



Guiding You Towards a Brighter Future

Feel like starting a business?  
Take a look at yourself.





## **Am I the right person?**

Every year lots of people decide that they want to set up their own business for many different reasons. If you are one of them, you will be setting out on a very challenging journey. No one should pretend that setting up a business is easy. It's true that many businesses fail, but many of them succeed as well. The rewards for success can be tremendous. Quite apart from the money, there's the satisfaction of knowing you have done it yourself, the freedom of managing your own time, the joy in winning a big order and the glow when a satisfied customer re-orders. Could you set up a business for yourself?

As you will see from the examples given in this guide, businesses are set up by all kinds of people - young people, women, people nearing retirement, people with disabilities, unemployed people and so on. But there is no such thing as the typical successful business person - it takes all kinds. Having said that, there are a number of characteristics which are usually found in successful business owners. This guide will help you check out your own potential.

## **Formula for success**

This guide will help you decide if you should try setting up your own business. It will not give you the answer. Only you can make that decision.

Setting up a successful business is often said to be based on the formula:-

Success = Idea + Know How + Know Who

In other words, you need the right business idea, together with the knowledge and expertise to make that idea work. You also need a strong network of contacts. Of course, you have got to be the kind of person who can make it all happen.

## **Your answers**

Before you start working through this guide - one word of advice, be honest! No one other than yourself need see the answers to the questions, so if you don't answer honestly you will only be fooling yourself. Of course, it's a good idea to share your answers with someone else but that's up to you. If you do decide to go down that route, choose someone who will tell you the truth, not just someone who will tell you what you want to hear.



## Why are you considering self-employment?

1. Complete the chart below by first of all putting a tick in column 1 for any reasons which apply to you.
2. Go back over those you have ticked and pick out the 10 most important reasons. Put these in order from 1 to 10 in column 2, with 1 being the most important.

I am considering self employment because:	1	2
I want to be my own boss		
I want to make decisions for myself		
I want to earn more money		
I want to have work		
I want to show others I am worth something		
I see other people self-employed and think I could be too		
I want more control over my own life		
I want to be taken seriously		
I am fed-up with my present job		
I am tired being unemployed		
I want the freedom to do what I want, when I want		
I want to get a fair reward for my efforts		
I want to create something for my family		
I want to test my idea		
I want to test myself and see if I can do it		
I want to use my skills		
I want to fully develop my skills		
I want to be independent		
I need another chance		
I want to feel good about myself		
Others (write your own):		



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List below the 3 most important of your concerns.  
In the Action column write what you might do to ease these concerns.

Concern	Action
1	1
2	2
3	3



### Self-employment and lifestyle

Are there things about your lifestyle you presently enjoy very much? Write them down below and for every one write how you think self-employment might affect that part of your lifestyle. For example, you might belong to a football supporters club which goes on weekend trips several times a year. Opening your own take-away restaurant might mean giving up these weekends.

Things I enjoy	Self-employment could...
1	
2	
3	
4	
5	

## Have you the right personal qualities?

There is no set profile of a successful business person but you will need to have a good selection of the qualities listed below if you are to stand a chance of success.

1. Self-confidence - without being too sure of yourself.
2. Sense of reality - able to see things as they are.
3. Mental stamina - having the capacity to spend a long time thinking things over.
4. Physical stamina - working very long hours.
5. Resilience - being able to bounce back up after a setback.
6. Willingness to take calculated risks.
7. Ability to live with the insecurity which is often a feature of self-employment.
8. Perseverance - prepared to try and try again.
9. Patience - recognising it can take time to build a business.
10. Determination - committed to really having a go.
11. Flexibility - willing to do any job that is necessary.
12. Motivation - being able to start yourself off in the morning and keep going.
13. Organisation - knowing where things are, having all you need to hand.
14. Attention to detail - it is often the little things which count.
15. Ability to relax and unwind - sometimes forgetting about the business.
16. Readiness and willingness to learn from others.
17. Open mind towards new ideas.
18. Reliability.
19. Ability to think creatively.
20. A good sense of humour.

On the next page there is a checklist to help you think about your personal strengths and weaknesses.



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## Strengths and weaknesses

**My personal strengths are:**

**My weaknesses are:**

**To compensate for my weaknesses I will:**



## Key skills for businesses

Quite apart from the skills needed in producing the goods you plan to make or the service you plan to offer, there are a number of core skills which you will need in running your own business. In some cases you may find it possible to get help if you feel you are lacking in one or more of these areas, but at the very least you will need a basic appreciation of each skill.

The core skill areas are:

- Marketing and selling
- Management
- Communications

### Marketing and selling

Marketing is often described as finding out what people want or need and supplying it to them at a price they will pay and which generates a profit for your business.

Marketing involves:

- designing the right product or service
- fixing a price for the product or service
- deciding how and where to sell
- promoting the product or service to your customers and potential customers.

All of this needs to happen so that you can sell. Sales are the lifeblood of business. Without sales, there is no business.

Selling involves:

- finding customers
- offering your product or service to the customer
- negotiating a sale
- supplying \ delivering the goods
- getting paid providing after-sales service.

In order to carry out these key tasks, the following skills are needed:

Research Skills - being able to gather and assess information.

Calculating Skills - being able to work out costs and margins and estimate profits.

Planning Skills - deciding objectives, working out the best way to go about a task and setting out the actions needed to make it happen.

Presentation Skills - being able to talk to people and present your ideas clearly to them.

Negotiation Skills - being able to give and take, to compromise, to create situations where both you and your customer "win".



## **Management**

Management is making things happen and controlling how they happen. In business it will involve:

- estimating what resources are needed to do a particular job e.g. premises, equipment, people, money and materials;
- assembling those resources and using those resources effectively;
- monitoring how they are used;
- checking to see if they could be used more efficiently e.g. reducing waste or increasing production.

In order to carry out these key tasks the skills listed below are needed:

People Skills - being able to motivate and lead people, to get them to do what you want, when you want it and how you want it.

Organisation Skills - being tidy and methodical, getting the most out of your time, getting things done in a planned way so there are no hitches and pulling everything together.

Accounts Skills - being able to keep all the records within the business so you know exactly what is going on -how many sales you are making, how much those sales are costing, how much money you are making and how much money you owe and are owed.

## **Communication**

Communication is at the heart of business. In business you are constantly communicating with a variety of people, such as:-

- employees
- customers
- suppliers
- bank managers
- government agencies
- accountants
- competitors

We communicate because we want a particular response, whether it is for a loan or a sales order or to have materials delivered. If we don't get the response we want, then (in some way) our communication is usually at fault.

Communication involves:

- deciding what message you want to communicate;
- deciding who needs to receive that message;
- choosing the best way to deliver the message;
- checking that the message has been received and understood.



In order to carry out these key tasks the skills needed are:

Talking Skills - being able to gather your thoughts and ideas together and to speak clearly.

Listening Skills - aiming to really understand what others are saying, finding out their real needs - sometimes getting behind the words they're saying.

Writing Skills - being able to express your ideas in any form of written communication - not necessarily using big words - in a clear, direct way with no spelling or grammatical errors.

Telephone Skills - being able to answer the phone properly and record messages accurately; feeling comfortable about speaking on the phone; and using the phone to project a good image of your business.

Networking Skills - being able to develop a wide range of contacts and using those contacts for the benefit of your business, including getting out and about and meeting people.

### **Making decisions**

Underlying all of these skills is the ability to make decisions. In your business, only you can make things happen. So, you have to be able to make decisions - sometimes very quickly.

### **Checklist of skill areas**

Below is a checklist of skill areas to help you assess your own skills and to identify any areas where you might need help.

<b>Skill area</b>	<b>Tick if relevant to your business</b>	<b>Tick if you feel you have this skill</b>	<b>Tick if you need help in this area</b>
Research			
Numerical Calculating			
Planning			
Presentation			
Negotiation			
People			
Organisation			
Accounts			
Talking			
Listening			
Writing			
Telephone			
Networking			
Decision Making			

## Your personal audit

Most of us are trained not to be too positive about ourselves - we feel more comfortable talking about our weaknesses or failures rather than our strengths or successes. In this section you should look at both sides but try concentrating on the positive.

### Education

In the box below write down how you did at school, college or university. List any examinations you passed. What skills did those subjects give you which might be useful in self-employment? List any other achievements and again think how those might help in self-employment.

Subjects Studied	Skills Gained

### Work

Think of any work you have done, both paid and unpaid. In the box below, list those jobs and identify any skills you gained which could be useful to you in self-employment.

Job	Skills Gained

**Social/Leisure/Recreation**

What do you do in your spare time? What clubs, societies or groups do you belong to? What hobbies and sports do you have? In the box below, list any skills arising from these areas which might be useful in self-employment.

Spare time activities	Skills gained

**Resources**

In addition to the skills and achievements listed already what other resources do you have or can gain access to? These could include money, premises, materials, equipment and contacts.

Don't just think of your own resources - what resources might you access through, for example, family, friends or workmates?

In the space below, list all the resources you could accumulate to help you set up a business.

Resource	Source			
	Family	Friends	Work-mates	Self

## What is stopping you?

A whole variety of things may be stopping you from going ahead to set up a business. Below are listed some of the more common obstacles. Read over the list and tick in the first column those which apply to you. How to complete the RANKING column is explained directly underneath this table.

Obstacle	Applies to you	Ranking
<b>1. Family responsibilities</b> Having to provide for family and/or relatives		
<b>2. “Trapped” in present job</b> Can't easily give up present job - too attractive		
<b>3. Don't want to go it alone</b> Interested in business start-up but would like partner(s)		
<b>4. Uncertain about business idea</b> Idea might not be viable		
<b>5. Unsure of sales potential</b> Don't know if there are enough customers		
<b>6. Unsure of ability to run a business</b> Don't have enough experience		
<b>7. Don't feel there is enough help/support</b> Unsure what's available		
<b>8. Fear of failure</b> Worried about how you will look if you fail		
<b>9. Afraid of career implications</b> How will you get another job if the business fails?		
<b>10. Afraid of financial risk</b> Worried about losing savings, house etc		
<b>11. Others which specially apply to you:</b>		



Go to the RANKING column now and select, in order (i.e. 1-3), the ones you think are your top three obstacles.

Once you have made your selection transfer your top three to the box below. Consider for each one what steps you could take to overcome the obstacle.

For example: if you are unsure of sales potential you could do some market research; if you don't want to go it alone, you could ask Sirius about how you might find a partner. In itself this exercise is a good guide to how you might cope with running a business. If you do set up a business you'll find many obstacles and you'll need to enjoy the challenge they present.

Obstacle	I could overcome this by...
1	
2	
3	
4	





## To sum up.....

In this booklet you have looked at:

- why you are considering self-employment
- the concerns you might have about self-employment
- how self-employment might affect your lifestyle
- the skills you need to be self-employed
- the personal qualities needed to be self-employed.

If you now think that starting your own business may be a realistic option for you then you should begin your action plan on the next page, and begin to compile your business plan. You should also be looking at other topic areas on our website before contacting Sirius for further advice and guidance.



## Personal action plan

This plan is divided into two sections - Your business idea and Yourself.

In the section on your business idea you should list all you need to do to develop and check out your idea. This might include:

- sourcing materials
- designing the product
- making samples
- testing the samples
- estimating costs
- estimating a selling price
- doing market research
- analysing the market research
- findings
- refining your idea in view of the findings
- getting advice on patents
- getting advice on production methods

If your idea is a service or a retail outlet, rather than a product, it might also include:

- checking out premises
- sourcing suppliers and establishing trading terms

In the section on yourself you should list all you need to do to ensure you can take your idea forward. This might include:

- improving your business skills
- learning more about how the product is produced
- saving for a period to raise at least some of the money you will need
- developing your network of contacts
- seeking advice on funding sources

Finally, you should indicate when you expect the action to happen. Remember, some things take longer than you think, so be realistic.



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What action is needed?	How will it happen?	When will it happen? (in months)																				Tick when complete		
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20			
<b>Your business idea</b> List everything you need to develop and check out your idea:																								



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What action is needed?	How will it happen?	When will it happen? (in months)																				Tick when complete		
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20			
<b>Yourself</b> List everything you need to do to ensure you can take the business idea forward:																								