



# BOOT CAMP

## STEPS TO OWNING YOUR BUSINESS





# Pikes Peak Small Business Development Center

FREE CONSULTING | PRACTICAL TRAINING | BUSINESS RESOURCES

[www.pikespeaksbdc.org](http://www.pikespeaksbdc.org)



*Funded in part through a cooperative agreement with the U.S. Small Business Administration*



# Steve Imke

**SBDC Consultant, Small Business Specialist**

**Expertise Includes:**

General Business Consulting

Business Model Canvas

Oil & Gas Exploration and Production

Construction and Real Estate Industries

Crowdfunding

Marketing & Business Planning

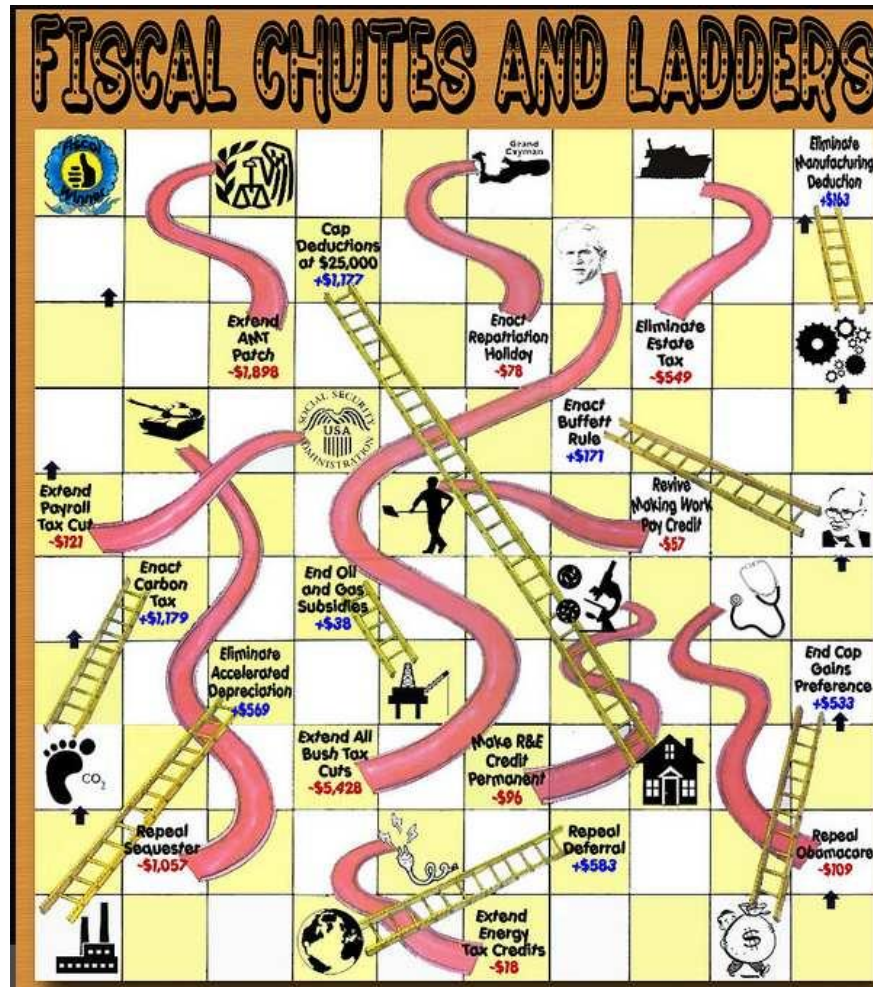
[View Steve's Bio](#)

# What Will You Learn Today?

- So you want to be an Entrepreneur?
- Business Planning Overview
- Accounting and Finance
- Marketing and Competition
- Registrations and Legal Structure
- Insurance and Human Resources
- Available Resources



# So Why Do You Want To Be An Entrepreneur?



# Most Common Reasons I Hear

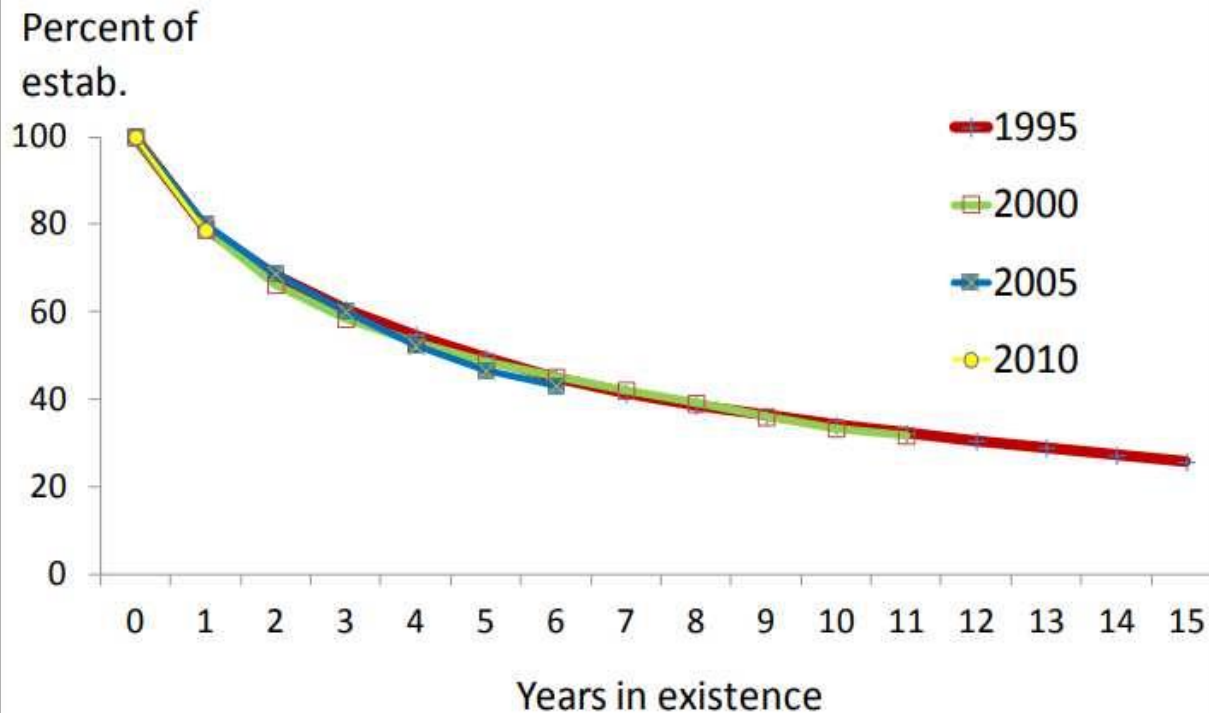
- Personal fame & recognition
- Achieving financial independence
- Few other options (Asymmetry of Signals)
- Attaining job independence
- Driving social change

# Failure Rate

- 80% of entrepreneurs starting a business fail within the first 18 months. ([Forbes](#))
- 50% of startups fail after operating for four years. ([Statistic Brain](#))
- 66% of small businesses will fail within 10 years. ([Tutsplus](#))
- 50% of small businesses fail after five years. ([Small Business Trends](#))
- 3 out of 10 new companies “fail to survive” for more than 24 months. ([Wasp Barcode](#))
- Only 33% percent of startups reach their 10 year anniversary. ([Credit Donkey](#))
- Only 1 out of 5 new businesses survive past their first year of operation. ([USA Today](#))
- Fewer than 50% of businesses survive more than 5 years. ([Fundivo](#))

# Failure Rate

**Chart 1: Cumulative Survival Rates for Establishments by Birth Year**



Source: Bureau of Labor Statistics, Business Employment Dynamics.



# Top Reasons for Success

(Wall St. Journal)



# Business Entry Options



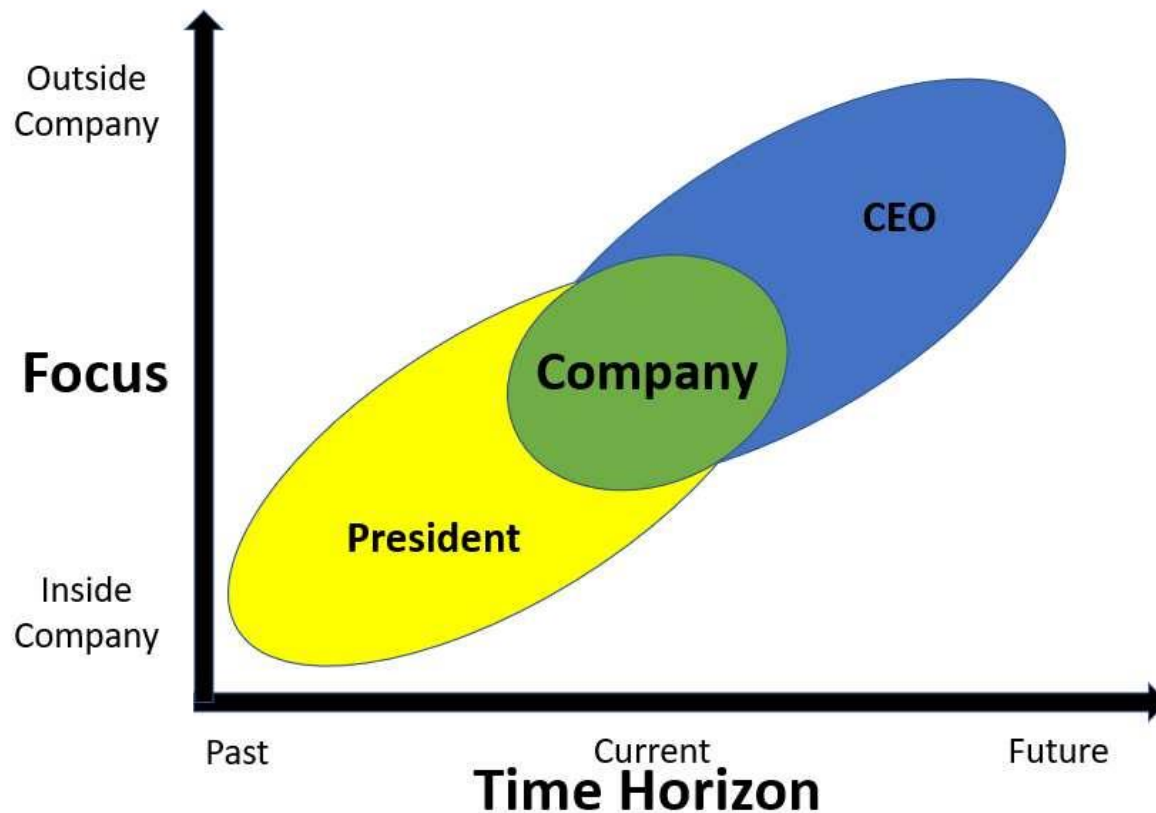
Buying an Existing Business

Purchase a Franchise

Start a New Venture

# Entrepreneur Personas

Technical      -      President      -      CEO

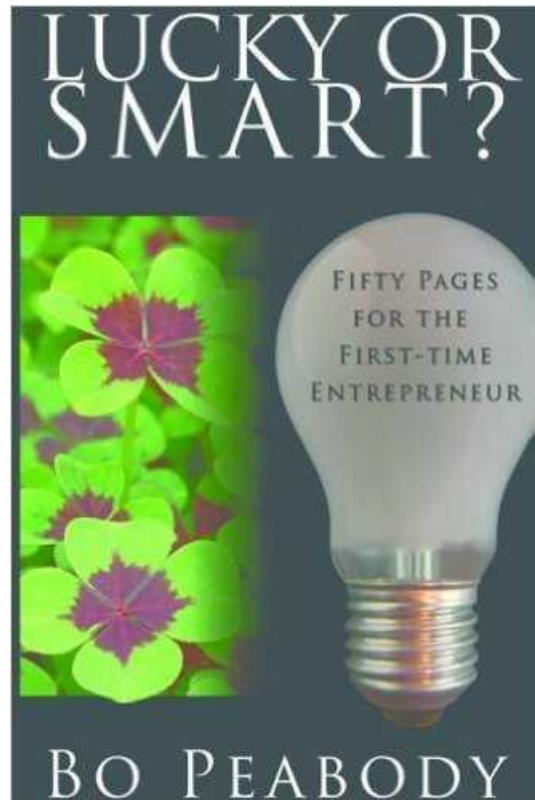


# Entrepreneur Personas

Technical      -      President      -      CEO

Area	CEO	President
Focus	Outside	Inside
Vision	Strategy	Execution
Success	Sustainability	Growth
Financial	Stockholder/Investor Value	Yearly Profit
Definition	Define Our Business	Drive <u>The</u> Business That Is Defined
Investment	Balance Investments	Maximize Output
Values	Shape Values & Standards	Behaviors to Match Values
Role	Link Outside <u>To</u> The Inside	Make Inside Productive
Planning	Plan	Implement
Being Right	Doing <u>The</u> Right Things	Doing Things Right
Timeline	Future	Present
End Game	Legacy	Performance
View	Long-Term View	Short-Term Focus

# Entrepreneur Traits



Successful Entrepreneurs  
Are “B” Students,  
Not “A” Students



NETWORKING

INNOVATION

PROJECTIONS

SUSTAINABILITY

GROWTH

CONSULTING

MENTORING

BUSINESS

FINANCING

SUCCESS

# Business Planning Overview

# New Business Paradigm

## Reasoning Skills

Causal



Effectual



## Principles

Affordable Loss



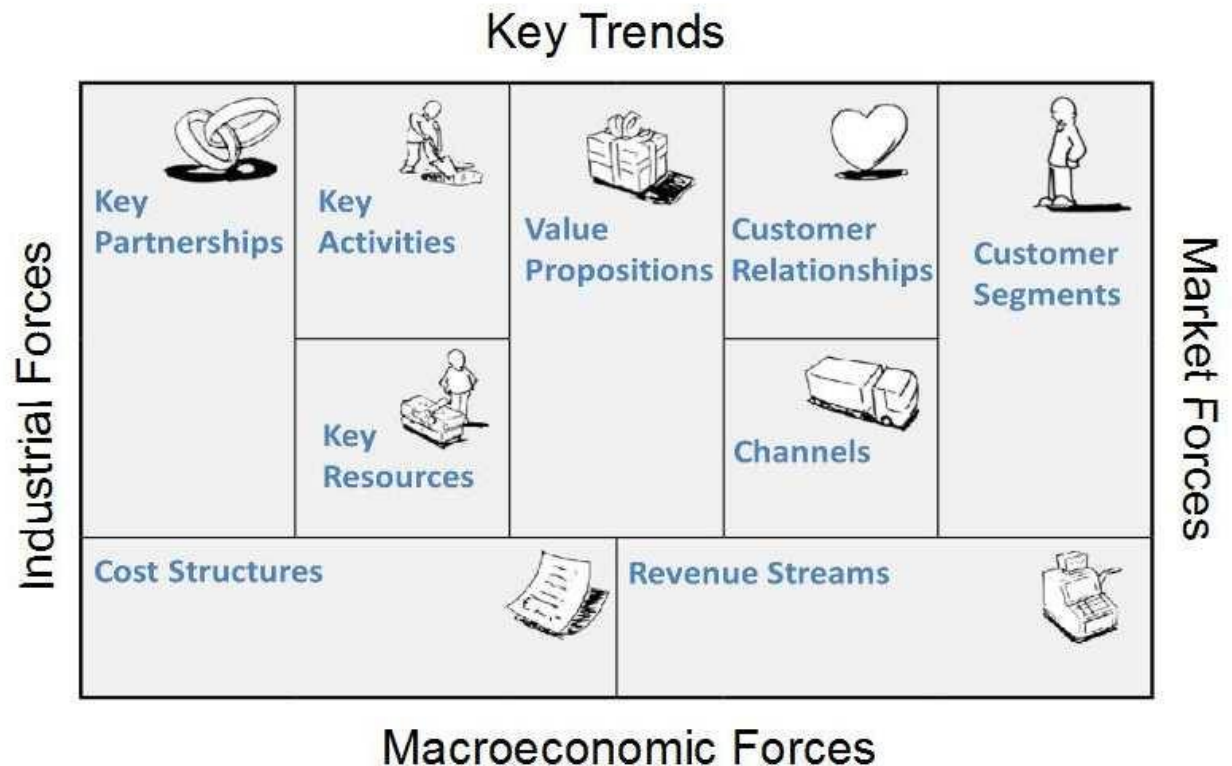
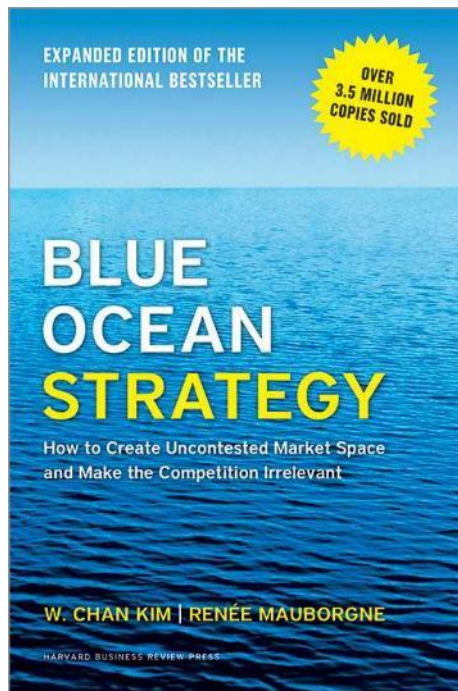
Strategic Partnership



Leverage Contingency



# Business Model Canvas



# Buyer's Utility Map

## Air Fryer



	Purchase	Delivery	Use	Supplements	Maintenance	Disposal
Customer Productivity				1, Required Oil		
Simplicity					4, Messy to clean	
Convivence						
Risk Reduction			2, Burn Hazard			
Fun and Image			3, Smelly			
Environmentally Friendly						5, Waste Oil

# Pestel Analysis

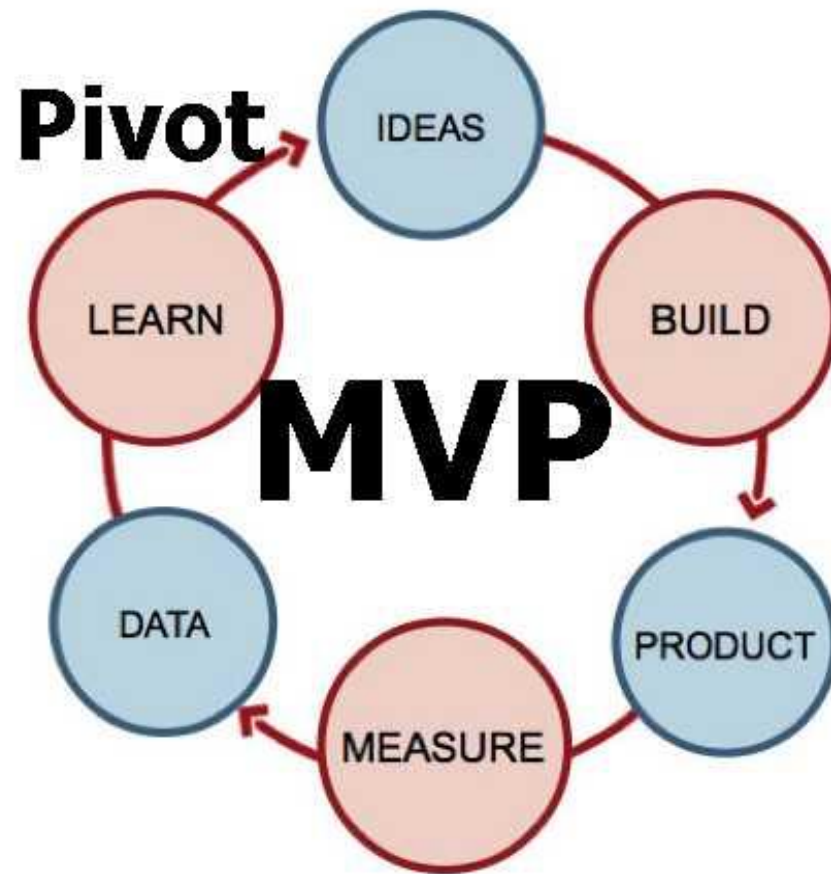




# Porter's Five Forces

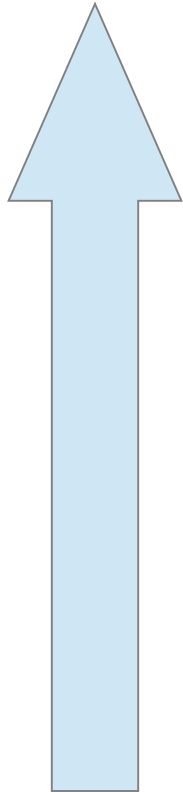


# Lean Startup



# Contents of a Business Plan

Living Document



## Operating Plan

Business Structure, Management & Personnel & Operating Controls

## Marketing Plan

Products/Services, Market Analysis, Strategies

## Financial Plan

Financial Statements, Cash Flow Projections

NETWORKING

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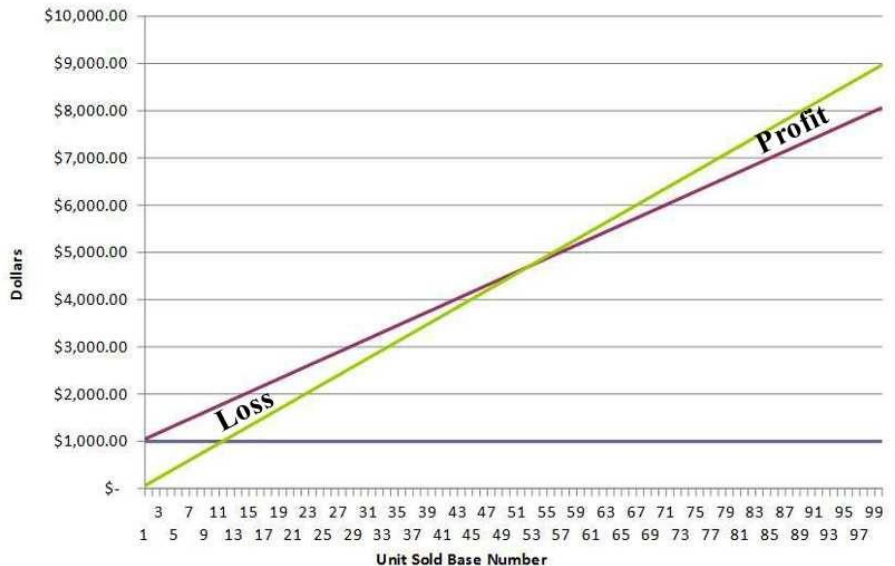
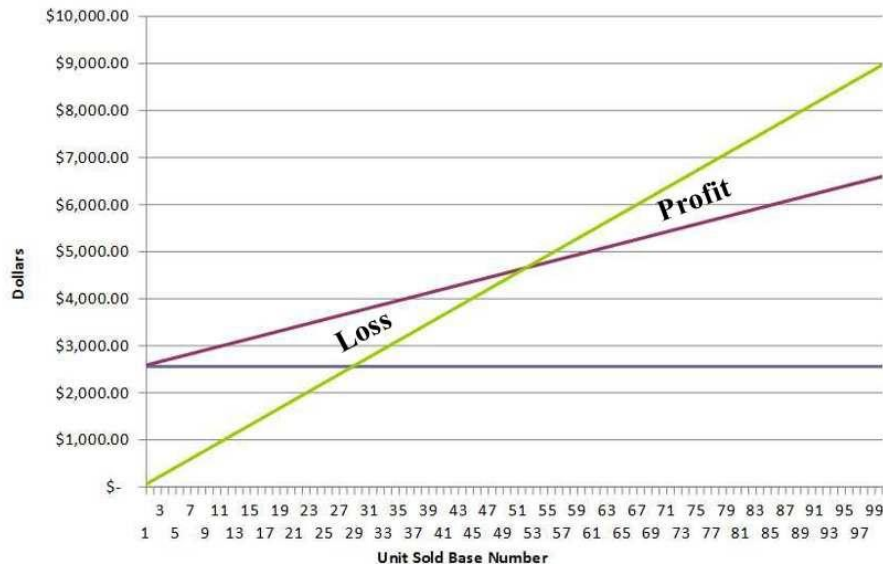
# Accounting and Finance

# Accounting

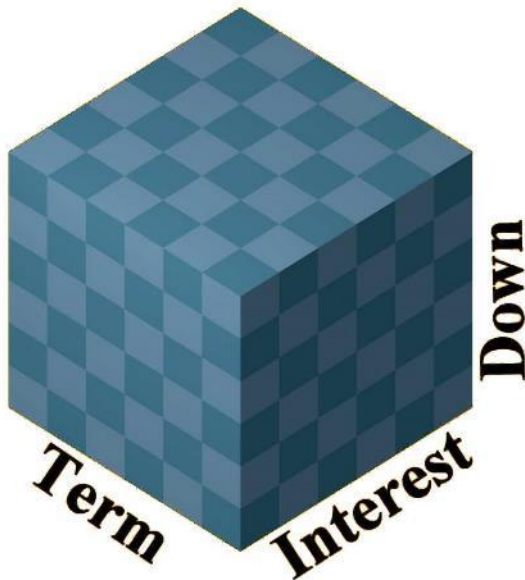
- Income Statement
- Balance Sheet
- Startup Worksheet
- Cash Flow Statement
- Break-Even Analysis



# Break-Even & Operating Leverage



# Financing Options



# Crowdfunding

- Charitable
- Micro Equity
- Reward Based

# Business Risk

Debt

Equity



Inventory

Equipment

R&D

# Financing Sources

- Personal Investment
- Friends & Family
- Credit Lines
- Short-term & Term Loans
  - SBA Guaranteed Loan Programs
- Community Lending Programs
- Govt. Loan Programs
  - ex: USDA, CHFA
- Retirement Funds
  - 401k, Self-Directed IRA
- Crowdfunding
- Private Investors



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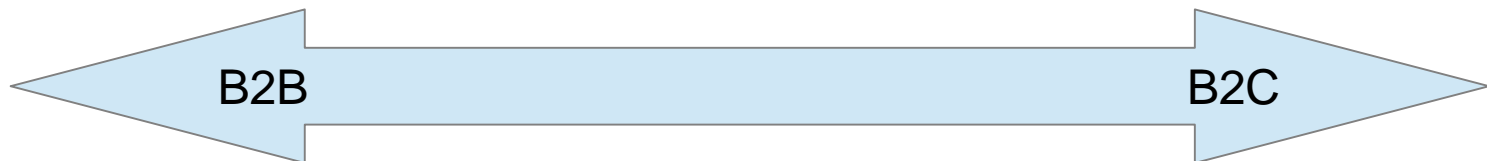
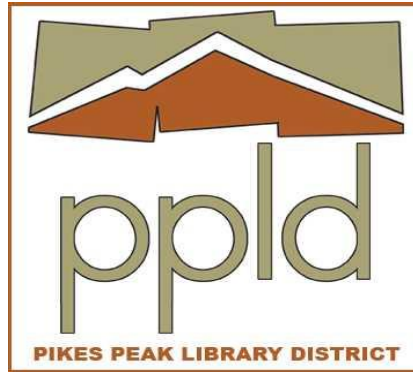
BUSINESS

FINANCING

SUCCESS

# Market & Competition

# Market Analysis



# Market Analysis

## B2B – Business Database



Business & Residential Information



### Business Demographics

Collapse ▾

<b>Location Employees</b>	30	<b>Location Sales Volume</b>	\$1,603,000
<b>Corporate Employees</b>	<i>Not Available</i>	<b><u>Corporate Sales Volume</u></b>	<i>Not Available</i>
<b><u>Type of Business</u></b>	Branch Of Public Company	<b>Location Type</b>	Branch
<b>Affiliated Records</b>	<i>Not Available</i>	<b>Affiliated Locations</b>	<i>Not Available</i>
<b>Parent Company</b>	<u>Wendy's Co</u>	<b>Foreign Parent</b>	<i>Not Available</i>
<b>EIN 1</b>	<i>Not Available</i>	<b>Fortune 1000 Ranking</b>	<i>Not Available</i>
<b>Credit Cards Accepted</b>	1ADMV	<b><u>Last Updated On</u></b>	August, 2019
<b>Years in Database</b>	18	<b>Year Established</b>	<i>Not Available</i>
<b>Square Footage</b>	2,500 - 4,999	<b>IUSA Number</b>	20-582-5987
<b>Home Business</b>	No	<b><u>Credit Rating Score</u></b>	A+
<b>Full Credit Report</b>	<u>Buy from Experian</u>	<b>Federal Contractor</b>	No

# Market Analysis

## *Lifestyle Database*



### Lifestyle Interests

Collapse ▾

Apparel / Fashion / Beauty	
Arts / History / Science	
Books / Magazines	Books & Magazines, Magazine Subscribers
Charitable Donor	
Cooking / Wine	
Collectibles	
Hobbies / Crafts / Sewing	
Health / Diet / Fitness	
Home Improvement / Decor	
Motor Vehicles / Motor Sports	Automotive Enthusiast, Motorcycle Enthusiast, Truck Enthusiast
Outdoor Recreation	Boating & Sailing, Hunting, General Outdoor Sports
Personal Finance / Self-Help	
Pets / Animals	General Pets
Photography	
Politics / Religion / News	
Purchase Behavior	Business Office Supplies & Equipment, Catalog Shopper, Child & Family Products, Gift Giver, Internet Purchaser
Sports	General Sports
Technology / Entertainment	Internet User, Internet Access
Travel	Recreation Vehicle Travel, Travel - General, US Travel

# Market Analysis

## B2C





# Market Analysis





A word cloud in the background of a blue slide. The words are in various shades of blue and white, arranged in a way that they appear to be floating or layered. The words include: NETWORKING, INNOVATION, PROJECTIONS, SUSTAINABILITY, GROWTH, CONSULTING, MENTORING, BUSINESS, FINANCING, and SUCCESS. The word 'BUSINESS' is the largest and most prominent, located at the bottom left. 'GROWTH' is also large, located in the middle left. 'PROJECTIONS' is located above 'GROWTH'. 'NETWORKING' is at the top left. 'INNOVATION' is below 'NETWORKING'. 'SUSTAINABILITY' is below 'PROJECTIONS'. 'CONSULTING' is below 'GROWTH'. 'MENTORING' is below 'CONSULTING'. 'FINANCING' is below 'BUSINESS'. 'SUCCESS' is at the bottom left, below 'FINANCING'.

# Registrations and Legal Structure

# Business Registration

- CO Secretary of State [www.sos.state.co.us](http://www.sos.state.co.us)
  - Check name availability for your business
  - Register business [www.MyBiz.Colorado.gov](http://www.MyBiz.Colorado.gov)
- Internal Revenue Service (IRS) [www.irs.gov](http://www.irs.gov)
  - Obtain an FEIN
- CO Dept of Revenue [www.taxcolorado.com](http://www.taxcolorado.com)
  - Register for Sales/Use Tax License
  - Employees

# Legal Structures

- Sole Proprietor
- Partnerships
  - General Partnership
  - Limited Partnership
  - Limited Liability Company
- Corporations
  - S Corporation
  - C Corporation

[www.SteveBizBlog.com](http://www.SteveBizBlog.com)

Small Business Advice Navigator



NETWORKING

INNOVATION

PROJECTIONS

SUSTAINABILITY

GROWTH

CONSULTING

MENTORING

BUSINESS

FINANCING

SUCCESS

# Insurance and Human Resources

# Business Insurance Products

- General Business Liability – Minimal Requirement for B2B
- Business Personal Property
- Errors and Omissions
- Directors and Officers
- Cyber Liability
- Commercial Property
- Business Interruption
- Auto Liability
- Product Liability
- Unemployment
- Workers Compensation



# Employer's Hiring Help

- Independent Contractors
- Payroll Employees
  - Use Payroll Service
- Staffing Service Employees



# Freelancers



# Employer Responsibilities

- Payroll Taxes and Withholdings
- Job Descriptions
- Employee Handbook
- Posters
- Americans with Disabilities Act (ADA)
- Insurances
  - Worker's Compensation
  - Federal & State Unemployment

The background is a solid blue color with a word cloud of business-related terms in a lighter blue, semi-transparent font. The words are arranged in a vertical stack, with some overlapping. The words include: NETWORKING, INNOVATION, PROJECTIONS, SUSTAINABILITY, GROWTH, CONSULTING, MENTORING, BUSINESS, FINANCING, and SUCCESS. The word 'BUSINESS' is the largest and most prominent in the background.

# Conclusion: Steps to Starting a Business

# Steps

1. Business Model Canvas (Concept)

2. Business Plan

1. Financial Plan →

2. Marketing Plan →

3. Operational Plan

1. Register Entity (SOS)



3. TIN (IRS)

4. Open Bank Account

5. Sales Tax License

NETWORKING

INNOVATION

PROJECTIONS

SUSTAINABILITY

# Available Resources

GROWTH

CONSULTING

MENTORING

BUSINESS

FINANCING

SUCCESS

# Business Team of Advisors

- Business Accountant (CPA - Bookkeeper)
- Banker
- Attorney
- Librarian
- Realtor
- Insurance Broker/Agent
- Business Advisor - SBDC

# SBDC Services Available to You

- Free, confidential one-on-one business consulting
- Free and low-cost training opportunities
- Resource hub for federal, state and local resources





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