

How to Successfully Run a Small Business

COLE WOODWARD

What are we Providing?

1

Determine idea of the product / service you plan to provide.

2

Complete Competitive Analysis of the Market.

- Target Market
- Product Features
- Market share and revenue
- Social Media Presence

3

Develop Mission Statement, Purpose, and Vision for the Company

Initial Steps to Decide



Business Plan



Written outline that you present to others for potential investment.



Reasons for a Business Plan

Establish Business Focus
Secure Funding
Attract management staff



Types of Business Plans

Simple
Traditional

Business Plan



Business Plan to Include:

Executive Summary, Company Description, Products and Services, Market Analysis, Management Team, Financial Plan, and Operational Plan



Executive Summary

Description of offering, overview of management team, and financial details



Company Description

Overview of the entire business, describes company structure.



Products and Services

Goal is to show you are meeting a market need.

Business Plan

Market Analysis

- Target audience and how you will deliver to clients.

Management Team

- Description of how the business is organized and key members.

Financial Plan

- Detailed overview of the financials, including cash flow and profit and loss projections.

Operational Plan

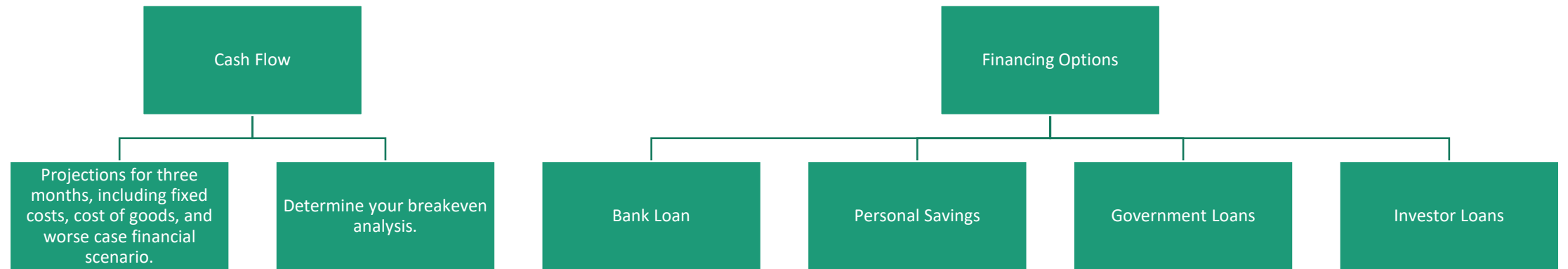
- Details physical needs including location, and facilities required for your service offering.



Project Financials

- Startup Costs
- Options for initial seed money
- Ongoing Costs
 - These costs would include rent, utilities, insurance, state and federal taxes, marketing, and IT support.
- Payroll
 - Will need to determine the number of employees and the weekly costs needed to cover salaries.

Project Financials



Legal Business Structure

Multiple Structures

- Sole Proprietorships, Partnerships, Limited Liability Company (LLC), and Corporations.

Sole Proprietorships

- Easy setup, low cost, tax deductions, easy exit plan.

Partnership

- Two or more owners.
- Easy formation, growth potential, and special taxations.

Legal Business Structure

Limited Liability Company (LLC)

- Separate legal entity, limited liability to owners, flexible management structure, free transferability of financial interest, pass thru taxation.

Corporation

- Company is separate from owners, with legal rights independent of owners.

Register with the Government and IRS

- Business License is Required before can operate your business.
- Company Required to register with Federal, State, and local governments.
- Documents that need to be prepared
 - Articles of Incorporation – Business Name, Business Purpose, Corporate Structure.
 - Operating Agreement – Business's financial and functional decisions including rules, regulations, and provisions.
- Employee Identification Number (EIN) needs to be acquired online to file federal and state taxes.



Purchase Insurance Policy

- Business insurance is a form of risk management to protect your company.
 - Types of Insurance Required
 - Workers Compensation – Insurance that pays benefits to employees who are injured or sick because of work.
 - Unemployment Insurance – State provided insurance that pays money to individuals that lose their jobs. Employers pay into the fund.
 - General Liability – Protect your business in the event your company has caused damage to another person or their property.
 - Professional Liability – Covers claims for professional mistakes.

Build your Team

- Your team is the backbone of your company.
- Initial Positions
 - President / CEO – Determines the overall direction of the company.
 - General Manager – Directs day to day activities for sales and operations.
 - Chief Financial Officer – Oversees company financials and accounting practices.
- Support Staff
 - Support staff needs to be flexible to take on multiple roles in the company including sales, engineering, project management, and administrative roles.



Brand Yourself and Advertise

- Startup companies need to establish brand recognition.
- Develop a website so your potential customers can review your offering.
- Social Media
 - LinkedIn, Instagram, Twitter, Facebook, and TikTok.
- Develop a Customer Relationship Management (CRM) software to track interaction with customers.
- Create a logo to help customers identify your brand.
- Request current customers for references by using Opt-in forms.





Grow your Business

- Companies must constantly expand company and grow.
- Partner with other companies in your market along with other vertical markets.
- Word of mouth from happy clients will give great references in growing the business.
- Donate time in your community and with charitable organizations to raise awareness of your brand.



Conclusion

- Starting a small business is not an easy endeavor.
- Hard work and strong business etiquette is mandatory to grow a company.
- You will need to adapt to the environment and be flexible to make changes.
- If you believe in your product or service, you will be on your way to a successful business.

