

10 EASY STEPS TO BUILDING A SOLID FOUNDATION FOR YOUR BUSINESS START UP



Executive Briefing Series

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YCHANGE assists emerging and expanding small businesses with the planning and paperwork needed to get the business going. YCHANGE has the right people, skills, industry resources, business-planning expertise and track record, to help your company achieve its business goals quickly.

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10 Easy Steps to Building a Solid Foundation for Your Business Start-up

1. The Business Idea.

Write it down, for only then it becomes real. Be able to articulate it in less than twenty-five seconds or as long as a short ride on an elevator. This is called the elevator speech and makes you think long and hard about what it is you're trying to do.

2. Develop a Business Plan.

Entrepreneurs never plan to fail at a start-up, they fail to plan. A good business plan forces you to understand every aspect of the proposed business. It also forces you to run a financial analysis to prove that the business is financially feasible and to calculate the capital you need to start the business and to pay for the operating expenses while the revenue stream is being developed.

3. Create the Business Identity and Image

Choose a name for the business and a name for the web site which you will need in today's environment. Get a logo if necessary and make sure that they all fit with the product or service you're trying to sell.

4. Paperwork and Forms

Decide on a legal structure for the business (single proprietorship, partnership, LLC or corporation). Understand the licenses you need and the forms that are required by the different government entities you'll have to deal with.

5. Start-Up Capital

A good business plan will have forced you to size up and justify the amount of start-up capital you need. Determine where it will come from and make arrangements to get a commitment for it. This would be the first place you'll need a copy of a well developed business plan.

6. Start-Up Operating Expenses

You'll also need enough capital to cover the on-going operating expenses until the business begins to produce enough positive cash flow. Again a good business plan will have identified the cash flow and the break-even point.

7. A Marketing Plan

Who are your customers and how will you go after them. How will you package your product or service and what price will you charge for it. Will your customers be satisfied with your product/service for the value they've received.

8. Identify Relevant Technology

We live in a technological age and need to make good use of all available technology. Whether it is the Internet, good manufacturing equipment or current office equipment you need to be sure that you are utilizing the most user friendly and economically feasible products.

9. The Right People Resource

A good leader always surrounds him/herself with excellent people. Play to your strong points and understand your weaknesses so you can build a team to fully complement your skill set.

10. Live As If Today Were Your Last

Do not forget family and friends as you begin to work the 16 to 18 hour day of the entrepreneur. Remember that you're doing this to provide a good life for all concerned - including your employees. Make the business a fun and rewarding place for all.

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