

20 TIPS FOR SMALL-BUSINESS SUCCESS

- 1) Determine whether running a small business is right for you.** Some people are happier and better off financially on the other end of a paycheck.
- 2) Get your personal finances in order.**
- 3) Pick your niche.** Take stock of your skills, interests, and employment history to select the best suited for you.
- 4) Create a business plan.**
- 5) Don't think you need bankers and investors from the outset.** A vast majority of small-business startups are self-financed.
- 6) Know the hats you can wear best.** Gain the background you need to oversee all facets of your business well, but determine what tasks you should outsource or hire employees to manage.
- 7) Remember that nothing happens until a sale is made.** Understand that sales drive your business. You'll need a good marketing plan detailing how you intend to promote, distribute, price, and sell your services and/or products.
- 8) Hire superstars.** Assemble a good team of employees.
- 9) Ignore regulatory issues at your peril.** Federal, state, and local government agencies require a panoply of licenses, registrations, and permits. Obey them or face stiff penalties, including possible closure of your business.
- 10) Know the tax laws.** Invest in understanding tax issues that affect your small business. You can avoid trouble and, at the same time, legally slice thousands off your tax bill if you know the right moves.
- 11) Protect your ideas and plans:** trademarks, patents, copyrights, and nondisclosures.
- 12) You have to see a customer to know one.** No matter how busy you are, especially in the early years of your business, spend at least 25% of your time with customers.
- 13) Solve your customers' problems.** The best way to satisfy your customers is not by selling them a service or product but by providing solutions to their problems.
- 14) Always remember that quality only takes a few minutes to lose and years to regain.** Quality is not a destination but a never-ending journey.
- 15) Don't go it alone.** Tap into resources such as small-business peers, a mentor, trade associations, and the local office of the Small Business Administration that can help take some of the trial and error out of starting and running your business.

16) Remember that vendors are partners, too. Treat your vendors like customers and watch the partnership grow.

17) Fast, good, or cheap--pick any two. Serious trouble awaits those who attempt to be all things to the marketplace. Focus on what you do best.

18) Put profitability first, rewards second. Beware of the small business that treats itself to hefty salaries for new hires, high-priced consultants, and waterfalls in the lobby. In small business, profitability must come first. Find out how to measure your cash flow and understand your key financial ratios.

19) Develop a passion for learning. As your business changes and grows, you need to change and grow with it.

20) It's the people. Whatever happens to a small business happens at the hands of the people who work for it. The evolution of the business is a result of their efforts.

