6-Week Startup
4th Edition

By America’s best-read small business columnist
Rhonda Abrams

- Start your business
- Achieve your goals
- Make money FAST!

As featured in USA TODAY Money
What people say about *Six-Week Startup: A Step-by-Step Program for Starting your Business, Making Money, and Achieving your Goals*

*Actual ratings and quotes from online reviews at Amazon, Barnes & Noble, and Goodreads*

**(5 out of 5 stars)**

**I started...and opened in six-weeks!**

This is a great book for business beginners (and even those who are on their second or third time around). It walks you through the well suggested steps of getting started. If you follow the plan...you should realistically be able to “start” in 6-weeks.

**(5 out of 5 stars)**

**Oh, this book is just too gooood to be true!**

This book serves as a wonderful tool towards starting your own business! I’ve thought about doing this for years but mainly found myself delaying getting anything started due to not really knowing where to start or feeling like I didn’t know enough to run my own business. …I came across this… book casually and thought “How can you really start a business in only six weeks!?”...Well, after…seeing how detailed and informative this book is… boy, did I underestimate its potential impact. “Six-Week Start-Up” walks you through every step imaginable... has so many steps to make sure you have everything done right and effectively. If you’re skeptical, don’t be! It’s set up for week-by-week tasks that are more than attainable and ideal for anyone, even someone with a busy schedule. I finished most of these tasks setting in my cubicle at work! I’m in my fifth week already and I couldn’t be more optimistic about my capabilities of running my own business. Even if you only have just a slight desire to get a business up and running, “Six-Week Start-Up” will baby you all the way to your Opening Day…

**(5 out of 5 stars)**

**Great DIY!**

For people on a budget or not — great book! Very clearly written. Saved me bunch of $$ and I learned a lot of new things about business!
(5 out of 5 stars)
**Great Book for Starting Your Own Business!**

I’ve been thinking about starting my own business and I have no experience. This book gives you a lot of nuts and bolts about starting a business which I’ve found incredibly helpful. She also gives a lot of free resources such as how to find a trade association, project management websites, websites that offer free sample contracts, email management, etc.

(5 out of 5 stars)
**Helpful, encouraging guide to starting a business**

This book was really helpful to me in laying out all the steps needed to start a small business. I think being able to do it all in 6 weeks is ambitious...(but) I actually liked that she titled the book this way, because part of her point is that anyone can do all this, its not hard, and it doesn't take long to do. She's very positive and encouraging. As I worked through all the tasks in starting up my company, I came back to this book again and again, and found it helpful

(5 out of 5 stars)
**Very helpful**

This book really does what it promises. I went through each week/chapter writing down what Rhonda told me to. It all flowed together beautifully, and I am now almost ready to put my web site live and ready for sales. I also contacted SCORE and the SBA as per her recommendation, and have the added value of the counsel of hundreds of counselors who can speak specifically into my situation. I don't think there is anything else Rhonda could add to make this book a better choice for the virgin entrepeneur. Four thumbs up-two are from my SBA counselor!

(5 out of 5 stars) It will take you more than 6 weeks to do; but, this book is the best startup book I’ve read... it takes the complex process of starting a business, and boils it down to a step-by-step recipe. A must-have for the aspiring business owner.

(5 out of 5 stars) This book did a great job of walking through what it takes to start a business. LOTS of helpful information and first-hand wisdom is passed on here, including many “make sure you don’t forget _____” sections.
Praise for Books from PlanningShop

**Entrepreneurship: A Real-World Approach**

“What separates Rhonda Abrams from the crowd? She is an expert in building successful small businesses. And she continues to create timely, meaningful and (most importantly) useful content for academics, students, and business owners like myself. This book is the definitive guide for anyone who either wants to be an entrepreneur or just wants to grow their own business.”

— Gene Marks, New York Times small business columnist

**Business Plan In A Day**

“A business plan is something every business needs, but too many fail to create one because it seems intimidating. Rhonda Abrams is on a mission to change that. With this book she shows you how to create a professional business plan that will seem like it took weeks to write instead of 24 hours.”

— Anita Campbell, Publisher of Small Business Trends

“I’m growing my business this year by purchasing a commercial building, and I needed a real estate loan to make the purchase. Business Plan In A Day was THE source I used for writing my plan, and the bankers and brokers I spoke with all commended my plan as being very strong and well-written. Thanks to you, I’ve secured my loan and the transaction is going through. I feel so fortunate to have found this book.”

— Lisa Stillman, Garden Walk Massage Therapy, St. Louis, MO

**Bringing the Cloud Down to Earth**

“No matter how you refer to it, working in the Cloud is a fundamental business practice these days and Abrams has done a terrific job of making this sometimes confusing subject relevant and practical for businesses of all shapes and sizes.”

— John Jantsch, author of Duct Tape Marketing and The Referral Engine

**Successful Marketing: Secrets & Strategies**

“Successful Marketing encourages students to think through standard marketing concepts while applying them directly to their business idea.”

— Meredith Carpenter, Entrepreneurship Instructor, Haywood Community College
Successful Business Plan: Secrets & Strategies

“[Successful Business Plan is] user-friendly and exhaustive...highly recommended. Abrams’ book works because she tirelessly researched the subject. Most how-to books on entrepreneurship aren’t worth a dime; among the thousands of small business titles, Abrams’ [is an] exception.”

— Forbes Magazine

“There are plenty of decent business-plan guides out there, but Abrams’ was a cut above the others I saw. Successful Business Plan won points with me because it was thorough and well organized, with handy worksheets and good quotes. Also, Abrams does a better job than most at explaining the business plan as a planning tool rather than a formulaic exercise. Well done.”

— Inc. Magazine

“We are again using Successful Business Plan in my business honors course this semester. Must be working, as Penn State was just named (by Kaplan and Newsweek magazine) as the ‘hottest school in the U.S. for student entrepreneurs!’

— Greg Pierce, Penn State University

“Successful Business Plan enables my Entrepreneurship students at the University of Vermont to develop really great business plans. The book’s easy-to-follow, step-by-step format makes preparing a plan logical and understandable. Over the years...several students have actually launched their businesses successfully. Our son used the book at St. Michael’s College in Vermont to develop a plan for airport fitness centers, winning the school’s annual business plan competition for business majors...with a hefty cash prize! His plan was so thorough, especially the financials, that he was flown to the West Coast to present his plan to a prospective buyer. The bottom line, there is no better road map to business plan success than Successful Business Plan!”

— David Kaufman, University of Vermont

“If you’d like something that goes beyond the mere construction of your plan and is more fun to use, try Successful Business Plan: Secrets and Strategies, by Rhonda Abrams...this book can take the pain out of the process.”

— “Small Business School,” PBS television show
“Successful Business Plan is easy to follow and comprehensive. From the first chapter to the last, it guides you through the business planning process with a proven systematic approach.”
— Sean S. Murphy, Ernst & Young LLP

“As a 20 plus year veteran SBDC director, consultant and entrepreneurship instructor, I have assisted thousands of individuals and business owners through the planning process. Having reviewed tens of thousands of plans and critiquing hundreds of planning texts, programs and tools, Successful Business Plan: Secrets & Strategies remains my hands-down favorite text/workbook/guide. The content and construction is comprehensive, practical and ‘do-able’ for the serious small business owner/entrepreneur.”
— David Gay, Illinois Small Business Development Center at College of DuPage

“In my opinion, your book is the definitive guide for successful business plans. I particularly appreciate and recommend the use of the Flow-Through Financial worksheets. Each is a great device to illustrate the connection between the qualitative and quantitative elements of a plan.”
— Gene Elliott, Business Consultant, New Mexico

“I’ve been using and promoting Successful Business Plan since 1993, and it’s great! I’ve taught business plan writing in several local SBDCs, as well as nationally, through the Neighborhood Reinvestment Training Institute. My course is designed and delivered around your book.”
— Ransom S. Stafford, Business Consultant, Twin Cities, MN

“One of the best books on business planning. The overall quality of this book is excellent, but three things make it stand out: First, it contains worksheets that walk you through the information gathering process. Fill them out, and even the financials—always the hardest part of a plan—will fall right into place. Second, it has a sample plan that reads like a real business plan, written by a real person for a real business. You can use much of the wording in your own plan. Third, it has tips from successful managers, leaders, and business owners, large and small. I was especially fascinated reading the tips from ex-49’er head coach Bill Walsh. You can’t go wrong following his advice on planning and organizing!”
— Economic Chamber of Macedonia
“Successful Business Plan is thorough, well-organized, and a very useful tool for business planning and development. It’s an excellent guide to the details involved with creating a solid, useful business plan.”
— Jim Jindrick, The Institute of Electrical and Electronics Engineers and the University of Arizona

“I chose Successful Business Plan because of its ease of use, its clarity, and its good examples. I have used the book for a number of years now.”
— Jean Morris, The Culinary Institute of America

“It has a clearly defined, comprehensive approach.”
— Zane Swanson, Emporia State University, KS

“Here at the SBDC we offer clients an eight-week business planning counseling program called Business Plan Expedited (BPE). BPE is structured around Successful Business Plan—the end result is a well-written business plan that can be used as a part of a business loan application package. I specifically chose this text because I used it, per recommendation from my graduate school advisor, for my MBA project in graduate school 13 years ago!”
— Indria Gillespie, Sierra College SBDC

“Your book has been both an inspirational read as well as a comprehensive guide for starting my business. Being relatively inexperienced with entrepreneurship, your book has not only given me the ability to create a solid roadmap for planning, but has also provided an encouraging and easy way to cope with the enormous amount of information and organization needed. I particularly enjoy the various quotes from business professionals who have had experience in business planning. They give precious insight and different viewpoints that I would not have seen. Thank you for writing this book!”
— Simon Lee, entrepreneur

“It combines, in a very clear way, both aspects of business planning and effective writing of business plans. The book is very well written. The forms are very useful.”
— Eyal Yaniv, Bar Ilan University, Israel
NEW! 4th Edition

6-Week Startup

A step-by-step program for starting your business, making money, and achieving your goals!

Rhonda Abrams
Six-Week Startup:
A step-by-step program for starting your business, making money, and achieving your goals!™

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10 9 8 7 6 5 4 3 2 1
Who this book is for

This book is a step-by-step guide for getting a successful business up and running fast. It covers all aspects of launching a business, from licenses to bookkeeping to marketing to setting up shop. Everything is presented in a step-by-step format with checklists, worksheets, and top-notch advice from one of America’s most highly regarded business writers.

This book is for you if:

- You’re currently in the process of starting your own business and want to get things done as efficiently as possible, yet still do them right.

- You want to make certain you take care of all the details of getting a business under way, organize the process, and get some good advice.

- You’re going to start a business soon and need a plan on how to go about it.

- You have an idea for a business but don’t know where to start.

- You already run a business but would like to improve operations, marketing, or take care of essential aspects of growing a company.

- You’re a student in an entrepreneurship or small business class and need to launch a complete business in a limited time period.
About Rhonda Abrams

Entrepreneur, author, and nationally syndicated columnist Rhonda Abrams is widely recognized as a leading expert on entrepreneurship and small business. Rhonda's column for USA Today, “Successful Strategies,” is the most widely distributed column on small business and entrepreneurship in the United States, reaching tens of millions of readers each week.

Rhonda’s books have been used by millions of entrepreneurs. Her first book, *Successful Business Plan: Secrets & Strategies*, is the best-selling business plan guide in America. It was named one of the top 10 business books for entrepreneurs by both *Forbes* and *Inc.* magazines. She is also the author of more than a dozen other books on entrepreneurship and has sold more than a million copies of her books. Rhonda’s other books are perennial best sellers, with three of them having reached the nationally recognized “Top 50 Business Best-Seller” list.

Rhonda not only writes about business—she lives it! As the founder of three successful companies, Rhonda has accumulated an extraordinary depth of experience and a real-life understanding of the challenges facing entrepreneurs. Rhonda first founded a management consulting practice working with clients ranging from one-person startups to Fortune 500 companies. An early Web pioneer, she founded a website for small business that she later sold. Today, Rhonda is CEO of the publishing company PlanningShop, which focuses exclusively on the topics of business planning, entrepreneurship, and new business development. PlanningShop is America’s leading academic publisher in the discipline of entrepreneurship.

A popular public speaker, Rhonda regularly addresses leading industry and trade associations, business schools, and corporate conventions and events. Educated at Harvard University and UCLA, Rhonda lives in Palo Alto, California.
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Introduction

In six weeks you can change your life!

Where will you be six weeks from today?

Six weeks from today, you can have your own business up and running, and you can be on the road to success.

You’ve had the dream of owning your business for some time; you even have an idea for your business concept. Now, I’m giving you the blueprint.

I’m going to help you get all the nitty-gritty details of starting a business out of the way so you can spend your time on things you really want to do—make your products, provide your service, be creative, make money, and have fun!

With checklists and very specific advice, this book walks you through the process of starting your business, step by step. I’ve detailed the critical components of getting a business—a successful business—under way and created an easy-to-follow program for dealing with those components.

Starting a business can seem overwhelming—there’s so much to do, so much to figure out. How do you set prices? What licenses do you need? How do you choose a location? Where do you find customers? Where do you get the money?

All these details seem paralyzing.

I know, because I’ve been there. I’ve started and built three successful companies. I still remember my first weeks in business—deciding on a business name, getting my first business card designed, figuring out a way to land my first customer. I was flustered by buying my first computer and choosing the software to go with it.

I want to make it easier—much easier—for you. And I want to not only deal with all those details, but to make sure you have some fun along the way—staying motivated and getting energized.

So, in this book, I’ve organized the startup process into a comprehensive program that breaks down the many tasks of launching a business into six, manageable weeks. During each week, you’ll focus on just a few major issues; this makes it possible for you to manage the necessary details without feeling overwhelmed.
Each week consists of:

- **Main accomplishments:** These cover major issues you’ll have to deal with when you start your business, such as money, laws and regulations, and operations.

- **Checklists:** Each accomplishment is broken down into a checklist of steps for you to mark off as you complete each one. This makes it easier for you to tackle each major accomplishment.

- **Worksheets:** To make completing your checklists easier, each week includes helpful worksheets and planning forms. Use these to guide you as you go along. Even after you’ve opened your business, you may want to keep these completed forms to refer to from time to time. You’ll find worksheet icons in the margins next to text to signal nearby worksheets related to the topics under discussion.

- **Make appointments with:** Each week includes a suggestion of which experts or advisors can help you complete that week’s accomplishments and checklists.

You can undertake these accomplishments in any order—or break up checklists into separate weeks!

In addition, throughout this book, you will find:

- **Questions to Ask:** Lists of suggested issues to deal with when you meet with key contacts such as investors, attorneys, accountants, and many more.

- **Red Tape Alerts:** To give you a “heads-up” warning when an issue may have legal or tax consequences.

- **What Would Rhonda Do:** Insight and advice based on my real-life experience.

- **Check It Out:** To help you find useful information and resources online quickly.

- **Start It Free:** To help you find free versions of applications such as website builders, data storage, and accounting applications, so you can get your business up and running for as little money as possible.

This book covers everything from taxes to trade shows, accounting to advertising, customers to computers.
Of course, you might want to—or need to—take more than six weeks to get your own business under way. That’s okay. Set your own pace. This book still serves as a plan—a “cookbook”—outlining the steps to launching your business—whether you take six weeks or six months.

Can I guarantee that in six weeks you’ll be sitting on a beach counting your money? No. This isn’t some late-night infomercial.

Instead, this is a realistic, do-able guide to getting your own business up and running.

If not knowing where to start has been holding you back from launching your business, or you feel overwhelmed by the details, or you’re afraid you don’t have the money to pay for the advice you need, then this book is for you.

Where do you want to be six weeks from now?
Week 1: Lay the Foundation

- Week 2: Get the Information You Need
- Week 3: Cut Through Red Tape
- Week 4: Take Care of Operations
- Week 5: Deal with Money Issues
- Week 6: Open Your Doors!
Main accomplishments:

#1 Clarify your business vision and concept

#2 Create your company identity

#3 Get organized

Make appointments with:

- Graphic designer
- SBDC counselor
CONGRATULATIONS! You’re now officially starting your new business. During this first week, you’ll jump right in with some of the fun stuff of starting a business—like choosing a business name and developing a corporate identity. But most of the week is devoted to establishing a strong foundation for your new company: making sure your business concept is solid, developing a network of advisors and supporters to help you build and grow your company, and taking care of the organizational details to make day-to-day business life more effective and efficient.

In other words, we’re going to make sure you get off to the right start.

Even if you are starting a one-person business, you’ll find it beneficial to develop a network of colleagues and associates, referral sources, and supporters. No one succeeds alone—so right from Week One, you’ll start building your network.
**GOALS FOR STARTING MY BUSINESS**

**Specific Goals:**

*Enter the number or amount you hope to achieve for your business in one year, five years, and ten years.*

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<th></th>
<th>One Year</th>
<th>Five Years</th>
<th>Ten Years</th>
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<tbody>
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<td>Number of Employees</td>
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<td>Number of Locations</td>
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<td>Annual Sales</td>
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<td>Profits or Profit Margin</td>
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<td>Number of Products/Services</td>
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<td>Awards/Recognition Received</td>
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<td>Ownership Allocation</td>
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**Priorities:**

*Rate your priorities for your business.*

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<thead>
<tr>
<th>Priority</th>
<th>Urgent</th>
<th>Important</th>
<th>I’ll get to it sooner or later</th>
<th>Not on the radar screen</th>
<th>Not applicable to my business</th>
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<tr>
<td>Add Employees</td>
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<td>Add New Lines</td>
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<td>Increase Marketing</td>
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<tr>
<td>Add Locations</td>
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<td>Expand Online</td>
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<tr>
<td>Increase Salaries</td>
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<tr>
<td>Increase Inventory</td>
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<tr>
<td>Increase Profits</td>
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<td>Retire Debts</td>
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<tr>
<td>Increase Reserve</td>
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<tr>
<td>Acquire Other Companies</td>
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<tr>
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ACCOMPLISHMENT #1:  
Clarify your business concept

My Checklist:
- Identify your personal goals
- Spell out your business values
- Remind yourself of your source of inspiration
- Describe your business concept
- Consider starting lean
- Identify your strategic position
- Decide whether you want partners
- Decide whether you want investors
- Consider potential exit strategies
- Discuss the impact of starting a business with your family

If you were building a house, before you drew up the blueprints, laid the foundation, or even bought the land, you’d first have a vision of what you’d want that house to be: big or small, one story or two, in the city or in the country. You’d have a “vision” of your future home. The same is true when building a company: You need a vision of what you hope to achieve.

When you imagine your business, what do you hope for? To make a lot of money? Use your creativity? Have more flexibility in your life? Do you see yourself working alone or building a company with employees? Do you hope your company grows very large or do you want it to stay small?

As you launch your new company, it’s important to clarify and evaluate your business concept. What is your long-term vision? What are your personal goals? What do you see as the business opportunity? From that, how do you define your business specifics—what it does, whom it serves, how it differs from the competition?

Some entrepreneurs describe themselves as “visionaries” because they can conceive of grand schemes or bold new inventions. They envision their
**My Personal Goals: The Four Cs**

Make copies of this worksheet for yourself and your partners or key employees, if any.
Check the level of importance to you in each area.

<table>
<thead>
<tr>
<th>Creativity</th>
<th>Extremely Important</th>
<th>Somewhat Important</th>
<th>Somewhat Unimportant</th>
<th>Not Important</th>
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<tbody>
<tr>
<td>Determining the design or look of products/packaging</td>
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<tr>
<td>Creating new products or services</td>
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<tr>
<td>Devising new business procedures/policies</td>
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<tr>
<td>Identifying new company opportunities</td>
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<td></td>
<td></td>
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<tr>
<td>Creating new business materials</td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>Devising new ways of doing &quot;old&quot; things</td>
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<td>Other</td>
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<tr>
<td>Control</td>
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<tr>
<td>Over own work responsibilities</td>
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<tr>
<td>Over own time, work hours, etc.</td>
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<tr>
<td>Over company decisions and directions</td>
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<tr>
<td>Over products/services</td>
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<tr>
<td>Over other employees</td>
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<tr>
<td>Over work environment</td>
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<tr>
<td>Over social/environment impact of products/services</td>
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<tr>
<td>Over own future and business' future</td>
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<tr>
<td>Other</td>
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<tr>
<td>Challenge</td>
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<tr>
<td>Long-term problem solving</td>
<td></td>
<td></td>
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<tr>
<td>Critical problem solving (putting out fires)</td>
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<tr>
<td>Handling many issues at one time</td>
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<tr>
<td>Continually dealing with new issues</td>
<td></td>
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<td></td>
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<tr>
<td>Perfecting solutions, products, or services</td>
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<tr>
<td>Organizing diverse projects and keeping the group goal-focused</td>
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<td>Other</td>
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<tr>
<td>Cash</td>
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</table>

List approximate dollar ranges for the following. Measure wealth as the value of stocks or of the company.

<table>
<thead>
<tr>
<th>Wealth desired in 2–5 years</th>
<th>Income needed currently</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wealth desired in 6–10 years</td>
<td>Income desired in 1–2 years</td>
</tr>
<tr>
<td>Wealth desired in 10+ years</td>
<td>Income desired in 2–5 years</td>
</tr>
</tbody>
</table>
companies clobbering the competition, defining new product categories, perhaps growing to hundreds of millions—if not billions—of dollars. But a business “vision” doesn’t have to be revolutionary. The important part is that you identify what you see your business becoming: what it will do or make, how it will grow and compete, how big it will get.

Over time, your business vision will almost certainly change. As you gain experience and confidence, you may change the nature of your products or services, your personal goals may evolve, and the things that seem most important to you now may be much less so in the next few years.

Nevertheless, clarifying your current business vision and articulating your specific business concept gives you a stronger start as you begin building your company. Use the “Goals for Starting My Business” worksheet on as a starting place for defining your business goals.

**Identify your personal goals**

What are your personal goals in growing your business? Some businesses fail, and others flounder, because their founders or executives are uncertain of what they really want to achieve, and they don’t structure the company and their responsibilities in ways that satisfy their personal needs and ambitions.

**The Four Cs**

For most entrepreneurs, their personal goals can be summed up by the Four Cs: Creativity, Control, Challenge, and Cash. Of course, we each want all four of these to some degree, but knowing which we most want or need can help us structure our companies to best achieve our goals.

For instance, my very first clients were the owners of a small sportswear apparel company. The designer began the business because she was good at—and loved—designing clothes. Her primary motivation was being able to act on her creativity. But an apparel company doesn’t run on designs alone. There is a myriad of purely “business” aspects of the company—sales, operations, manufacturing, etc. If she hadn’t planned for it, she might have spent the majority of her time on such issues instead of designing. Fortunately, she had a partner to take over those responsibilities. She gave up some control—which wasn’t a major concern of hers—to maintain her creativity.
Which of the Four Cs motivates you most?

- **Creativity.** Entrepreneurs want to leave their mark. Their companies are not only a means of making a living, but a way of creating something that bears their stamp. Creativity comes in many forms, from designing a new “thing,” to devising a new business process or even a new way to make sales, handle customers, or reward employees.

If you have a high need for creativity, make certain you remain involved in the creative process as your company develops. You’ll want to shape your business so it’s not just an instrument for earning an income but also a way for maintaining your creative stimulation and making a larger contribution to society. But don’t overpersonalize your company, especially if it’s large. Allow room for others, particularly partners and key personnel, to share in the creative process.

- **Control.** Most of us start businesses because we want more control over our own lives. Perhaps we want more control over how our good ideas are implemented. Perhaps we want, or need, more control of our work hours or conditions so we can be more involved in family, community, or even golf! Control is a major motivator for most entrepreneurs—usually more important than money. But how much control you need—especially on a day-to-day basis—directly influences how large your company can be.

The larger the company, the less control you have over day-to-day decisions. As you grow your company, you’ll need to structure communication and reporting systems to ensure that you have sufficient information about and direction over developments to give you personal satisfaction. If you seek outside funding in the form of investors, understand the nature of control your funders will have and be certain you are comfortable with these arrangements.

- **Challenge.** If you’re starting or expanding a business, it’s clear you like challenge—at least to some degree. You’re likely to be a problem-solver and risk-taker, enjoying the task of figuring out solutions to problems or devising new undertakings. Challenge-hungry entrepreneurs can be some of the most successful businesspeople, but they can also be their own worst enemies—flitting from one thing to another, never focusing long enough to succeed.
If you have a high need for challenge in your business life, it’s important to develop positive means to meet this need, especially once your company is established and the initial challenge of starting a company is met. Otherwise, you may find yourself continually starting new projects that divert attention from your company’s main goals. As you plan your company, establish goals that not only provide you with sufficient stimulation, but also advance—rather than distract from—the growth of your business. (Or take up skydiving on the side!)

• **Cash.** Every entrepreneur wants to make money. Perhaps it’s just enough money to provide a decent income; perhaps it’s so much money you can buy a jet. How much you want or need affects how you’ll develop your business. Will you need investors? And if so, when? Will you sacrifice control to grow the business quickly?

Keep in mind there are sometimes trade-offs between personal goals: Wanting more cash often means having less control; staying at the center of the creative process may mean you need to have a partner or grow slowly, once again trading off control or cash. Examine your personal goals and those of key personnel using “The Four Cs” worksheet.

✅ **Spell out your business values**

As we build our companies, we have goals not only for what our business will achieve for us, but also for how our business will impact others: our employees, customers, the environment, our communities.

For many entrepreneurs, the business values they want their company to project are part of their inspiration for getting started in the first place.

Incorporating your values into your business will help you build a company that gives you greater satisfaction in the long term and, quite possibly, a more successful company as well. Having a company that ascribes to and practices certain positive values can be a competitive advantage in attracting and retaining employees and in developing customer loyalty.

Be cautious, however, that as you build your business around your values, you do not impose your personal beliefs (especially religious or political beliefs) on others.

To help clarify the values you’d like to incorporate into your business, use the “My Business Values” worksheet.
Describe what values are important to you in building your company as they relate to:

- Corporate culture and nature of the work environment (management/employee relations and communication, work hours and flexibility, dress code, office location, decor, etc.):

- Business ethics (customer treatment; relations with vendors, distributors, competitors; advertising, etc.):

- Employee treatment (wages and benefits, layoff policies, promotions, empowerment, etc.):

- Community and civic involvement:

- The environment:

- Other:
## Worksheet: My Role Models

*Use this space to list the names of people you admire, whether they’re in business or not.*

<table>
<thead>
<tr>
<th>Name and job or role</th>
<th>What traits of theirs do you admire?</th>
<th>How could you incorporate those traits in your business?</th>
</tr>
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**Remind yourself of your source of inspiration**

At some point in their business lives, all entrepreneurs are inspired—by an idea, a person, or an opportunity. That inspiration not only gets you started; it also keeps you going. You may reach a point down the road when you ask yourself, “Why did I start all this?” Reread what you’ve written here when you need to be “re-inspired,” or just to get a reminder of what your goals were from the beginning.

The worksheets in this section are also the starting point for articulating your business concept and identifying your niche and customer base.

**My role models**

Do you want to be another Elon Musk? Do you see yourself as a future Oprah Winfrey? Or do you look up to your uncle who ran his own store or your older sister who has been self-employed for 10 years?

Many of us are fortunate enough to know of people in business whom we admire or would like to emulate. You may know them personally, or you may have read about their business practices or success.

Thinking about your role models can help you clarify your own business vision. If your business hero is Elon Musk, what about him do you admire? His ability to make a great deal of money? Build a huge business? His marketing and strategic capabilities? Or do you admire his technical knowledge?

Take a moment to think about whom your business role models are, by completing the “My Role Models” worksheet.

**My bright idea**

What excites you about your business idea? If you have two or three ideas, what do you like best about each one? Where did the idea come from? How has it evolved since you started the process of turning the idea into a business?

By looking at how you initially got the inspiration for your business, you can take the next step toward determining how you might get others excited about your business also. That’s the start of taking an idea and turning it into a plan, which becomes a successful business. You will also
Use this space to record your initial business idea(s). This will become a starting point for defining your business concept and why it can be competitive in the marketplace (on page 14). It will also be useful as you prepare your marketing materials and write your “Elevator Pitch” in Week Six.

☐ What is your business idea?

☐ How did you come up with it?

☐ What excites you about it?
WORKSHEET MY BUSINESS CONCEPT

Answering the following questions will help you clarify your concept:

☐ Is yours a retail, service, manufacturing, distribution, or Internet business?

☐ What industry does it belong to?

☐ What products or services do you sell?

☐ What improved features/services or added value do you provide? What makes you unique or special?

☐ Whom do you see as your potential customers?

☐ What is your overall marketing and sales strategy?

☐ Which companies (or types of companies) do you think of as your competition?

☐ What do you think will make customers buy from you instead of your competitors?
find it useful to have a record of what initially inspired you, to which you can refer from time to time, especially as your business grows. Use the worksheet “My Bright Idea” to record your initial business idea.

✔️ **Describe your business concept**

Meeting needs is the basis of all business. You can devise a wonderful new machine, but if it doesn’t address some real and important need or desire, people won’t buy it, and your business will fail. Even Thomas Edison recognized this fact when he said, “Anything that won’t sell, I don’t want to invent.”

### NEW AND IMPROVED

It’s easier to get a piece of an existing market than to create a new one. Although small businesses are the engine of creativity for our economy, remember that creating a market for a brand-new type of product or service is difficult, time-consuming, and expensive. The iPod wasn’t the first digital music player; Google wasn’t the first search engine; Facebook wasn’t the first social media platform. There are lots of advantages to being a follower.

#### Identify needs

Now that you know what your spark and passion are regarding your idea, use the worksheet “My Business Concept” to determine how your product or service will meet new or existing needs in the marketplace.

A concept’s success often hinges on whether it does something newer or better than anyone else. Being new or better can take many forms:

- **Something new.** A new product, service, feature, or technology.

- **Something better.** This could be an improvement on an existing product or service—encompassing more features, lower price, greater reliability, faster speed, increased convenience, or enhanced technology.

- **An underserved or new market.** This is a market for which there is greater demand than competitors can currently satisfy, an unserved location, or a small part of an overall market—a niche market—that hasn’t yet been dominated by other competitors. Sometimes, markets
Use this worksheet to develop a description for your business.
For example, a finished description might read:
“AAA, Inc., is a spunky, imaginative food products and service company aimed at offering high-quality, moderately priced, occasionally unusual foods made with only natural ingredients. We view ourselves as partners with our customers, our employees, our community, and our environment, and we take personal responsibility in our actions toward each. We aim to become a regionally recognized brand name, capitalizing on the sustained interest in southwestern and Mexican food. Our goals are moderate growth, annual profitability, and maintaining our sense of humor.”

Describe the following in one sentence:

☐ Core business concept:

☐ Core business values:

☐ Core business goals:

☐ Core financial goals:

☐ Corporate culture:

Now combine these sentences into one comprehensive statement. You will revisit and rewrite it several times, but you’ll need a succinct business description for your business plan, investors, employees, and others, so get something on paper now.
become underserved when large companies abandon or neglect smaller portions of their current customer base.

- **New delivery system or distribution channel.** For example, the Internet enables companies to reach customers more efficiently, creating opportunities for businesses to provide products or services less expensively, or with far greater choice, to a wider geographic area.

- **Increased integration.** This occurs when a product is both manufactured and sold by the same company, or when a company offers more services or products in one location.

Your concept should be strong in at least one area. If it isn’t, you should ask yourself how your company will be truly competitive.

**Outline specifics**

OK, so you have your inspiration, and you’ve seen an opportunity in the market…now how do those translate into your particular business concept? Exactly what are you going to sell? To whom? How?

The “Basic Business Description” worksheet helps you outline the specifics of your business as you see them at this early point. You’ll be more successful if you have a clear concept of critical business aspects such as your target market, competition, industry, and so on.

Don’t worry if you aren’t entirely certain about the answers to your “Basic Business Description.” Fill in the answers anyway. You’ll use these specifics to guide the research you’ll do in Week Two, and you’ll continue to refine your business concept as you go along.

**Consider starting lean**

Now that you’ve described your business concept, should you spend a lot of time and money perfecting your product or service before you try to get customers? Should you spend months or years doing product or market research, finalizing your design and eliminating every glitch? Not if you want to be up and running in six weeks.

Instead, follow the lean startup approach which advocates launching a product or service as quickly as possible, seeing how real customers use the product, and then continually revising.
You don’t go to market with a fully developed product or service. Rather, you create a minimal viable product (MVP), building only to a level that enables you to go out and get your first customers. You then later make improvements based on the experience of actual customers. Google’s product development mantra, for instance, is “Experiment, expedite, iterate.” In other words, the company tries a lot of new things, moves quickly rather than getting stuck, and refines and improves along the way.

Clearly you don’t want a minimally viable product for a medical device or automobile. But in some categories, such as online services, mobile apps, and personal electronics, consumers are willing—even eager—to pay for version 1.0. Depending on your product, you may want to keep this concept in mind when developing your prototype. And become an MVP yourself.

**Identify your strategic position**

The late Eugene Kleiner, one of the world’s most successful venture capitalists, once told me that most companies don’t know what business they’re in. By this he meant that most businesspeople don’t understand the true basis on which they compete. Yes, they know how to make their products and invent their technologies, but they don’t really understand what makes their customers buy from them.

Today, defining a strategic position is as important for the proverbial “mom and pop” small business as it is for a high-technology company. It’s not enough to hang out a shingle that says, “I sell shoes,” or “I sell ecommerce technology.” You must have something that’s unique, that few others can offer, that makes your customers want to buy from you.

You have to understand how you meaningfully differentiate yourself from the competition—your strategic position in the marketplace.

Of course, the best strategic position is just to be better than the competition—the tennis racket you’ve invented enables players to hit harder, the graphic designs you create are more memorable. But those things are often a matter of judgment and hard to prove.

So, how do you develop a clear distinction between yourself and the competition? Your company’s strategic position can be based on:

- **Serving a specific niche in the market**
- **Unique features of your product or service**
- Exceptional customer service
- Price
- Convenience, or
- Anything that significantly distinguishes you from others who offer similar services or products.

The more you understand about your own company—and how you differ from others—the better able you are to compete.

**Decide whether you want partners**

Hewlett and Packard. Ben and Jerry. Great partnerships often make great companies. But just as often, bad partnerships destroy good companies.

Nothing affects your day-to-day work life more than the people you work with. Yes, work can be satisfying when you have challenging tasks, play with cool technology, or make lots of money. But whether or not you feel like getting out of bed in the morning can be greatly influenced by whom you’ll work with that day.

Partners not only affect your mood but your bottom line as well. They share, or may even control, ownership of your company. Spend time getting to know the business skills, attitudes, and aspirations of any potential partners—even if you’ve been friends or acquaintances for many years. Find out whether their goals, work style, and values fit yours.

If you are going to take on a partner, carefully consider why you want or need one. As you start your business, you may feel uncertain about being on your own, but that feeling of uncertainty may pass quickly. A partner will be around for a long, long time. Remember, partners own a piece of the business. Even if you bring in someone with only a minority interest as a partner, your future is tied to them.

Make certain your partnership expectations are realistic. Are your partners willing to work as hard as you? Do they bring the same level of talent or skill (although perhaps in a different area) as you? Do they have the same long-term view of where they want to be?

You have more leeway, legally, to ask questions of potential partners than of employees. Of course, make certain your potential partner is honest, but also examine their personal attitudes, how they handle stress, how much money they need and how soon, family or other demands on their time, and any other issues that may affect your working relationship.
**Worksheet: Discussing Partnership Terms**

Use this worksheet to determine with your partners the terms of your partnership. Then meet with a lawyer to draw up a formal partnership agreement.

<table>
<thead>
<tr>
<th>Topic</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ownership Division</td>
<td>Who owns what percent of the business?</td>
</tr>
<tr>
<td>Jobs/Responsibilities</td>
<td>What jobs and responsibilities does each partner have? Can partners work for any other company or do any other work on the side?</td>
</tr>
<tr>
<td>Decisions</td>
<td>How will general business decisions be made? What decisions does each partner have final authority on? Who has the final authority for decisions for the company as a whole?</td>
</tr>
<tr>
<td>Communication</td>
<td>How will you communicate on a regular basis? How will serious disputes be resolved?</td>
</tr>
<tr>
<td>Exit Strategy and Dissolution Agreement</td>
<td>What happens if one partner wants to leave the business or move? What if one partner wants to sell the company? What happens if a partner dies or becomes disabled?</td>
</tr>
<tr>
<td>Other:</td>
<td></td>
</tr>
</tbody>
</table>
The best way to take on a partner is with clear-cut definitions of responsibilities and authority. It’s nice to believe you will make every decision together, but that’s not realistic. Who, in the end, gets to call the shots? And be careful about going into business with a friend—often both the business and the friendship suffer.

**QUESTIONS TO ASK POTENTIAL PARTNERS**

- Why are you going into business?
- What past experiences have prepared you for going into business?
- What are your personal goals for this business?
- How much money do you need now? How much money will you need over the next 12 months? 24 months? 36 months?
- How much money are you able and willing to invest in the company, if any?
- What kind of credit rating do you have?
- How big a company would you like this to be one day?
- What would you like to see as the eventual exit?
- How much time do you have to devote to the business?
- What other obligations do you have, both business and personal, that will affect your commitment of time, money, and attention?
- How do you see decisions being made? By whom?
- What areas of responsibility do you feel capable of taking on?
- What areas of responsibility do you want to be in charge of?
- How formal/informal do you like to be about such things as work hours, dress code, etc.?
- What are your business values and what kind of corporate culture do you want to create?
- Is your family supportive of this commitment?
- Have you ever been in a partnership before? What happened?
- What are your fears in this partnership?
- How will you resolve differences?
- Are you willing to sign a buy-sell agreement?
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