



## Center for Economic Vitality

Western Washington University

College of Business and Economics

# Thinking of Starting a Business? Here are Some Things to Consider

September 2010

Prepared by: Jack Marolich

Before beginning the journey of starting a business, you might want to ask yourself some reflective questions to better understand if you are cut out to be a small business owner. These questions might include:

- **Am I a self starter?** When you have your own business, there's no boss or manager to tell you what to do and when to do it. To get your business off and running you'll have to motivate yourself to get things started.
- **Do I enjoy challenges?** Businesses provide constant challenges. If you enjoy a good challenge, it will energize you. If you don't, you may end up feeling as though you're engaged in a constant uphill battle.
- **Am I a creative problem solver?** Creative problem solving is a key skill for business owners to possess. One way to hone your creative problem solving skills is to challenge yourself to think "out of the box." Don't go for the obvious, think in a different direction than you're used to, and limit standard responses.
- **What are my strengths and weaknesses?** The ability to evaluate strengths and weaknesses is also invaluable for the business owner. Recognizing what you're good at and what you're not will help you decide how to use your time, when to delegate, and when to call in experts or outside professionals for help.
- **What interests, talents, and skills do I have that will assist me in running my new business?** Business owners often have to juggle lots of hats. Inventory the abilities you already possess, and think about all the ways you can use them to grow your business.
- **What skills do I need to learn or brush up on to run my business effectively?** Recognize which skills you need to develop in order to run your business most effectively. Identify the ones that are worth investing time into learning, and which ones you might be better off finding outside sources to perform.
- **Will I be doing work that is meaningful and really interests and excites me?** Running a business is a lot of work and effort, and it's often a long-term commitment. It will be more fun and rewarding if it speaks to who you are and the things you hold dear. When you're doing something rewarding it helps to motivate you to keep going even when things get tough.<sup>1</sup>
- **How do you handle setbacks?** The road to starting a successful business can be full of setbacks and resilience is can be an important trait. If you're not sure how you handle setbacks, ask a close friend or family member for their honest opinion.

Additionally, you are going to want to look at the business in question and decide whether or not it is practical. According to Entrepreneur.com, the three top reasons why businesses fail are lack of money, lack of knowledge, and lack of support.<sup>2</sup>

---

<sup>1</sup> Martin, Susan. "Tough questions to ask yourself before starting your own business". Business Know-How. (Accessed August 25, 2010). <http://www.businessknowhow.com/startup/toughques.htm>.

<sup>2</sup> Tracy, Brian. "The Basics of Business Success". Entrepreneur. (Accessed August 24, 2010). <http://www.entrepreneur.com/startupbusiness/startupbasics/article77286.html>.

That being said, there are some questions we suggest you ask yourself before taking the first steps in starting a business. First of all, let's start with the basics:

- **What am I going to sell?** Whether it is a product or service, it is essential to know exactly what you will be offering.
- **Where/how am I going to sell it?** Determine your marketplace and how you are going to get your product/service into the hands of the consumer. You can have the best offering in town, but if it fails to get to market, your business will not survive.
- **Who will be my customers?** Identifying and understanding your customer base will be important in determining how to market your product/service. Knowing more about your customers will also allow you to adjust your offering to meet the demand of your target market.

These answers will be at the core of most of your decision making. After all, you can't sustain a business unless you have something to sell at a location where people will want to buy it. Next you might want to consider how large of an operation you are going to take on and if you are able to make a profit. Some questions to ask might include:

- **How much of my product am I able to produce in a day, week, month, or year?** The amount of product or hours of service available will determine how large of an operation you are able to handle.
- **How much will I be able to sell it for and how much will it cost me?** It is important to price the product high enough where you are able to make a profit, but also at a point where consumers will still demand it. If you are unsure of what price you should charge for your product/service, research your local competition to see what the going price is in your area.
- **Will I be able to run the business by myself or will I need to hire employees?** Some businesses can be extremely difficult to manage on your own. Take time to plan out your business obligations to decide whether or not you will need additional help.

Chances are you don't have an answer to all these questions, and that's okay. There are always unknowns when starting a business, but it is possible to take the necessary steps to reduce the amount of uncertainty and increase the likelihood of success.

The Center for Economic Vitality (CEV) at Western Washington University is available to help Native entrepreneurs. The CEV provides free confidential business counseling virtually. Call (360) 733-4014. More business information at: [www.cevforbusiness.com](http://www.cevforbusiness.com).