

Starting a business

Do You Have What It Takes To Make The Entrepreneurial Leap?

Many people dream of starting their own business, but working for yourself is not as easy as it seems. Before you take the big leap, the Texas Society of Certified Public Accountants say it's a good idea to honestly assess whether you have the characteristics and skills it takes to make it on your own.

Self-Confidence

Self-confidence is critical for entrepreneurs who must face the risks involved in starting a business and make it through the natural dry spells. The confidence to make decisions quickly, independently, and often under pressure is also essential.

Integrity

People like to do business with individuals they trust. To build your integrity, be honest, listen to people, treat them with respect, don't over promise, and admit when you've made a mistake.

High Energy Level

Starting and running a business can be exciting, but it requires considerable energy and long work hours. Be sure you are prepared to make the physical and mental commitment.

Experience

Although some entrepreneurs have been known to defy this wisdom, it's best to start a business in an area in which you have both an interest and experience. This can minimize any learning curves.

Support

Does your family support your decision to work for yourself? As a new business owner, it's important to realize that your life is going to change in many ways, all of which are not positive. It's best if everyone concerned has realistic expectations of the time and money that will be required.

Passion

Passion is a characteristic that is difficult to develop. It's important to have a passion for your business from the beginning. When you have passion, your work is your play. The demands of running a business can wear you down, but passion helps transcend those feelings.

Adequate Resources

According to Dun & Bradstreet, one of the two most common reasons businesses fail is that the owner underestimates how much money it will take to get the business off the ground. You can count on needing more money than you think you'll need, so be sure you have access to extra funds through your own savings or another means.

Organization Skills

If you're like most small business owners, it's likely that you will be filling many roles from CEO to janitor. In order to make the best use of your time, you need to be organized and consider where it may make the most sense to delegate responsibilities.

Competitive Nature

From day one, you and your business will face competition from both expected and unexpected sources. To survive, a competitive spirit is a must.

Risk Taker

Starting a business can be a big risk, but it won't be the first or last risk you face. Entrepreneurs are not afraid of taking calculated risks. They learn from failures. Someone who is comfortable taking risks is more likely to make the decisions that will result in company growth.

Flexibility

As an entrepreneur, you have to be flexible because things change so fast. Successful entrepreneurs know how to adjust to the changing demands of a growing business and develop the skills to deal with change on a regular basis.

For the right person, starting and running a business can be a rewarding experience with endless challenges and opportunities for learning. For more advice about starting a business, consult with a CPA who can help you determine if the entrepreneurial life is right for you.