

Title:

The "Other" New Year's Resolution

Word Count:

1102

Summary:

Since this is my first column of 2004, I thought we'd spend a few minutes talking about those well-intentioned, though seldom kept promises we call New Year's Resolutions.

In addition to "This year I will lose weight!" and "This year I will stop smoking!" and the ever popular "This year I will stop watching reality TV!" one of the more common resolutions made by many folks this time of year is "This year I will start my own business!"

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Keywords:

Small Business , \

Article Body:

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In addition to "This year I will lose weight!" and "This year I will stop smoking!" and the ever popular "This year I will stop watching reality TV!" one of the more common resolutions made by many folks this time of year is "This year I will start my own business!"

I call it "The American Dream Resolution," and like most New Year's resolutions it is a proclamation of intent that is often made, but seldom carried out (at least in an effective manner).

Before you jump off the ledge into the entrepreneurial abyss in 2004, here's a little test to help you decide if this truly is a resolution you are qualified to make or if you should just stick to "This year I will lose weight..."

Give yourself 10 points for each "Yes" answer and a big ZERO for each "No."

1. Can you delegate without micromanaging? Running a business requires the

performance of dozens of simultaneous tasks and it's foolish to try to handle them all yourself. You must surround yourself with partners and employees whom you can trust to perform these tasks as you would yourself. If you can't dish out responsibility without worrying over the result, add a zero to your score.

2. Are you self motivated and disciplined? If you do not have the wherewithal to bounce out of bed each day without your spouse drenching you with cold water, chances are you don't have the self motivation or discipline required to be an entrepreneur. Business demands that you take action based solely on your own volition. You have to motivate yourself to pick up the phone and make sales calls. You have to motivate yourself to get in the car and visit customers. You have to do a hundred things every day that will not get done unless you make yourself do them.

3. Are you afraid of a little hard work? Starting a business is easy, right? WRONG! If you think working for someone else is hard work, try starting your own business. You will be required to give every ounce of blood, sweat, and tears you can muster. You will have to work long hours and be on call 24/7, at least in the beginning. If the mere thought of hard work makes you tired, congratulations, here's your zero.

4. Are your personal relationships strong enough to withstand starting a business? The first question I ask anyone who tells me they want to start a business is: "What does your spouse think?" When you start a business you may have to spend more time away from the family than you like. The business may also put a strain on you financially. You will have enough obstacles in your way without having to worry if you have the support of your family and those closest to you

5. Can you sell? This is a triple zero question since every business requires customers and in the beginning it will be up to you to get those customers. This means selling yourself and selling your products. Even though customers are the lifeblood of every business, you'd be surprised at how many entrepreneurs HATE this aspect of doing business. Do you cringe at the thought of cold calling i.e., walking into a business and asking to speak to the owner? Can you pick up the phone, call a prospect, and ask for an appointment without breaking into a cold sweat? If you are not comfortable selling, you will have a very hard time in business. Zero, zero, zero.

6. Do you give up easily? One of my favorite sayings about business is: "If it was easy, everybody would do it." Starting a business is hard work and the odds for failure are against you in the first few years. If you want to ride herd on your own business, you must be willing to fall off your horse a few times

without giving up. If you can't dust off your pants and climb back on, here's your zero.

7. Can you handle rejection? If your feelings are easily hurt, keep your day job because business is not for you. Many days in business, rejection waits around every corner and you must be able to handle rejection without letting it beat you down. You will experience rejection from customers, business partners, bankers, and investors, just to name a few.

8. Do you interact well with others? Being a business owner means that you will have daily interaction with a variety of folks, from your own employees to vendors to customers to investors. You must have the ability to effectively manage people without offending them; the ability to accept good advice from mentors and politely discount the bad; the ability to overlook mistakes or quietly rectify them; and the one I have trouble with: the ability to tolerate incompetence without losing your cool (but that's fodder for another column).

9. Do you have financial backing? The number one cause of business failure is a lack of money. Before you start your business you should have enough capital to see you through the first year or until the business can sustain itself. A good financial plan will include a number that ends in a few commas and a considerable number of zeroes.

10. Do you have experience in the type of business you plan to start? We've talked about this before. If you can't locate your car's engine you have no business buying a Lube-N-Go franchise. The most successful business owners have prior experience in the industry in which they have set up shop.

BONUS QUESTION. Have you ever started a business before? Prior business ownership is not a prerequisite, but it can't hurt. Many successful entrepreneurs have the skeletons of past businesses hidden in their closet. Business is a lot like marriage: you learn a lot of things on the first one that may come in handy the second time around. You can see why I didn't go into marriage counseling...

Give yourself 10 points for every "Yes" answer and zero points for every "No." If the "Yes" answers outweigh the "No's," you just might have what it takes to back up your New Years resolution to start your own business.

If your answers lean heavily to the "No" side, you might be better off working for someone else.

And that brings about another New Years Resolution that goes something like

this: "This year I will get along with my boss..."

Here's to your success.