

# FIRST STEP TO STARTING A BUSINESS

*Introduction to Entrepreneurship Course Series*



careers  
businesses  
neighborhoods

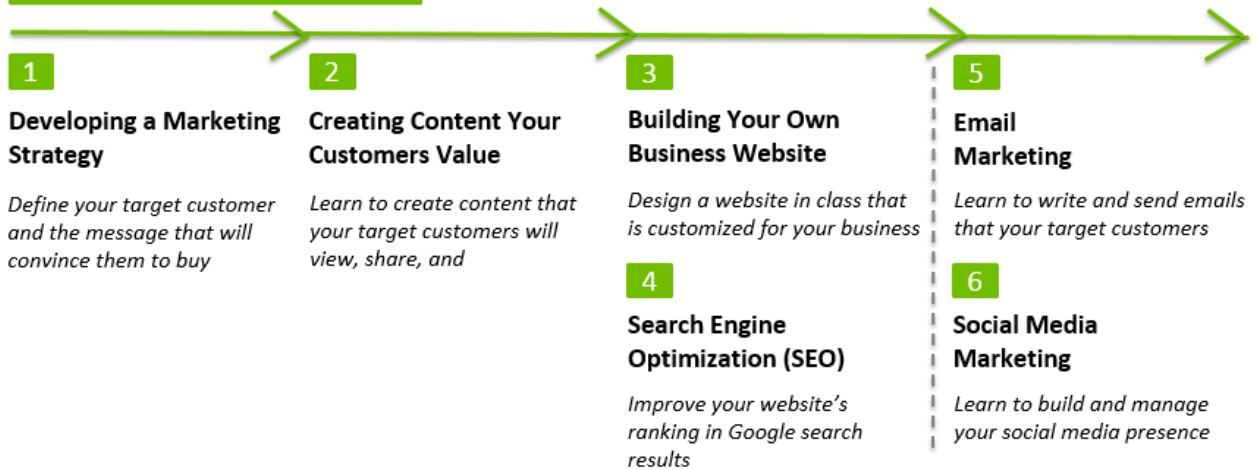
# First Step to Starting a Business

## SBS Business Course Pathway

### Introduction to Entrepreneurship Series



### Digital Marketing Series



## SBS Services



Business Courses



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To learn more about all of these services, including upcoming *Business Courses*, go to [nyc.gov/business](https://nyc.gov/business).

# First Step to Starting a Business

## Course Objectives

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The goal of this course is to provide you with the tools to understand what sets successful entrepreneurs apart and to plan your first steps to become one.

During this course, you will:

- Learn about the core competencies of successful entrepreneurs
- Assess yourself for these competencies, and create a self-improvement plan
- Learn about the motivations and resources required to launch a successful business
- Define your expectations for your small business, and create an action plan to test them

## Course Summary

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Topic	Time (Mins)
Opening	15
Tell Us About Yourself	15
Entrepreneurial Competencies	45
Entrepreneurial Motivations	20
Setting Expectations	25
Course Synthesis	10
<b>TOTAL TIME</b>	<b>2 hrs &amp; 10 mins</b>

# First Step to Starting a Business

## Entrepreneurial Competencies

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Successful entrepreneurs share many essential competencies regardless of their type of business. These competencies are represented in the circles below.

**Determination**, the drive to succeed, lies at the center. The reason is that developing all of these competencies and putting them into action takes a lot of work. Resources (like this business course) should guide you, but your work determines your success.



<b>Passion</b>	<b>Visionary/ Strategic Ability</b>	<b>Marketing/ Sales</b>
Desire to succeed Resilient Determined High Energy	Goal-setter Accountable to self-set goals Action-oriented Calculated risk-taker	Social skills Creative Negotiation skills Relationship building
<b>Operations</b>	<b>Manager</b>	<b>Technical Expert</b>
Detail-oriented Task-based system Organized Time management skills	Persuasive Communication Team-building	Deep knowledge base Experience

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## Assess Yourself

Please rate yourself on these competencies by placing an "X" in the appropriate box. These are all positive qualities of an entrepreneur.

Be honest with yourself. Successful entrepreneurs see weaknesses as opportunities for growth, rather than liabilities



Competencies	Self-Assessment				
	1	2	3	4	5
<b>Determination</b>					
I bounce back from failure until I succeed.					
When others say "no," I find a way to get to "yes."					
I am willing to work longer hours for less pay if it means doing what I enjoy.					
<b>Strategic Planner</b>					
I know my goals, and I make sure my actions move me towards them.					
Before I make big decisions, I identify all of its risks and opportunities.					
Once I set a plan, I follow through.					
<b>Operations</b>					
I keep track of what I need to do and when.					
I find ways to organize my life (or organization) more efficiently or effectively.					
I track how much money I make, spend, and save.					
<b>Manager</b>					
I am comfortable working on a variety of tasks and with a variety of people.					
I bring people together who connect and build relationships.					
People trust my judgment.					
<b>Marketing/Sales</b>					
I work to understand who I am speaking to before I share or sell an idea.					
I adapt to social situations so that I make friends with many types of people.					
I can convince others to believe in ideas they had not thought of.					
<b>Technical Expert</b>					
I know the processes involved in a business like mine.					
I know the partners (e.g. suppliers) involved in a business like mine.					
I know the resources, and how much they cost, involved in a business like mine.					

# First Step to Starting a Business

## Strategies to Improve

Because entrepreneurs are action-oriented, they act when they recognize a problem. You can act to improve a competency using one of two strategies:

- Build the competency yourself through *training* and/or *tools*; or
- Find the competency through a *partnership*. Few people can master every competency. An effective entrepreneur finds partners with competencies that he or she lacks.

### **Activity: Create an Improvement Plan**

Plan out a competency you wish to improve in yourself with the following exercise. An example follows below the exercise to illustrate.

1. Write down a key competency you wish to improve in yourself.
2. Write down a training and/or tool to help you improve.
3. What will it cost you to access this training/tool in terms of time and money?
4. What is the next step you must do to access this training/tool?
5. When will you complete that step?

**Competency for self-improvement:** \_\_\_\_\_

Training/tool	Cost to access (e.g. money time)	Next step	Completion date

### Example

**Competency for self-improvement:** Managing my business finances (Operations)

Training/tool	Cost to access (e.g. money time)	Next step	Completion date
QuickBooks Online	<ul style="list-style-type: none"> <li>• <b>Cost:</b> Free</li> <li>• <b>Time:</b> 10 hours</li> <li>• <b>Available at:</b> NYC Business Solutions Center</li> </ul>	Sign up for the next QuickBooks Online course at <a href="http://nyc.gov/businesscourses">nyc.gov/businesscourses</a>	1/1/19

# First Step to Starting a Business

## ***Activity: Create an Improvement Plan (Cont.)***

Plan out a competency you wish to find in a partner with the following exercise. An example follows below the exercise to illustrate.

1. Write down a key competency you wish to find in a partner.
2. Write down a partner who could help you with this.
3. What will it cost you to build this partnership?
4. What is the next step you must do to build this partnership?
5. When will you complete that step?

**Competency:** \_\_\_\_\_

Partner	Cost to build partnership	Next step	Completion date

### **Example**

**Competency:** Setting up a business legal structure (Technical Expert)

Partner	Cost to build partnership	Next step	Completion date
Pro bono lawyer	<ul style="list-style-type: none"> <li>• <b>Cost:</b> Free (pro bono)</li> <li>• <b>Time:</b> 1 hour</li> <li>• <b>Available at:</b> NYC Business Solutions Center</li> </ul>	Speak to NYC Business Solutions Account Manager to set up a legal consultation	1/1/19

# First Step to Starting a Business

## Entrepreneurial Motivations

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The journey to becoming a business owner can be long. You will need to remain motivated and to motivate others.

Academic research shows that some entrepreneurial motivations are better than others. The most helpful motivations will inspire you and others day after day, so it is important to think about the perspectives of other people.

Do you have the right motivations to succeed? Use the box below to find out.

	Helpful motivations	Unhelpful motivations
<b>Self-fulfillment</b>	<ul style="list-style-type: none"> <li>• Need for achievement</li> <li>• Enjoy taking on challenges</li> <li>• Create my own market opportunities</li> <li>• Seeing the real value of one's beliefs</li> </ul>	<ul style="list-style-type: none"> <li>• A market opportunity will find me</li> <li>• Impress my family/friends</li> <li>• Someone (not an expert) told me I'd be successful</li> </ul>
<b>Material</b>	<ul style="list-style-type: none"> <li>• Create my own employment, income, wealth</li> <li>• Job security</li> <li>• Flexible hours</li> </ul>	<ul style="list-style-type: none"> <li>• Escape a bad job</li> <li>• Work fewer hours</li> <li>• Become rich quickly</li> <li>• Get out of debt</li> </ul>

### ***Define & Rank Your Motivations***

List your motivations for starting your own business. After you list them, rank them by how much they matter to you.

RANK	MOTIVATION



# First Step to Starting a Business

## Life as a Small Business Owner

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Entrepreneurs shares many of the same considerations before starting a business. But there are also considerations specific to the New York City market.

Review the table below, and then answer the questions below it. The key question you are trying to answer is – *what are your expectations of being a business owner in NYC?*

	In General	In NYC
<b>Resources Needed</b>	<ul style="list-style-type: none"> <li>* Time outside of work, family, etc.</li> <li>* Stable income/finances</li> <li>* Social network</li> <li>* Industry expertise</li> </ul>	<ul style="list-style-type: none"> <li>* High cost of living leaves fewer available resources</li> <li>* People have little spare time</li> <li>* Potential shared resources</li> <li>* 3 levels of taxes (federal, state, city)</li> </ul>
<b>Market Challenges</b>	<ul style="list-style-type: none"> <li>* New technologies require dynamic business planning</li> <li>* Capital is difficult to access</li> <li>* Regulation is difficult and time-consuming to understand</li> </ul>	<ul style="list-style-type: none"> <li>* A lot of businesses mean a lot of competition</li> <li>* Expensive real estate</li> <li>* Customers have high expectations</li> <li>* Permit and License requirements</li> </ul>

The expectations you hold for your business are really *assumptions*. Think through the following questions and write down your assumptions. After interviewing business owners revisit these questions and see if your assumptions were different than the answers you heard.

	Assumption	After Class Answer
<b>Time:</b> Consider your current professional and personal obligations...		
How much extra time do you have in a week after accounting for these?		
How many of these hours can you devote to business planning?		
<b>Money:</b> Consider your present finances and how they connect to your planned business.		
How much investment is required to start?		
What is the income you want to make from your business?		
How long do you expect to run your business before making a profit?		

# First Step to Starting a Business

	Assumption	After Class Answer
<b>Experience:</b> How many years of experience do you have:		
Working in your planned business's industry (Technical)?		
Managing a team of people professionally (Managerial)?		
Creating and executing a vision for an organization (Executive)?		
<b>Network:</b> How many of your social connections (to people/organizations) can support you with...		
Business strategy		
Operations		
Finance		
Sales & Marketing		
Managing people		

# First Step to Starting a Business

## ***Create a Plan to Meet Real Business Owners***

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The best resources to start learning whether business ownership is right for you are **real business owners** – especially in your industry.

Plan to meet with at least 3 business owners in your field. Consider the following as you plan:

### **What are your objectives for the conversations?**

#1. Determine if my expectations for my business are realistic and achievable.

#2 \_\_\_\_\_

#3 \_\_\_\_\_

#4 \_\_\_\_\_

#5 \_\_\_\_\_

### **How will I find Business Owners?**

#1 Networking events

#2 Visiting similar small businesses

#3 LinkedIn

#4 \_\_\_\_\_

### **Who will you speak with?**

#1 \_\_\_\_\_

#2 \_\_\_\_\_

#3 \_\_\_\_\_

### **What are your next steps?**

Task	Completion Date
Confirm the list of business owners I will speak with	
Confirm meetings with these business owners	
Meet with the business owners	
Refine my vision	
Attend SBS's next business course, "Creating a Business Idea that Works"	

# First Step to Starting a Business

Questions to ask the business owners you interview:

#	Question	Answer
1	How much time and resources were invested before the business launched?	
2	What were you not prepared for? Are there things that required much more time or resources than you expected?	
3	What are your biggest challenges currently?	
4	What are the biggest opportunities you see in our industry?	
5	Who advised/advises you with starting/operating a business? How did you find an adviser and build that relationship?	

# First Step to Starting a Business

Develop your own questions:

#	Question	Answer
1		
2		
3		
4		
5		

# First Step to Starting a Business

## Next Steps

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1. Complete the steps in your self-improvement plan.
2. Meet with three business owners and answer the questions in your workbooks.
3. Attend the next course in this learning pathway, “Creating a Business Idea That Works”. At the end of the session, you will have a concrete and actionable business concept.

## Additional Steps

The below steps will help you prepare for our next course, “Creating a Business Idea that Works.”

1. Meet with and learn from other business owners in your industry.
2. Conduct additional research about your industry/business idea.
  - a. Explore [nyc.gov/business](http://nyc.gov/business).
  - b. Go to the Science, Industry, & Business Library (SIBL) [188 Madison Ave, New York, NY]
3. Talk with potential customers about your business idea. Consider:
  - a. Surveys
  - b. Questionnaires
  - c. Focus groups
  - d. In-depth interviews

## Post Course Survey

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Please fill out our survey at [bit.ly/sbsfirst](http://bit.ly/sbsfirst). You can complete the survey on your phone or using one of the tablets provided.

## Stay Connected with SBS

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1. **Our website:** [nyc.gov/business](http://nyc.gov/business)
2. **Our courses:** [nyc.gov/businesscourses](http://nyc.gov/businesscourses)
3. **Facebook:** [facebook.com/nycbusiness](https://facebook.com/nycbusiness)
4. **Twitter:** @nyc\_sbs
5. **Instagram:** @nycsmallbiz