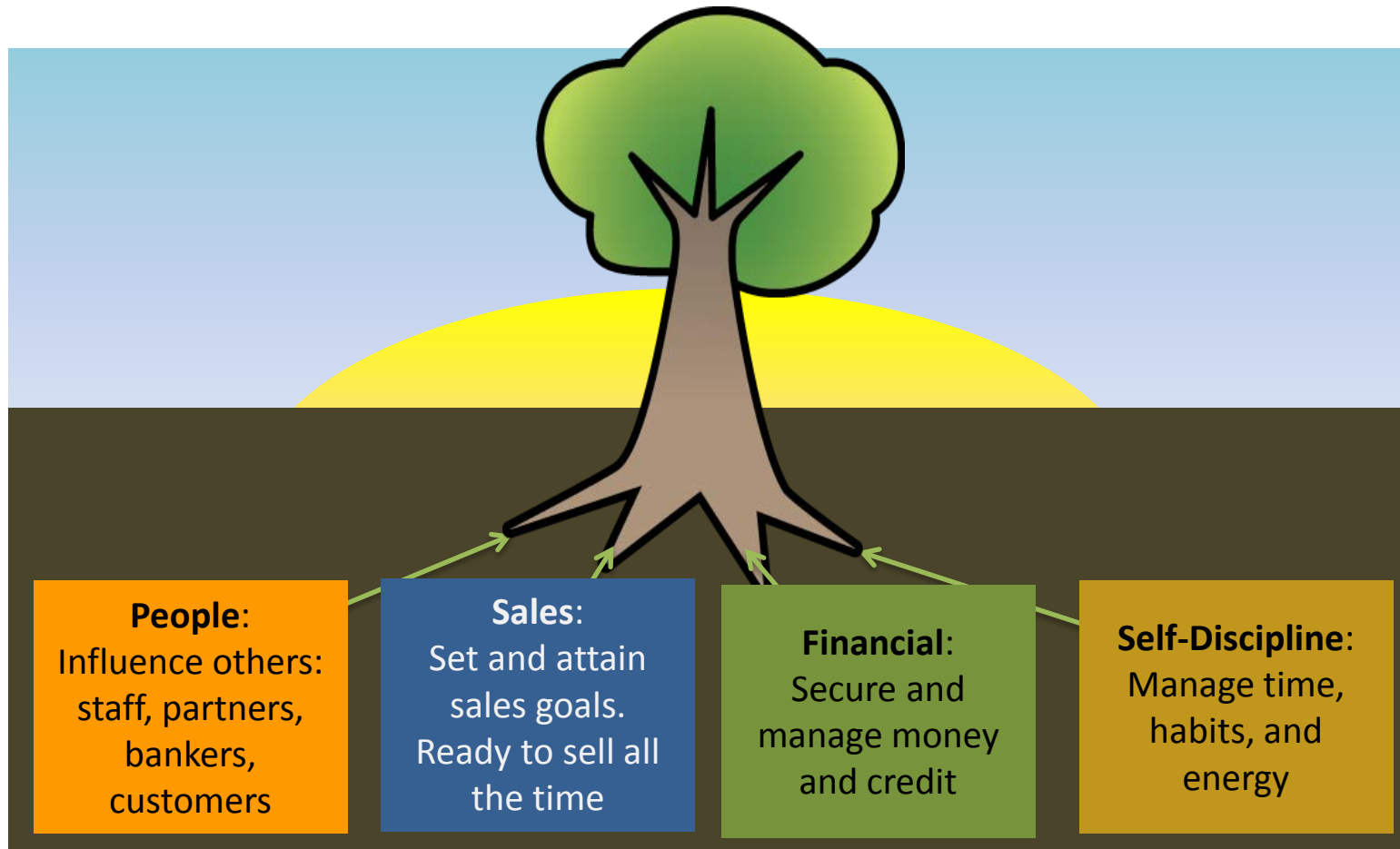
- Construction
- Retail
- Online retail
- Professional services
- Restaurants/food-based
- Personal services

DO YOUR
HOMEWORK. Ask
others who have
businesses in your
field or industry to
advise you.

Key Points to Remember

- We all have strengths and weaknesses. The key is to recognize where you are strong, and where development is needed.
- Have a clear plan of action.
- Ask a range of knowledgeable people for advice (family, friends, accountants, other business owners).
- Include a bank loan officer and/or micro-lender on your list. Start these conversations before you ask for a loan.

Roots of Power



Summary

- What final questions do you have?
- What have you learned?
- How would you evaluate the training?



Conclusion

- Marlena is ready to move to the next stage of small business ownership—*planning*.
- She knows she cannot do it alone. She is open to a partnership with someone who has the skills she lacks.
- She needs to do more homework before she can make a well-informed decision.



Pre-Post Test and Evaluation

In your workbook

- If you have not already done so, assess what your knowledge on this topic was *before* you participated in this class.
- Assess your knowledge on this topic *after* taking this class.
- Complete the Evaluation Form. Your feedback is helpful!
- Return both forms to the instructor before you leave. Thank you!

DON'T
FORGET