The Reality Of Running A Small Business

With this column, I will be starting a series of writings centered on “new business” start-ups and have chosen to begin that with a “reality check” of sorts. I will be touching on several topics related to that person who is considering to start a business of their own, but the first of these is just plain a “tell it like it is” story of preparing for that new venture with a realistic mind set.

Starting a business isn’t for the faint of heart. Being your own boss offers rewards—and plenty of challenges as well. Transitioning from working for someone else to running your own company brings changes that not only you need to navigate, but that your family and friends also need to adjust to. In fact, I was going to sub-title this column today “Preparing your family for your new business”.

“Realistic expectations are required by both the entrepreneur and close family. It must be a ‘team sport’,” explains SCORE mentor Steve Spencer.

As you prepare to start your business, keep these things in mind so you—and your loved ones—can more easily transition into the brave new world of entrepreneurship.

Income might be unpredictable at first. Without a steady paycheck coming from an employer, you might find it challenging to keep up with expenses both professionally and personally. When you’re starting out, revenue from your business will take time to ramp up. It takes time to build a network of connections and clients.

You may need to forego some luxury. Prepare to make some personal sacrifices when self-employed. A daily caramel latte and Friday dinners out at your favorite five-star restaurant probably won’t be in the budget for a while.

Working from home requires discipline. If you decide to run your business from an office in your home, you’ll face a whole new set of distractions that can threaten your productivity. Tuning out the personal to-do list and spontaneous requests from friends to meet up for coffee during the workday demand concentration—and the strength to say “no.”

Expect to work really hard. Starting a small business requires a significant amount of time and effort. Many new entrepreneurs find themselves working harder and for longer
hours than when they worked for an employer. Finding ways to maintain a comfortable
work/life balance might be challenging in the beginning, but it’s necessary for the well-
being of you, your family, and your business.

According to Spencer, “Realize that your new business will need a variety of help and
advice. You will need to form relationships with professionals you may not have needed
to collaborate with before. To better your chances of success, consider creating a
business development board comprised of legal, accounting, banking, and industry
experts who will agree to provide pro bono guidance as you begin. Having a team to
guide you can help you prepare yourself—and your family—for what to expect from
running your own business.”

SCORE mentors, with their breadth of experience, are often willing to serve on business
development boards. Also consider talking with other entrepreneurs in your community
who have walked the same path and can offer valuable insight and experience about the
realities of entrepreneurship.

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