



BOOT CAMP

STEPS TO OWNING YOUR BUSINESS



Pikes Peak Small Business Development Center

FREE CONSULTING | PRACTICAL TRAINING | BUSINESS RESOURCES

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

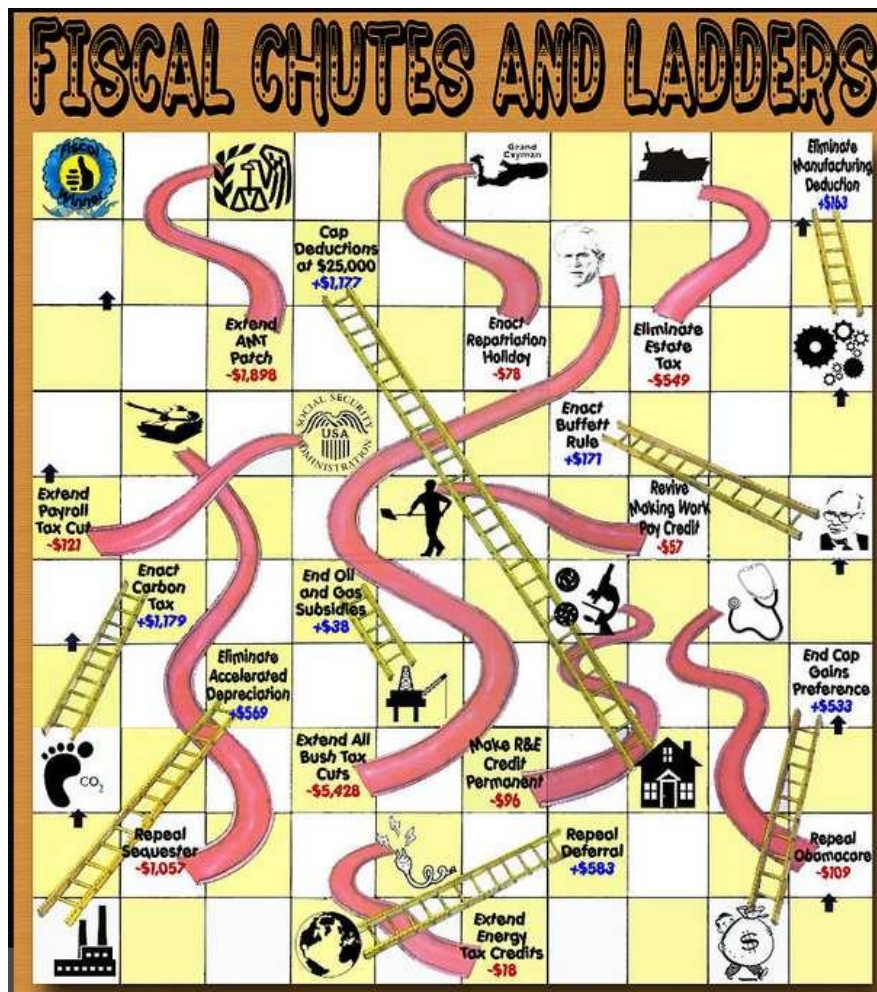
Marketing & Business Planning

[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?

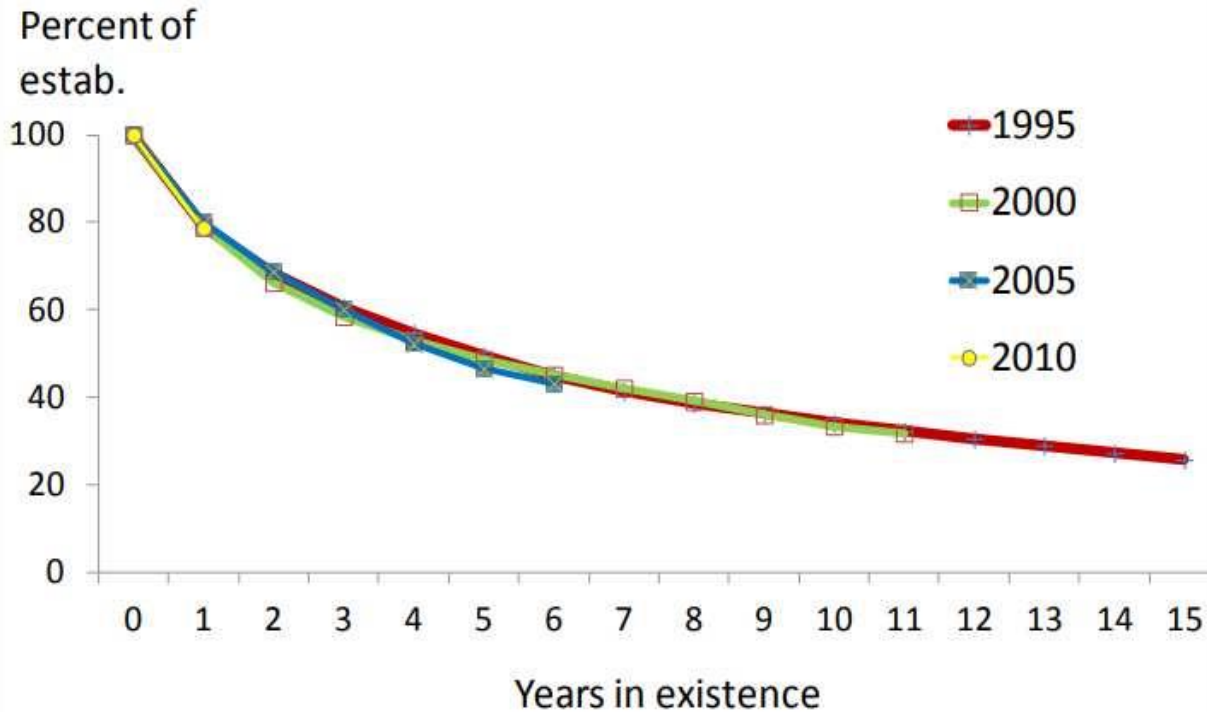


Most Common Reasons I Hear

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

Failure Rate

Chart 1: Cumulative Survival Rates for Establishments by Birth Year



Source: Bureau of Labor Statistics, Business Employment Dynamics.

Recessions = Opportunity



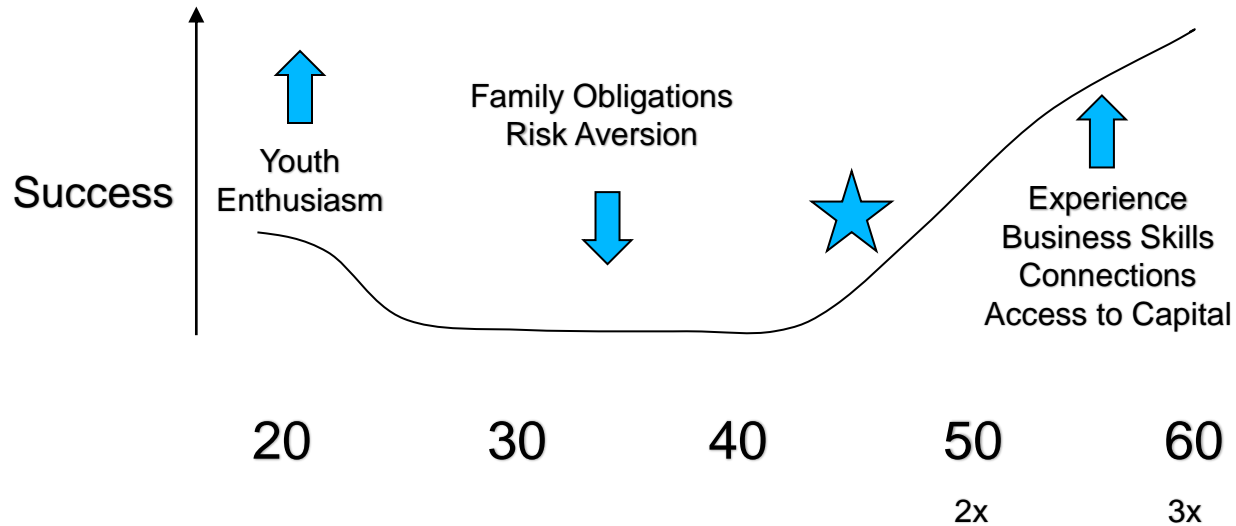
- Crisis → Pain = Desire For a Pain Reliever Solution
 - Education
 - Restaurants
- Competitors Failures = Free Lessons
- Investment in New Ideas ↓ Investment in Traction ↑ = Scale
- Suppliers Offer Discounts to Stay Alive = Low Startup Cost
- Business Failure → Layoffs = Top Talent Available + Low Salary

Top Reasons for Success

(Wall St. Journal)



Age Related Mechanisms Of Success



Female
\$ Success
Firm Size

Growth

Survival

Health
Rigidity
Risk Propensity
Time's Value
Discrimination
Human Capital
Social Capital
Financial Capital
Emotional
Life Stages
Family Obligations
Gender Stereotypes

Business Entry Options



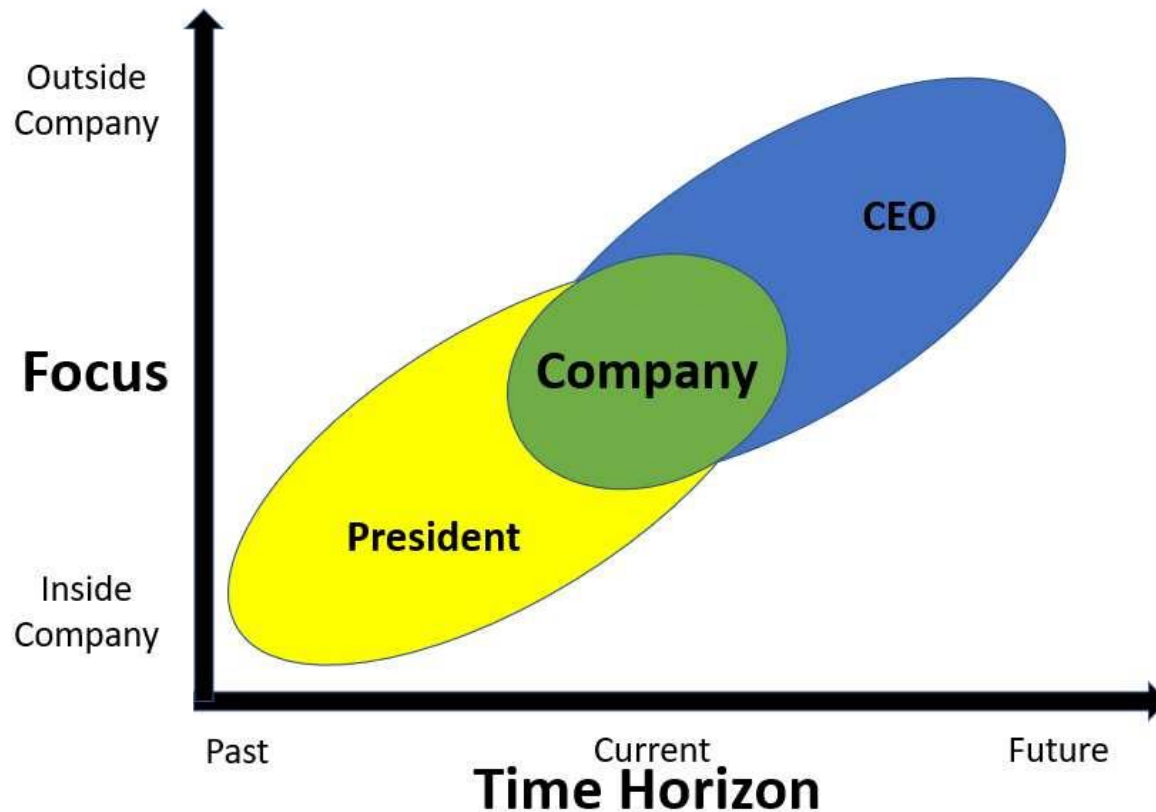
Buying an Existing Business

Purchase a Franchise

Start a New Venture

Entrepreneur Personas

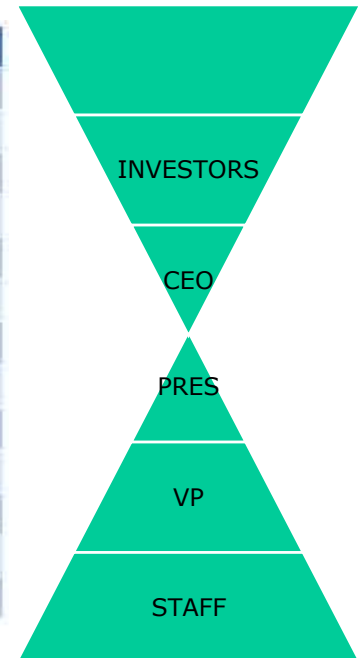
Technical - President - CEO



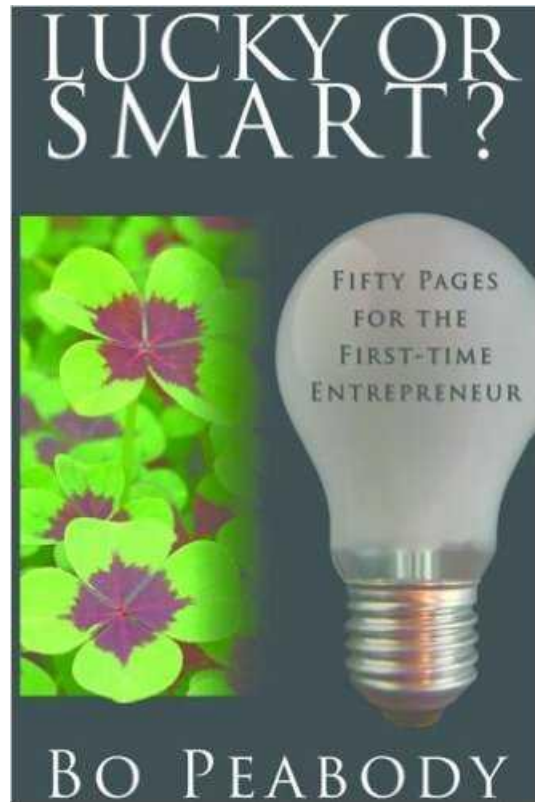
Entrepreneur Personas

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 The Business That Is Defined
Investment	Balance Investments	Maximize Output
Values	Shape Values & Standards	Behaviors to Match Values
Role	Link Outside To The Inside	Make Inside Productive
Planning	Plan	Implement
Being Right	Doing The 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

Business Planning Overview

NETWORKING

INNOVATION

PROJECTIONS

SUSTAINABILITY

GROWTH

CONSULTING

MENTORING

BUSINESS

FINANCING

SUCCESS

New Business Paradigm

Causal



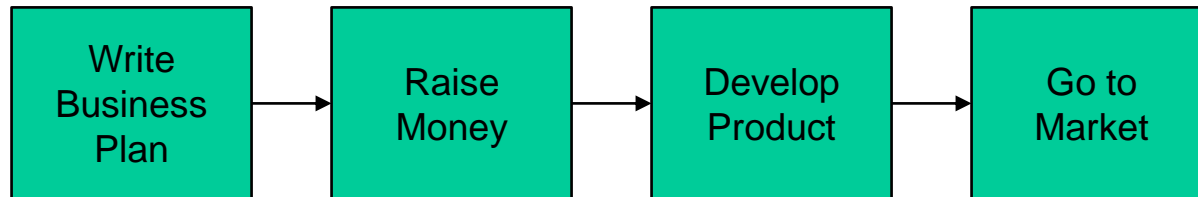
Reasoning Skills

Effectual

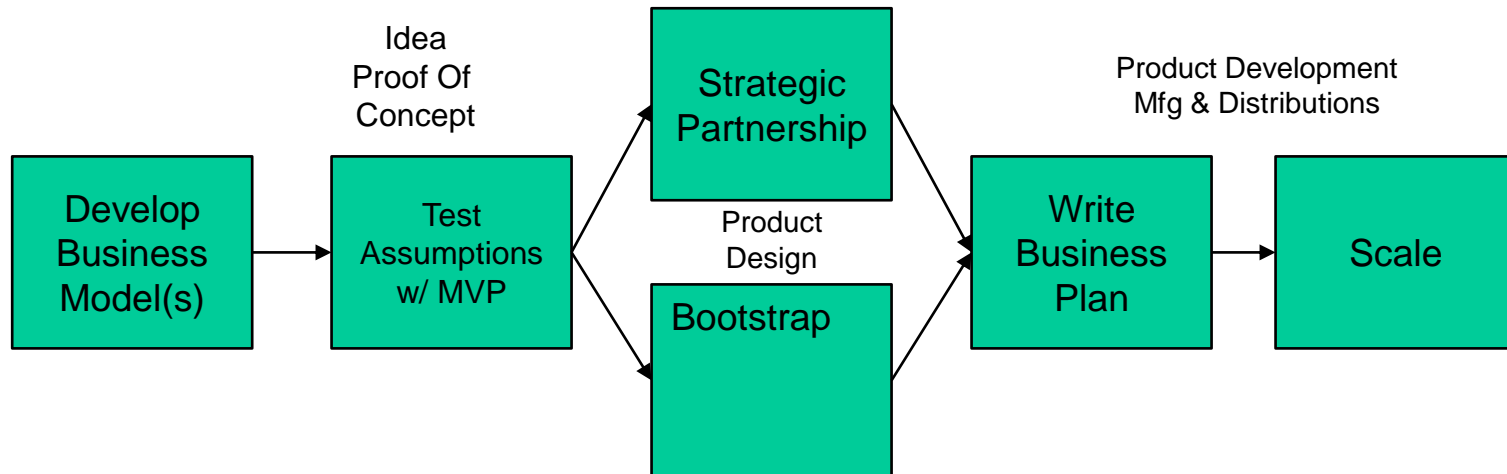


New Business Paradigm

Causal



Effectual



New Business Paradigm

Causal



Reasoning Skills

Effectual



Principles

Affordable Loss



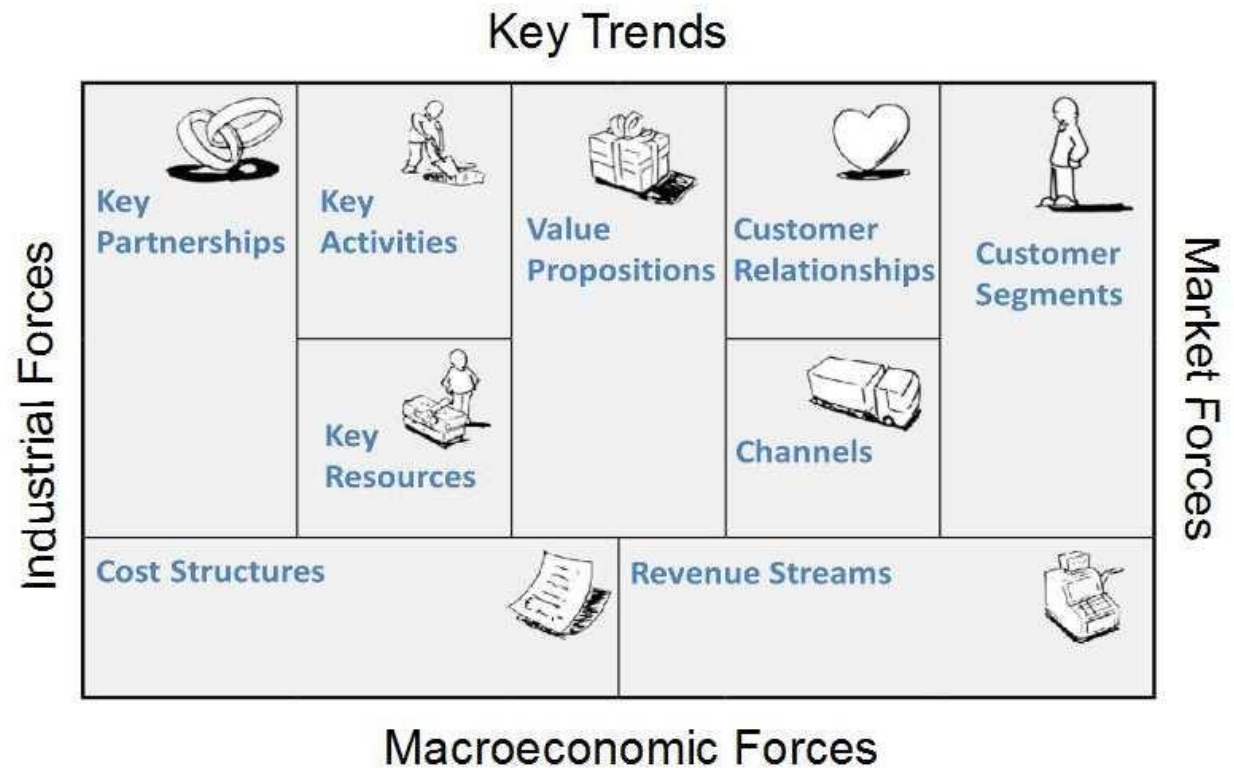
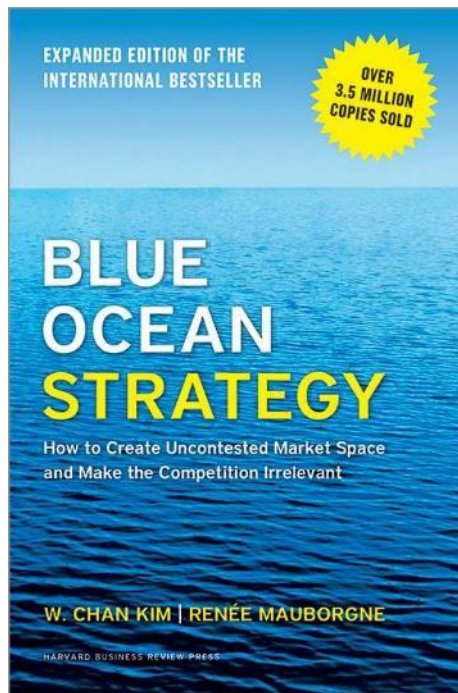
Strategic Partnership



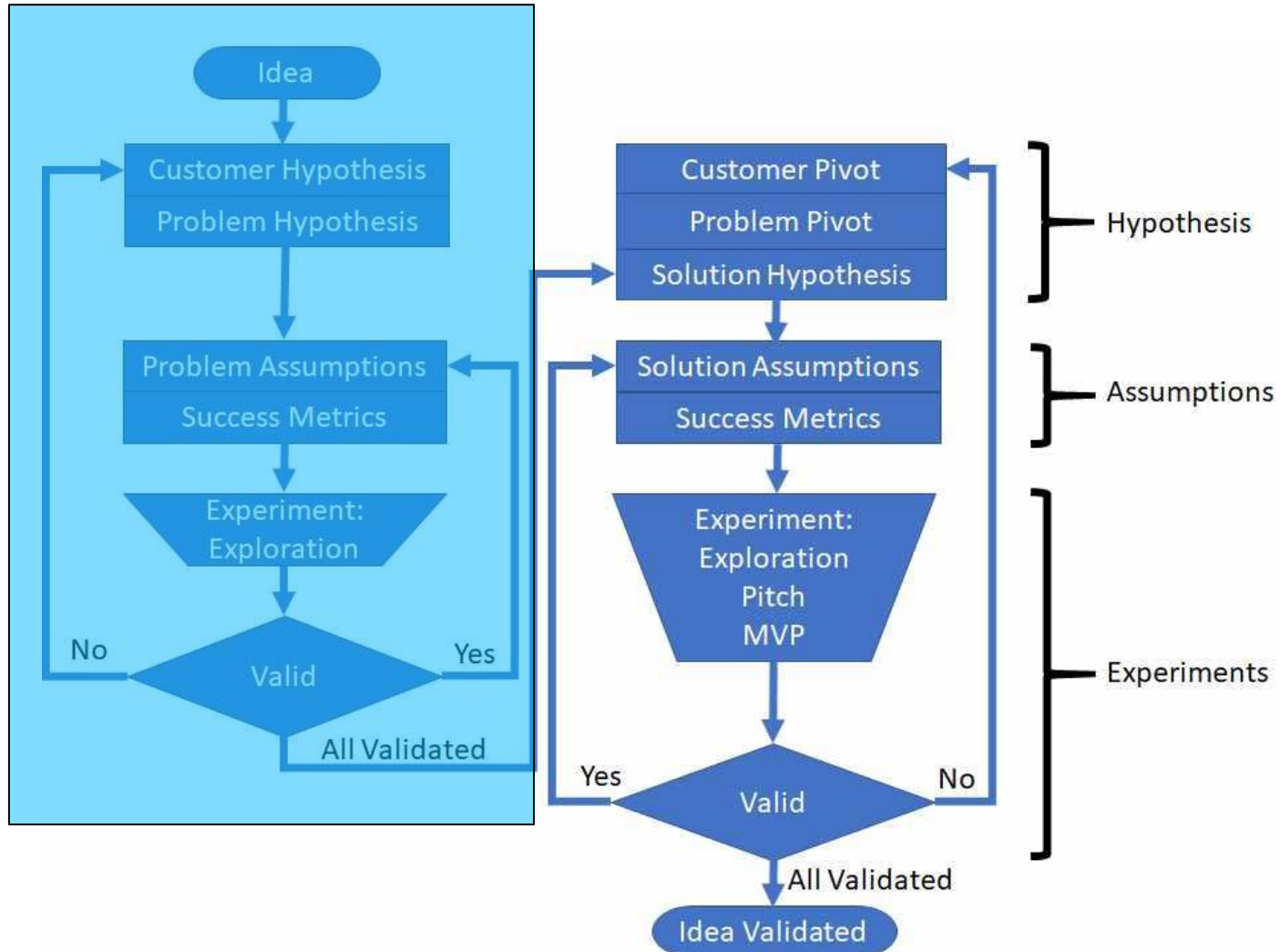
Leverage Contingency



Business Model Canvas



Validate Customer/Problem



Buyer's Utility Map

Air Fryer



B
U
Y
E
R

Levers

	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

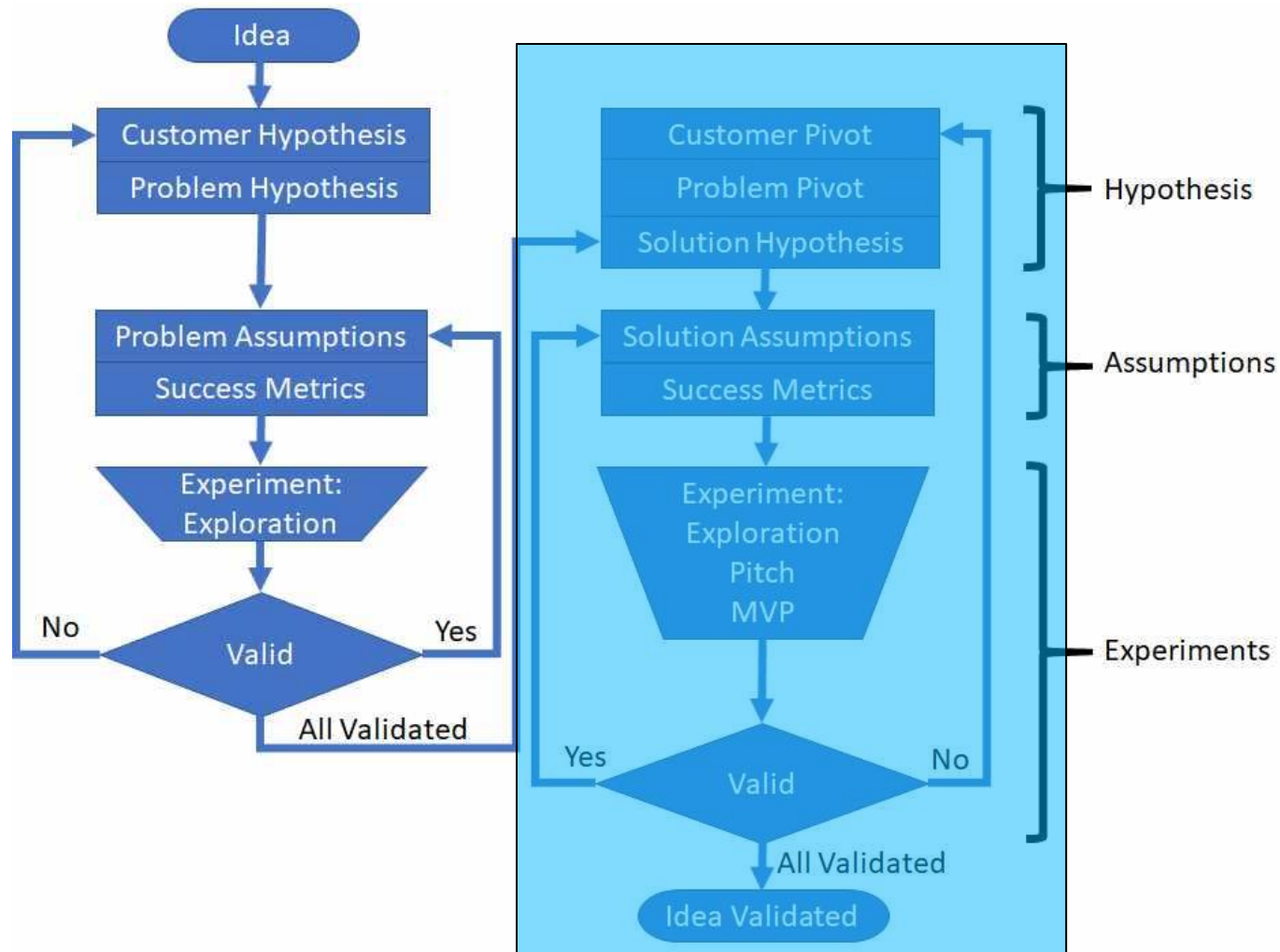
Pestel Analysis



Porter's Five Forces

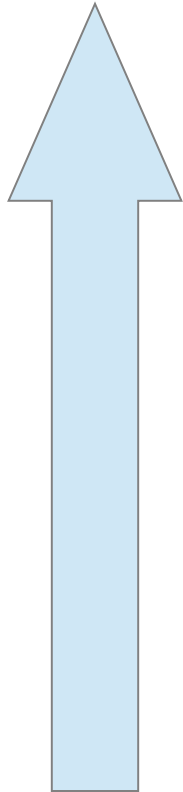


Validate Business Solution



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

Accounting and Finance

NETWORKING

INNOVATION

PROJECTIONS

SUSTAINABILITY

GROWTH

CONSULTING

MENTORING

BUSINESS

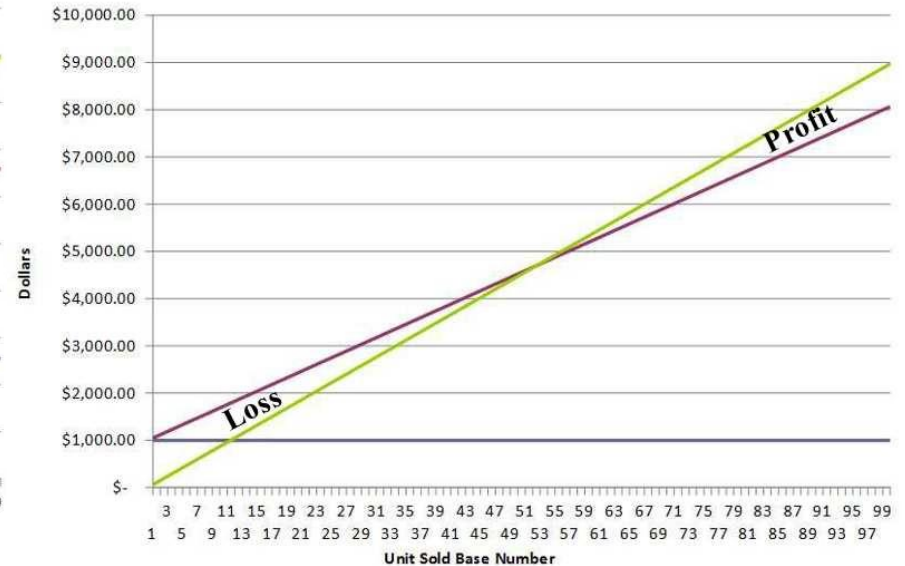
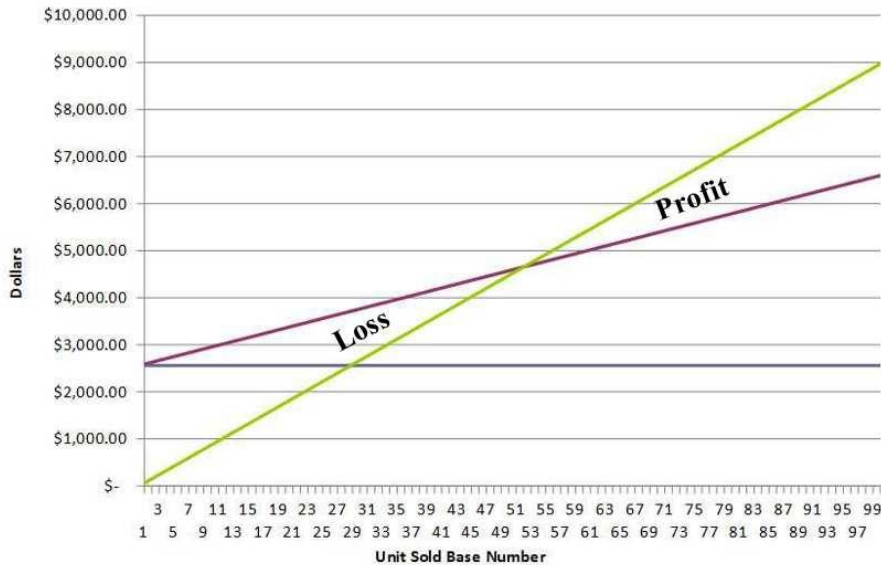
FINANCING

SUCCESS

Accounting

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

Break-Even & Operating Leverage

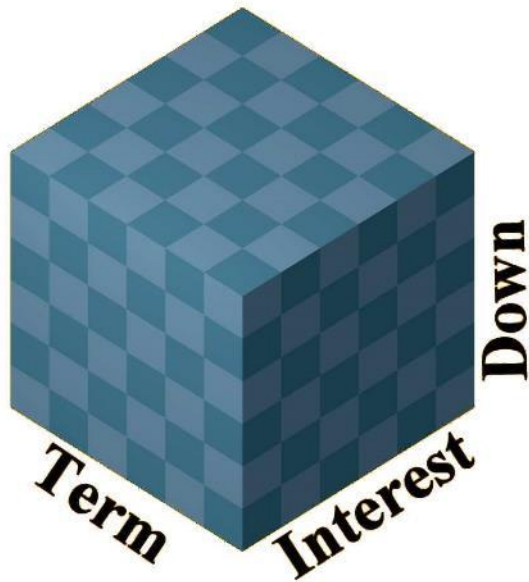


Financing Options



Institutional Bank → Community Bank → Private Lender → Specialty Lender

Financing Options



Crowdfunding

- Charitable
- Micro Equity
- Reward Based

Business Risk

Debt

Equity



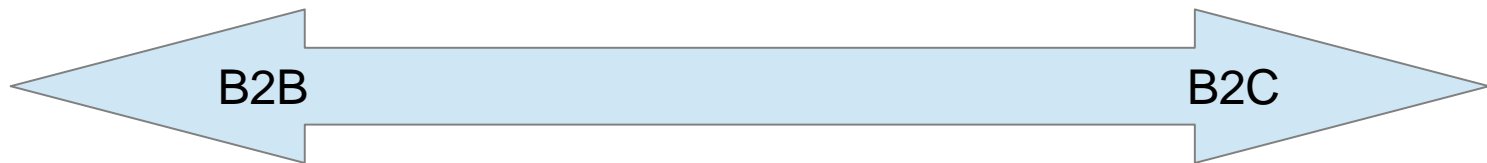
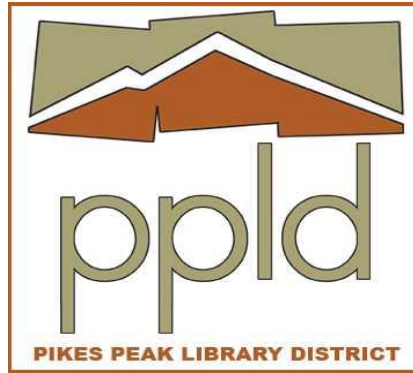
Financing Sources

- 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

A word cloud background on a solid blue field. The words are in various shades of blue and white, with 'BUSINESS' and 'GROWTH' being the largest. Other visible words include 'NETWORKING', 'INNOVATION', 'PROJECTIONS', 'SUSTAINABILITY', 'CONSULTING', 'MENTORING', 'FINANCING', and 'SUCCESS'.

Market & Competition

Market Analysis



Market Analysis

B2B – Business Database

referenceUSA[®]
from infogroup[®]

Business &
Residential
Information



Business Demographics

Collapse ↕

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

Smart Business Reports[™] by
Experian

Market Analysis *Lifestyle Database*

referenceUSA[®]
from **infoGroup[®]**

Business &
Residential
Information

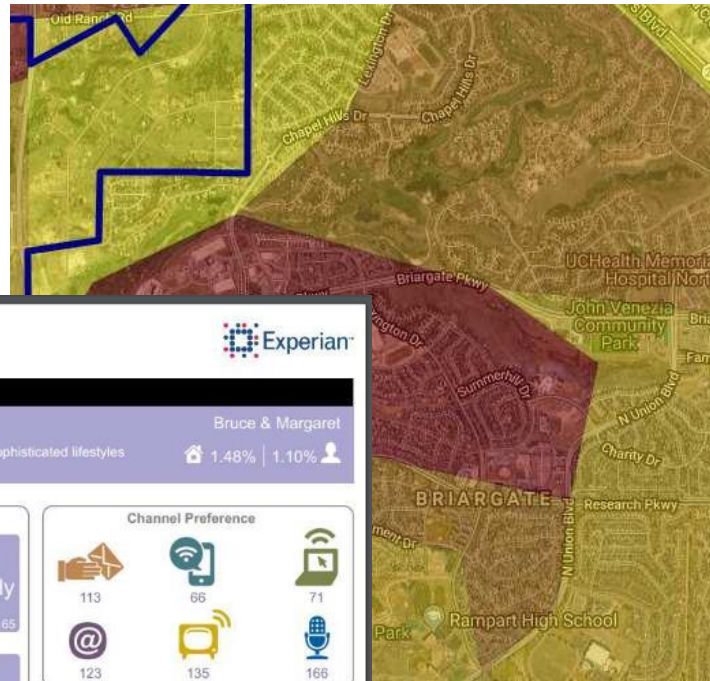
Lifestyle Interests

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



Thematic Controls

Enabled

Variable E19 FULL POCKETS, EMPTY NES

Geography AUTO-SELECT (BLOCK GROUPS)

Color Scale RED/YELLOW

- Above 17.24
- 4.69 to 17.24
- 1.276 to 4.69
- 0.347 to 1.276
- Below 0.347

Geometry Tools

Experian

E • E19 • E20 • E21

E19 Full Pockets, Empty Nests Bruce & Margaret
Empty-nesting, upper middle-class households with discretionary income living sophisticated lifestyles 1.48% | 1.10%

Who We Are

Age 51-65 53.9% 190	Property type Single family 48.6% 65
Household income \$50,000-\$74,999 31.1% 151	Household size 1 person 53.3% 136
Home ownership Homeowner 73.3% 113	Age of children 13-18 1.7% 13

Channel Preference

113	66	71
123	135	166

Technology Adoption

Apprentices

Key Features

- Empty nesters
- Highly educated
- City dwellers
- Environmental advocates
- Well-traveled
- Fitness minded

Mosaic USA © 2014 Experian Ltd



Market Analysis

SizeUp

My Business | Competition | Advertising | Steve ▾

Compare your business to the competition in the **Florists (Retail)** industry in **Colorado Springs, CO**

Revenue

Annual revenue of your business

\$315,000

How you size up

The revenue your business generates is greater than or equal to 69% of businesses in your industry in your city, greater than or equal to 73% of businesses in your county, greater than or equal to 74% of businesses in your metro, greater than or equal to 74% of businesses in your state, and greater than or equal to 76% of businesses in the nation.

Hide Variations by Geography | View Data Table

Geography	Average Annual Revenue per Business
My Business	\$315,000
City (Colorado Springs, CO)	~\$280,000
County (El Paso, CO)	~\$270,000
Metro (Colorado Springs, CO)	~\$260,000
State (Colorado)	~\$250,000
Nation (United States)	~\$240,000

50 | \$186,013 | \$372,027 | \$558,041

average annual revenue per business

SOURCE

Average Business Annual Revenue by ZIP code in El Paso, CO

- \$300K - \$600K
- \$240K - \$300K
- \$140K - \$240K
- \$70K - \$140K
- \$66K - \$70K
- Not enough data

Considerations

Average annual revenue measures the income that the average business in the area generates from selling its goods and services. You can use this figure as a benchmark to determine where you should be setting goals for your own performance.

The map shows the areas with the highest average revenue for businesses in your industry. These are areas you may want to target a marketing campaign or open a future business location.

Are you a **startup** or an **established business**?

LESS ▾

Resources

- Apply for a small business loan from [OnDeck](#).
- Develop a business plan and create forecasts with [LivePlan](#).
- Automate your sales and marketing with [Infusionsoft](#).
- Connect with investors and receive a peer-to-peer loan from [Prosper](#).
- Connect with customers through email marketing and online surveys with [Constant Contact](#).
- Get business assistance consulting from [SCORE](#) or [America's Small Business Development Center Network](#).

A word cloud background on a blue gradient. The words are in various shades of blue and white, with 'BUSINESS' being the largest and most prominent. Other words include 'NETWORKING', 'INNOVATION', 'PROJECTIONS', 'SUSTAINABILITY', 'GROWTH', 'CONSULTING', 'MENTORING', 'FINANCING', and 'SUCCESS'.

Registrations and Legal Structure

Business Registration

- CO Secretary of State www.sos.state.co.us
 - Check name availability for your business
 - Register business www.MyBiz.Colorado.gov
- Internal Revenue Service (IRS) www.irs.gov
 - Obtain an FEIN
- CO Dept of Revenue 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

Small Business Advice Navigator



Insurance and Human Resources

NETWORKING

INNOVATION

PROJECTIONS

SUSTAINABILITY

GROWTH

CONSULTING

MENTORING

BUSINESS

FINANCING

SUCCESS

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

upworkTM



 **freelancer**



Employer Responsibilities

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

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

Available Resources

NETWORKING

INNOVATION

PROJECTIONS

SUSTAINABILITY

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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