

Business Bullet ~

Starting a Business ~ Can You Work with Yourself?

Suddenly finding yourself as an Entrepreneur. (PART 2 of 3)

Many people have found that suddenly they are without a job within a recessionary economy. Perhaps most of them have always wanted to own their own business, and now is the chance for them to do just that. If you find that is where you are, then there are a variety of places you can search for online, in business magazines, talking to others who have been successful on their entrepreneurial paths, the Small Business Administration, etc. Of course, you can't find all the answers from these sources to how to become an entrepreneur, but you can find some guidance. What you need to realize is, that when you make the decision to become an entrepreneur, you will be working mostly by yourself, with yourself, and for yourself.

Last month, I reviewed the first six ideas that an entrepreneur has to think about. If you missed Part 1, you can view it on my website on the Article Archive page at <http://maredayt.homestead.com/WhitePapers.html>. I made the decision to add on a Part 3 (coming next month) to this series.

Here is a continuation of the business startup tips, starting with #7.

7) Work through the startup paperwork maze.

Visit your city's "first- or one-stop" business center—you can usually find it through the government listings in your phone book or through your local chamber of commerce. These offices can provide information about licensing, permits, your particular business type, and running a local business in general. Find more information at your local library in *Gale's National Directory of State Business Licensing and Regulation*. You can also learn about other laws that may affect you from the U.S. Federal Trade Commission (www.ftc.gov); the agency offers hundreds of free business publications.

Learn how to set up your books through free programs and resources offered by Uncle Sam. Request a copy of Small Business Resource Guide-CD 2000 (publication 3207) by calling (800) 829-3676. Sign up for the IRS's Small Business Tax Workshop online at www.irs.gov/businesses/small/article/0,,id=111361,00.html.

8) Develop your marketing and customer service plans.

Without marketing, no one will know your business exists—and if customers don't know you're there, you won't make any sales. When your marketing efforts are working, however, and customers are streaming through the door, an effective customer service policy will keep 'em coming back for more. So, now it's time to create the plans that will draw customers to your business again and again.

A marketing plan consists of the strategies and devices you're going to use to communicate to your target audience. A customer service plan focuses on your customer's requirements and the ways of filling those requirements. The two work in concert.

Descriptions of your market and its segments, the competition and prospective customers should be in your business plan. This is the start of your marketing plan. Based on this information, you can begin choosing the communication channels to use to get the word out about your business: radio, TV, billboards, direct mail, fliers, print ads, etc. Then, prioritize your tactics and begin with the ones that your research has shown to be the most effective for your audience. For example, a TV repair service's marketing program may be supported mainly by paid advertisements in the phone book, since "Television Repair" is one of the most often looked-up headings by homeowners.

For your customer service plan, think about what it'll take to develop relationships with your customers that can be mutually beneficial for years to come. Since repeat customers are the backbone of every successful business, in your customer service plan, you'll want to outline just how you're going to provide complete customer satisfaction. Consider money-back guarantees, buying incentives, and the resolution of customer complaints. Determine what your customer service policy will say, how you'll train your employees to attend to the needs of your customers and how to reward repeat customers. Remember, this is just the beginning: Your program should evolve as the business grows.

9) Court your first customers.

You have a profile of the end user of your product or service. Now's the time to get in the habit of 'talking up' your business—telling everyone you know about it. Ask for referrals from colleagues, suppliers, former employers and other associates. You can improve the quality of your referrals by being specific in your request. For example, an insurance broker developed a successful referral network by asking existing clients if they knew anyone who was 'in a two-income professional family with young children,' rather than asking if they knew anyone who needed insurance.

Consider offering free consultations or an introductory price to first-time buyers. Consider joining forces with a complimentary business to get them to help you spread the word about your new venture. For example, a carpet cleaner might

Offer incentives to a housecleaning service if they'd recommend them to their regular customers. Once you've done work for a few satisfied customers, ask them for a testimonial letter to use in your promotional materials.

10) Develop and Hire Your Support Team

Even if you think of yourself as a one-person operation, you'll need a team of support people to help you create a successful business. From contractors and suppliers to advisory board members and employees, each of these individuals can help make or break your new business. Start networking—with friends, family, business associates, the professionals in your life—to widen your network and choose the best people for your team.

Your advisory board can include a mix of professional peers, legal or financial advisors, or mentors. You need to develop a network of advisors whose talents, knowledge, resources and skills can be used to help you handle the demands of your business. Besides providing you with sound advice, the collaborative talents of your team can also help you obtain larger projects and grow with your clients' needs. Meet with them a few times a year to solicit their professional feedback.

If you need to hire employees, consider interns, students or part-timers as your first-time hires. If you think you won't need permanent employees in the beginning, you can also look into temporary services and independent contractors. If you're planning to hire someone on full-time, however, remember that the employees you hire can make or break your business. While you may be tempted to hire the first person who walks in the door 'just to get it over with', doing so can be a fatal error. A small company just can't afford to carry deadwood on its staff, so start smart by taking time to figure out your staff needs before you begin looking for job candidates.

11) Execute your marketing plan.

If you took our advice in Step #8, you've already created a marketing plan designed to help you spread the word about your business. Now's the time to establish your marketing infrastructure. You work against yourself when you're not prepared to respond to opportunities that result from your marketing efforts.

Your stationery, business cards and marketing materials should be ready for distribution. If your customers can reach you via e-mail, set up autoresponders to handle their queries. Have a phone system in place that allows customers to easily get in touch with you. Develop a website that offers information on your company and its products and services. Whatever response methods buyers can use to contact you, you should have materials that can be sent via those same mediums.

Jump into action: Mail a press release to the local media announcing the opening of your business. Do a joint mailing with other complementary businesses to widen your reach. Beat the deadline for your Yellow Pages ad, and talk with your manufacturer about co-op advertising opportunities. Take advantage of all free directory listings. Contribute an article to a trade journal. Send out special offer postcards to prospects. Create a coupon offer. Make a speech at a networking event. Track the results of your devices by asking all respondents how they heard about you.

Whatever you do, don't just sit back and wait for business to fall into your lap. Despite popular opinion, if you build it, they will not just come! You've got to get the word out and keep working your contacts in order to attract customers to your new business.

12) Hang out your shingle.

You've done all the legwork. All your permits and licenses are in hand. Your dedicated business line is set up with a professional voice-mail greeting. You've marketed the calendar with a few prospect meetings and networking events. You've got your shelves stocked and even a few projects lined up. Now it's time to open your doors to more opportunities and much success as an entrepreneur!

Next month, watch for Part 3 of this series. We will talk about the recession, why many people fail in business, and strategy in your business approach—autonomy, the learning analogy, and developing new habits, all that help lead to entrepreneurial success.

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