

SESSION 1: KEYS TO BUSINESS SUCCESS

OPTIMISM, DEDICATION, KNOWLEDGE

Entrepreneurial Traits Worksheet

You don't have to come from a specific background to create a successful business. You can be a man or a woman of any race, a college graduate or a high-school dropout, a teen or a retiree. But successful business owners *do* share a few important traits.

All these traits have one thing in common: they can be learned and practiced! When you complete this worksheet, you'll find out which traits you already have, and which ones you need to develop.

Trait	Yes	Sometimes	No	Don't Know
I really enjoy talking about my business idea.				
I know and enjoy the type of business I'm starting.				
When I do work I enjoy, time passes very quickly.				
I really believe in my business idea.				
I stick with a project until it's done.				
I'm willing to work 10-12 hours a day.				
I'm willing to make a long-term commitment to my business.				
I'm healthy and energetic.				
I have the support of family and friends.				
I can handle uncertainty and stress.				
I can write and speak clearly and concisely.				
I'm comfortable meeting and talking with new people.				
I listen carefully to others.				
I adapt easily to change.				
I enjoy trying new things, and doing things differently.				
I'm always thinking about ways to improve my business idea.				
I enjoy learning new skills.				
I like to make my own decisions.				
I'm self-motivated, and able to work on my own.				
I'm not afraid to ask for help when I need it.				
I'm confident in my ability to succeed.				
I can admit to being wrong, and take advice.				
I can juggle many tasks and responsibilities.				
I know how to organize my time.				
I'm willing to put in the time and effort it takes to succeed.				

Personal Goals Worksheet

Think of six things you want to accomplish in the next five years. List them on the lines below, then rank them in order of importance, with #1 being most important, #2 being next and so on.

Things I want to accomplish in the next five years	Rank
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Personal and Family Considerations Worksheet

Remember: starting a business doesn't just affect *your* life...it also affects your friends and family!

Personal and Family Considerations Worksheet

Personal Considerations	Strongly Agree	Agree	Disagree	Strongly Disagree
I'm able to work 10 hours a day, 6 days a week, including holidays.				
I can meet deadlines and keep promises, no matter what.				
Starting my own business ranks very high in my personal goals.				
I'm prepared to lose my savings.				
If I needed to, I could keep a full-time job and run my business on the side.				
I'd be willing to borrow money to finance my business.				
I know what I would do if my business failed.				
I have enough time and energy to make this a success.				
Family Considerations	Strongly Agree	Agree	Disagree	Strongly Disagree
My family obligations are number one on my list of priorities.				
My family will tolerate me working 60 hours or more a week.				
My family is prepared to lose the family savings.				
I have a lot of support from my family and friends for my business.				
Our family spends too little time together.				
My family relations are strained because there isn't enough money.				

WORKSHEET

SESSION 1

After you've made your list, prioritize each reason according to importance (using #1 as most important, #2 as next, and so on). If you could only achieve one thing on this list, what would it be? Would it be okay if you achieved only *one* of your goals?

Why I want to start a business

Priority

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins or other markings on the paper.

Personal Assessment Worksheet

1. What experience do you have in the type of business you want to start?

2. What technical skills or knowledge do you have that will help you run your business (i.e., computer skills, sewing skills, etc.)?

3. Have you taken any classes or workshops that specifically apply to your business idea, or to operating a business? If so, which ones?

4. What hobbies do you have? Do any of them relate to your business? How?

5. What advisors do you have to help you in starting your business (e.g., mentor, other small-business owner, accountant, marketing professional, etc.)? If none, what is your plan for developing a team of advisors?

6. In which of the areas listed below do you feel competent? In which areas will you need help? Are there any family members or close friends who have skills you don't, and would be willing to help?

Business Skill	Personally Competent	Family or Friend is Competent	Need Help
Time Management			
Managing Employees			
Recordkeeping			
Sales			
Leadership			
Customer Service			
Marketing/Promotions			
Managing Money			
Taxes/Licensing			
Working with Vendors			

Action Steps Worksheet

List the steps you must take to address the weaknesses you identified by answering the *Personal Assessment Worksheet* questions. Do you need to get more experience? Do you need to take classes to improve a skill? Do you need to find business advisors or mentors? Do you need to work on your communication skills?

If you don't write down your goals and set a timetable, you'll find it hard to meet them. Give yourself realistic deadlines and stick to them! Don't try to work on too many things at one time!

[illegible]

Keys to Business Success Worksheet

Read through the following list of characteristics and skills, and place a checkmark in the “Most Important” column for those you think are most important for business success. Then, place a checkmark indicating if it’s a strength or a weakness for you.

Characteristic or Skill	Most Important	Strength	Weakness
Ability to work hard			
Accounting skills			
Ambition			
Business experience			
Competitiveness			
Communication skills			
Creativity			
Supportive family			
Good health			
Good grades in school			
Honesty			
Leadership			
Network connections			
Optimism			
Organization skills			
Patience			
Professionalism			
Responsibility			
Self-confidence			
Sense of humor			
Ability to ask for help			

Professionalism Worksheet

We're all consumers, and we all know how we like to be treated when we walk into a business!

In the first column, list examples of unprofessional behavior that you've either experienced, or heard about. In the second column, list the *opposite* of the unprofessional behavior.

The first row is done for you. *Ignoring a customer in order to talk on the phone* is an unprofessional behavior. The opposite - *Getting off the phone immediately and greeting the customer* - would be the professional thing to do.

[illegible]

Communication Skills Inventory Worksheet

For each communication skill, put a checkmark in the box that honestly describes your ability. Also, give this chart to a close friend or family member, and have him or her fill it out with you in mind. Compare the results. Then, think of steps you can take to improve the areas in which you need the most help.

Communication Skill	Always	Usually	Sometimes	Never	Action Steps
I speak clearly					
I use words properly					
I talk at a medium speed					
I speak at a good volume					
I avoid slang and swear words					
I avoid interrupting people					
I have good penmanship					
I can spell					
I can write clearly					
I'm comfortable with computers					
I understand most business words and terms					
I'm comfortable on the phone					
I greet people with a smile					
I carefully listen to others					
I'm comfortable meeting and talking with new people					
I'm comfortable speaking in front of groups					
I look people in the eye					
I don't fidget					
I have good posture					
I have a firm handshake					
I'm assertive, but polite					

Business Commercial Worksheet

Since you'll be networking and meeting many new people, it's helpful to decide in advance how you'll explain who you are and what your business does. You have a very short period of time to introduce yourself and your business. If you have a short "business commercial" memorized, you won't be as nervous, and you'll always sound professional.

Here's an example of a short, professional way to introduce yourself and your business:

"Hello, my name is Joe Smitty. I'm the owner of Smitty's Hand Car Wash, where we specialize in hand-detailing luxury vehicles."

Typically, a business commercial should be no more than 10-15 seconds long.

Use the space below to write out a couple of commercials you might be able to use the next time you meet someone. Remember, they should be short and to the point! Practice them in front of a mirror, and try them out on friends and family.

Business Commercial 1

Business Commercial 2

Time Management Worksheet

Good time management takes discipline and organization, but it's perhaps the most important skill you can have as a business owner. It doesn't matter how good you are at everything else...if you can't make time to do your work, it won't get done!

Fill out the following worksheet to assess your time management skills. Skills for which you choose "Sometimes" or "Rarely" are the ones you'll need to work on.

	Often	Sometimes	Rarely
1. Do you write "To Do" lists?			
2. Do you prioritize your "To Do" list items?			
3. Do you finish all of the items on your list?			
4. Is your home clean and organized?			
5. Are you able to say "No"?			
6. Do you procrastinate?			
7. Do you allow yourself quiet time so you can work alone and undisturbed?			
8. Do you focus on preventing problems?			
9. Are you on time for school, work, and meetings?			
10. Do you meet deadlines with time to spare?			
11. When you are interrupted, can you return to your work without losing speed?			
12. Can you relax during your free time without worrying?			
13. Do you do your most important work during your peak energy hours?			
14. Are you easily distracted by TV, magazines, telephone calls, etc.?			
15. Do others accuse you of having poor time management skills or of neglecting time with them?			

Time Wasters and Time Savers

Time wasters can be recreational things like watching too much TV, or inconveniences like waiting in long lines. Not everyone is distracted by the same wasters. Before you can improve your time management skills, you must first identify *your* time wasters.

Once you've identified your time wasters, think of ways to reduce or eliminate each one. For example, if washing dishes is a time waster for you, maybe you can ask family members to rotate washing the dishes each day.

If you can't think of any tips, ask your friends, family or colleagues for ideas. Be sure to begin using the tips as soon as possible. Try working on one or two at a time. If you try to fix all of them at once, you may end up not fixing any!

[illegible]

Planning and Scheduling Worksheet

Step 1. Fill in the schedule below based upon your typical week. Include all of your current activities.

Time	Sun	Mon	Tues	Wed	Thurs	Fri	Sat
5:00-6:00 am							
6:00-7:00 am							
7:00-8:00 am							
8:00-9:00 am							
9:00-10:00 am							
10:00-11:00 am							
11:00-Noon							
Noon-1:00 pm							
1:00-2:00 pm							
2:00-3:00 pm							
3:00-4:00 pm							
4:00-5:00 pm							
5:00-6:00 pm							
6:00-7:00 pm							
7:00-8:00 pm							
8:00-9:00 pm							
9:00-10:00 pm							
10:00-11:00 pm							
11:00-Midnight							

Step 2. At what time of day are you at your mental peak? Circle or highlight these times. What activities are you doing at these times? Are you taking full advantage of your peak times?

Step 3. Now, think of how much time you'll need to plan and prepare for starting your own business. If you want to open your business soon, you'll have to find significant time on your schedule for research, planning, etc. Redo your weekly schedule to include time for business planning. What activities can you eliminate or delegate to free up more of your time? Are you using your peak performance time for starting the business?

Time	Sun	Mon	Tues	Wed	Thurs	Fri	Sat
5:00-6:00 am							
6:00-7:00 am							
7:00-8:00 am							
8:00-9:00 am							
9:00-10:00 am							
10:00-11:00 am							
11:00-Noon							
Noon-1:00 pm							
1:00-2:00 pm							
2:00-3:00 pm							
3:00-4:00 pm							
4:00-5:00 pm							
5:00-6:00 pm							
6:00-7:00 pm							
7:00-8:00 pm							
8:00-9:00 pm							
9:00-10:00 pm							
10:00-11:00 pm							
11:00-Midnight							

Stress Management Worksheet

A lot of the stress people feel in everyday life comes from conflicts between different activities and duties. Sometimes, it helps to clarify the things that are most important to you, and put other issues on the back burner.

List the activities that are most important to you at this time in your life. Rank them in order of importance, with #1 being the most important, #2 next most important, and so on. Include items such as job, children, spouse/partner, exercise, sleep, home, etc.

Rank	Areas of Importance in My Life

Now take a good look at your ranking. Where does “taking care of myself” rank? Where does “starting my own business” rank? If your business ranks relatively low on the list, this may not be the best time in your life to start a business.

Don't stress yourself out trying to plan your business if it isn't really that important at this particular time. Would it rank higher six months from now? One year from now?

Personal Budgeting Worksheet

When starting a business, it's important to know how you will pay for your everyday living expenses. Will you need to take money out of the business to support yourself and your family? If so, how much?

Complete the *Personal Budgeting Worksheet* on the following page. You'll need to track your budget over several months, so you should make several enlarged copies of the worksheet.

The **Budget** column is how you think you'll use your money during the month. Complete this column on the first of the month. Save your receipts during the month, and track your expenses. On the last day of the month, complete the "Actual" column. This will help you compare your plan to your actual expenses. Use this information to help complete next month's **Budget** column.

The better you get at tracking and understanding your personal expenses, the better you'll understand how much money you need to live. This will also give you valuable tools for managing the finances of your business.

	Month:		Month:		Month	
Income:	Budget	Actual	Budget	Actual	Budget	Actual
Salary						
Partner's Salary						
Public Assistance						
Food Stamps						
Other:						
Total Income						
Expenses:						
Living/Housing:						
Rent/Mortgage						
Electric/ Gas						
Water/Sewer						
Internet						
Telephone						
Cable TV						
Household/Repairs						
Other:						
Regular Payments:						
Student Loan						
Credit Cards						
Other Loan Payments						
Health Insurance						
Car/Home Insurance						
Life Insurance						
Child Care						
Other:						
Food Expenses:						
Groceries						
Restaurant Meals						
Other:						
Personal Expenses:						
Personal Care						
Hair/Nail Care						
Clothing/Shoes						
Doctors, Dentists, etc.						
Prescriptions						
Laundry/Dry Clean						
Recreation/Travel						
Transportation:						
Gas/Auto Expenses						
Bus, Taxi, Train, etc.						
Parking						
Other:						
Miscellaneous:						
Church						
Gifts/Charity						
Savings						
Other:						
Total Expenses						
Total Income minus Total Expenses:						

Personal Financial Statement Worksheet

A personal financial statement is a snapshot of your current financial picture. Complete the following worksheet to the best of your ability. You should update this worksheet periodically, so make copies of it, or use a pencil.

Personal Financial Statement Worksheet

Name:		Prepared as of:	
ASSETS		LIABILITIES	
Cash on hand (In checking accounts)		Current personal/household bills	
Cash (In savings accounts)		Credit/Charge cards (specify):	
Certificates of deposit			
Notes, accounts receivable			
Marketable securities (stocks, bonds)		Installment loans (short-term)	
Life insurance (cash value)		Short-term notes, accounts payable	
Other current assets (specify):		Taxes due	
		Loan payments due this year	
		Other current liabilities (specify):	
Total Current Assets		Total Current Liabilities	
Real estate - market value		Real estate debts/mortgages	
Vehicles - market value		Other non-current liabilities (specify):	
Boats, motorcycles, RV's, trailers—market value			
Individual retirement plans, etc.			
Major household items			
Other personal property			
Other assets (specify):			
Total Non-current Assets		Total Non-current Liabilities	
(A) Total Assets (current + non-current)		(B) Total Liabilities (current + non-current)	
		Assets minus Liabilities = Net Worth (A - B) NET WORTH	

Credit Danger Signals Worksheet

When used wisely, credit is a helpful financial tool. When used carelessly, credit can cause serious financial problems.

Answer the follow questions.

Yes	No	Statements about how I handle credit issues
		I fail to save money
		I'm always out of money before payday
		New monthly charges are almost always more than account payments
		I need a longer time to pay most of my monthly account balances
		I often juggle payments to creditors
		I have to borrow to pay for insurance, gas, or food
		I use credit-card cash advances to pay everyday expenses
		I receive creditor calls and letters demanding payment of overdue bills
		I not sure how much money I owe
		I'm always late paying bills
		I've reached my limit on my credit cards
		I pay the minimum amount due on credit cards each month
		Total

If you checked one "yes," be careful! You could end up with credit problems unless you manage your debt carefully.

If you checked two, you have credit problems that you should clear up as soon as possible.

If you checked three or more, you're in a dangerous situation, and should take immediate steps to correct the problem!

(Adapted from CMG Business Concepts)

How Much Credit Can You Afford?

Usually, credit payments should be no more than 15 to 20 percent of your take-home pay.

For “safe” credit use, consider the following guideline:

- How much money do you need for basic needs including food, housing, clothing, transportation, and other necessities?
- Subtract what you spend for those basic needs from your take-home pay. This is your “spendable income.”
- No more than one-third of your spendable income should be spent on credit.

Use the following worksheet to calculate the maximum you should spend on credit.

Monthly take-home pay: \$ _____ (A)

Monthly expenses for basic needs:

Mortgage or rent	\$ _____
Utilities	\$ _____
Food	\$ _____
Clothing	\$ _____
Transportation	\$ _____
Child Care	\$ _____
Medical Expenses	\$ _____

Basic needs total: \$ _____ (B)

Spendable income: (A minus B = C): \$ _____ (C)

Divide your spendable income (C) by 3: \$ _____ (C) ÷ 3 = \$ _____

This amount is the maximum you should spend on credit. By spending less, you can protect yourself against dangerous levels of credit debt.

(Adapted from CMG Business Concepts)

Action Plan

Here's a sample action plan that you can use to systemize your business planning process. List the steps you need to accomplish, and the date by which you want each step completed.

Make several copies of this worksheet to use for different projects. You should always have copies handy during class, so you can write things down as they come up.

[illegible]

Your Worksheets Assignment Due for Session 2



There are quite a few worksheets that need to be completed by the time you're ready to start Session 2. Write down any questions you have, so we can discuss them at the start of Session 2.

Be prepared to discuss these worksheets at the start of Session 2. Your instructor may require that some of these worksheets be turned in as homework, so make sure they're readable!

Writing Your Business Plan



Use your answers to questions in the Session 1 Worksheets to write the following sections of your Micro-Entrepreneur Business Plan. When writing this section of your business plan, use the following headings and subheadings:

Section II. Personal Background Information

A. Personal Skills and Experience

Write a paragraph or two describing your skills, your experience, and how you believe these relate to your ability to start and run a business. Don't forget to discuss both your strengths and your weaknesses, and how those weaknesses can be overcome.

B. Personal Financial Resources

*Review your **Personal Budgeting Worksheet** and your **Personal Financial Statement Worksheet**. Write a paragraph to describe what you can bring to the business financially, and what you will require the business to provide for your personal expenses. Discuss whether you think your financial capability is a strength in starting your business, or a challenge you'll need to overcome.*

