



ARE YOU REALLY READY TO START A BUSINESS?

Comprehensive start up guide for Australian passionate entrepreneurs

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You need a business that stands out from the crowd. If your **business idea** is very unique and particular, you may be feeling a bit relieved and lucky, but if there are competitions (which is more likely!), you need to think about your strategies to differentiate yourself from all the competitors. We discuss some of them in this course.

Although the principals of starting a business is the same worldwide, but this book tries to be relevant to Australian environment and atmosphere as much as possible. You probably considering starting a small or rather micro business. Many large businesses started as a one man show and they grew eventually to where they are. You may consider keeping it small and as a lifestyle business which is also perfectly okay. It is your choice which way you want to take. However, to start you need what we explain in this book.

To start, let's first think why you want a business?

It is important to understand what you want from a business. There are different motives and reasons to start a business. Let's go through some of them to find out more. You may start a business because it is your passion and you really want to follow your passion. It is a great case however; enthusiasm is not enough. Passion can be like a fuel to your business. You will face hard days running your business and being passionate is probably your best motive to stand on feet and go ahead.



There are possible other reasons for someone to start a business as well. You may see a need in the market that needs to be met. For instance, you always pass a street and looking for a good coffee and there is not a good café around. This may make you think this is a good opportunity to start a café in this area. Of course, you can think of many different examples for this scenario. This is actually a very strategic way to find a business to start. If there is an unmet need and you have skills and resources to address it, this is probably a viable idea.

A very common reason for many people to start their own business is flexibility. These days many people struggle to fit into 9-5 jobs and seeking more flexible hours to spend with their families and other activities. **Being your own boss** gives you the opportunity to justify your work hours and have more work-life balance. Having said that, running a business is a tough business! Sometimes you need to spend many extra hours on your business without any extra payment. It is good to be realistic about what you expect from your own business.



Thinking about your own business?

There are many reasons for wanting to start your own business, and most of us get to this point. Which one of the following applies to you?

- *Freedom from daily routine.*
- *Doing what I want when I want.*
- *Improve my living standard.*
- *I want creative freedom.*
- *I want to fully use my skills, knowledge, and education.*
- *I have a product/idea/service that people need.*
- *I'll have more time with the family.*
- *I won't have a dress code.*
- *There are good tax breaks for business owners.*
- *I'm a Type B person and work best alone.*

- *I want to be my own boss.*
- *I want to make the decisions.*

Will it be all good though?

After talking about advantages of running a business, we should discuss some **disadvantages** as well. Running a business is not fun all the time and the fact is it can be really demanding and daunting. It requires lots of commitment and effort with no payments and reward. As an employee you are expected to be good at 2 or 3 things and focus on that during your work hours, but when you start your business you must be master or jack of all trades. You can't ignore any part of the business simply because it is not your favourite item.



You should be able to figure out your marketing strategy as well as preparing your financial statement and quarterly profit and loss. You meet a potential client in the morning and must negotiate your terms



Doing all of these, you have little room for mistakes, because each mistake can cost you quite amount of money (& reputation!). Running your own business requires learning new skills every day.

One good skill to learn is the art of *Delegation*. You should learn how to assign someone else to do some of your work. First, it helps you saving a lot of time, and second it is better if a professional person does it. However, as a business owner you should have enough understanding of the topic to be able to justify and modify the plans and projects. On the other hand, delegation can be expensive, especially if your business is new and not earning enough money to pay for these services.

This is another skill you should be good at; to decide whether delegate or not.



Running your own business can be risky for your *financial situation* as well. You invest all your savings and sometimes your assets into your new business with the hope of return. However, not all businesses are successful, and your money can go to waste if your business doesn't work well. For some businesses, short shelf life of the product can be very risky or for some others it can be lower demand by seasons. Thus, planning for these kinds of scenarios can save you from losing all your money and assets. As a business owner, you are legally responsible for

your business decisions and actions. There should be enough strategies and thoughts for these situations as well.



You need to have an astonishing interpersonal skill as well.

Basically, your business is about customers and their satisfaction must be your ultimate goal. On the other hand, you need to keep the other stakeholders such as suppliers, landlord, employees, sub-contractors etc. happy as well. Juggling between a stressful day and keeping your smiles and manners is something you want to start practicing. The good news is we can learn these skills by practicing and even joining relevant workshops or events.



Another downside of the small business operation can be the loneliness and isolation.

Many businesses are a One-man-show for a long time and it possibly runs from your spare room or garage. It is likely that you do not see anybody whole day and be busy working on your computer. Despite this may not bother some people, if you are a people person, this can be really affecting your mental health and well-being. Fortunately, there are plenty of free library spaces in Australia to work or you can pay little money to use co-working spaces. There are actually some studies that shows working in co-working spaces can increase your productivity. In coworking spaces, you also have access to a wide variety of skillsets if you need help. You can talk to a web designer on lunch break and

receive some accounting advice from the person sits next you. Anyhow, this is your choice to decide where to run your business.

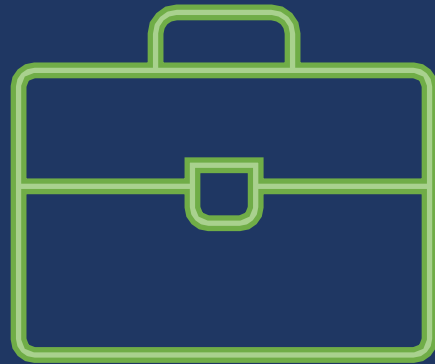


Extraverts are usually:

- Performers
- Visionaries
- The Inspirers
- Givers
- Caregivers

Make a list of your *likes* and *dislikes*. Keep a diary of things you do that relate to business and rate each entry from 1 to 5 based on your interest. Then prepare a list of your strengths, weaknesses, opportunities, and concerns. After doing all that, you should have a list of candidate businesses that are right for you. Then you can make a list of the “candidate businesses” and rate them from 1 to 5 based on your own chosen criteria.

Some criteria could be “is it feasible”, “low in cost to establish”, “meets my objectives”, “will make money”, “there is a *niche* market of existing customers”, or “it will produce residual income” to name just a few.



By the time you have accomplished all that, you are ready to move on to the next chapters. It is also beneficial to meet with your own mentor to use as a sounding board for your plan. Next parts of this course will cover the planning and goals setting phase, and step by step guide to assist you establish your own business.
