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HOW TO CHOOSE A HOME BUSINESS

**(with a better than average
chance of success)**

How to Choose a Home Business
(with a better than average chance of success)
and
Business Plan for Absolute Beginners

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Whoever said, "Do what you love and you'll never work a day in your life," may have had home businesses in mind. A home business should be chosen on a personal level, something you will love doing, something you might even do if you didn't make any money at it. See No 1 in the Business Plan for Absolute Beginners that follows.

In most articles and books on the subject of starting a home business, the authors recommend that the FIRST thing the prospective business owner must do is to make a business plan. The object of this exercise is to make one decide on goals and the processes by which they will be reached, what the costs will be, what income can be expected, what the time lines are, etc. In short, every business detail is included.

I disagree for two reasons:

First: While having well formulated goals is a good idea, the format for most business plans is so complicated and detailed they are overwhelming. And, to be told that the business plan is the first "requirement" to starting a business of their own creates a stumbling block that many are not able to overcome. "Required" to plan ahead for a business they have no experience with, they cannot do it. They are blocked before they even begin.

So ditch that fancy, detailed business plan! See "The Business Plan for Absolute Beginners" that follows.

Second: More than simply untrue, it's backward. Obviously, a business plan is necessary before hitting the bank up for a loan, but most home businesses do not start out that way.

In the beginning, most are very small. They have evolved, the natural outgrowth of a hobby, of something the business owner has been employed to do, something they love to do, or something they have a talent for, an idea or an inspiration. In other words, most home businesses grow out of something personal, something the owners are familiar with, have experience with, already know how to do.

"Business" is not a word you'd associate with what they are doing. It doesn't become a business until they start trying to make money at it. The choice to "make money" is the mechanism by which their personal talents, interests, hobbies and ventures evolve into home businesses, but it was never their primary goal.

If the business shows potential and needs to expand, having a business plan is an absolute requirement for borrowing money. By this time, however, they are thoroughly familiar with it and know exactly what should go into the plan. It is no longer a struggle.

If this is not your experience, how else can you get started?

Although you may not love it, one of the easiest ways to choose a home business is to do what you have been employed to do, but on a free lance, self-employed basis. You are familiar with it, and comfortable. You know what works and what doesn't; you know what the pitfalls are. In short, you know what you are doing. As you have experience in that field you will have made contacts. Also, and most importantly, you will be able to supply references and recommendations. Because, believe it or not, being self-employed is just like being employed. Someone has to hire you and, if you don't already have experience, contacts, references and recommendations, you will have to acquire them in order to sell your services.

Selling your services, or your product, is the name of the game. Whatever your home business, your success will depend on your sales ability. The best services, or the best product, in the world won't bring you a dime unless you can sell it. As everyone isn't strong on sales ability, the "Make \$5,000 a day" type ads target those people who want a home business where they do not have to sell; that is, a business that will succeed without it. As this simply doesn't happen, most of the "opportunities" are scams. Realistically, if you found a business that would bring in \$5,000 a day, would you tell anyone about it? Not hardly! You'd have trouble enough trying to keep some copy-cat from stealing it.

Minimize your need for sales ability

Within the framework of what you want to do, look for products or services that customers **want** to buy. Unless someone wants what you have to sell, they won't buy it regardless of how good it might be or how much they might need it. It may be an ego-buster to say "No one wants what I am offering" but your business will depend upon recognizing that fact and looking for something else they do want! It would be a mistake, however, to choose a home business for its money-making potential alone. If you hate doing it, chances are you simply won't. And, if it's a success, you may be trapped into doing something you hate.

I have been told that "selling" is a talent, just like musical ability, writing or painting. Obviously, everyone doesn't have that talent and, for some of us, sales ability will never come naturally, if at all. If you have that limitation, getting the right kind of help will be the key to your success. You can hire, or trade services with, someone who IS good at selling. Or, better yet, hire a mentor who will teach you exactly what to do and how to do it.

Be realistic about the internet.

There are very few legitimate internet programs that will teach you how to sell on the internet. Most rely on affiliate marketing in one form or another. Others exploit the vulnerabilities of Google, but come crashing down when Google changes their algorithm.

And, what was once a good business may not be a good business any more. Unless you have an extraordinary service or product, you cannot make a single dime trying to sell what someone else is giving away for free. A case in point: what do you suppose all the free articles and content on the Internet has done to information publishing businesses? There is virtually no question you can type into Google that will not immediately provide an answer.

Another case in point: with PCs in every office and most homes, providers of typical business services are finding themselves competing with those who now do it for themselves, or workers in India who work for pennies on the dollar. Not a good idea unless

you have technical skill and expertise in some particular field, and even there, your competition is world-wide.

If at all possible, go LOCAL. You'll have far less competition and a far greater chance to succeed. Do have a website but view it as your catalogue, not the route to an internet fortune. Buyers, and prospects, have both come to expect that everyone in business has a website, and not having one has become a handicap. Viewers will soak up everything that's free. And some will steal all they can.

When it is a sales claim that a business is a proven winner, be wary. If it is really that good, everybody else is already doing it, and you will be wasting your time. Some franchises and multi-level marketing companies are promoted on the basis that someone else, the team, will do the selling. Some are legitimate, some are not. Before choosing one, it is recommended you research them carefully. Ask these questions: If they are a company you do not personally know, check their credit, the Better Business Bureau, the state Attorney General's office. Find several others who are actually operating the business and ask them about it. (Be extremely wary of recommendations provided by the company.) If you get into the business and things don't look right, get out fast. Don't wait. Your instincts are probably right.

Research

All research is not equal. Reading "How to Start a Business" written by an author who has published a hundred or more books on a hundred or more different businesses should tell you that the author is a writer of "general" information who does not have personal experience with any of the businesses. The books will be almost generic, goals, business plan, accounting, taxes, licenses, office equipment, etc. that apply to every business. There will be virtually nothing there that applies to the business you are interested in. I can guarantee you that publications on starting an accounting business will tell you absolutely nothing about accounting. Nor will books on starting a photography business tell you how to take good pictures. If you want to understand a business, buy books written by authors who have personal experience in the business they are writing about. If an author, for example, has published only two books, both of which are on operating restaurants, it is a pretty safe bet the author has personal experience in the restaurant business. (On any of the book sites on the net, "start a business" will bring up hundreds of books. When you locate the type business you are interested in, click on the author's name and a listing of their publications will appear. And on some sites, you can read the index and excerpts from the book.)

When you have decided in which direction your interests, your personal skills and talents should take you, buy the best books you can find about it and read, read, read. Subscribe to trade journals. Talk to people in the business. Offer your services (free if need be) to get some practical experience. You'll learn things you might never learn otherwise. If you start having second thoughts, don't be afraid to change your mind and look for something different.

Business Plan for Absolute Beginners

"If you fail to plan, you are planning to fail."

There is a far more practical reason for making a concrete plan: plans that are concrete tend to manifest themselves. Write your answers out in detail and keep them. They will be a valuable resource in the future. Also, results from following this plan will help you fill out a professional business plan later on.

1. **Consider your choices.**

Vacillating continually between what you'd enjoy doing, what you want to do, what you can do, what you should do, what it would be best to do, what you can make the most money doing, what has worked for you in the past, what might work in the future, etc. etc. etc., will prevent you from settling on one thing and succeeding at it.)

Some marketing experts have reported that new businesses, started on the premise "Do what you love and the money will follow," is responsible for more small business failures than any other thing.

2. **Choose one thing to Research/Test** (At any terminal failure, chose another and start over with the test. Write your answers out in detail.)

Why is this a good idea or product?

Is there is a demand for the product or service?

How do you know that?

Who will be your customers?

What problem (s) will you solve for your customers?

What service (s) can you provide for them?

How can you reach them?

What will it cost to reach them?

Is it a niche product or service?

Is there is a demand for it?

Who will be your customers?

Can the product or innovative business idea be easily stolen from you? Can you prevent that?

3. **Talk to people who are already doing it.** (If they think you might become a competitor, the information you get may be minimal or untrue.)

4. **Try this out on a limited basis to see if it will actually work.**

What problems do you run into?

What are the costs?

Is it something you enjoy doing?

Did you make a profit? How much?

5. **If it did not work, why not?**

What mistakes did you make?

What could you change that might make it work?

(If a small undertaking elicits very little response, do not assume that doing the same thing on a bigger scale will generate more.)

6. **If it worked, why did it work?**

Can you build on that?

7. Repeat #1 through 6 until you find something that works, that was profitable and that you enjoyed doing.
8. Choose a working name for your business. (For now, make this temporary. When your name goes into print or on the internet, you may be stuck with it.)
9. Your business address
(Use a box number if you don't want people showing up at your door.)
10. The time you will devote to develop your business.
How much?
11. The skills you will devote to develop your business.
Write them down.
12. The skills needed to develop your business that you do NOT have.
Write them down.
13. Who will provide those skills to your business?
Family members? Friends? Volunteers? Hired help?
Write it all down.
14. Who else will be helping you?
Team? Advisors? Investors? Suppliers?
Write it all down.
15. To get started, what will you need to buy that you don't already have?
Make a list and estimate the costs.
Where will you get the money?
16. What other start up costs will you have?
How will you finance the costs?
17. What risks are you taking?
What problems do you foresee in the future?
18. What assumptions are you making?
Can you depend upon them being true into the future?
19. When do you expect to be making a profit?
At the end of 3 months, 6 months, 9 months? Your first year? Be specific.
20. How much profit do you expect to be making?
At the end of 3 months, 6 months, 9 months? Your first year? Be specific.
21. If you are NOT making a profit,
At what point will you re-evaluate whether to continue on in this business?
Be specific.
22. Be aware of your tax position. Consistent losses may lead the IRS to declare your

business a "hobby" and deny expense deductions.

About the author:

JHWhite is a graduate of the University of Missouri-Kansas City. Making a career out of full-charge bookkeeping, she retired in the position of controller and went on to head the accounting department of a million dollar corporation.



"Embezzle" the fact-finding guide that will expose discrepancies in your accounting records and allow you to proceed on fact, not suspicion.

Most owners and managers are reluctant to accept embezzlement as a possibility because, if both their staff and their accounting is suspect, they believe there is no other solution than to hire their CPA to conduct an audit which will cost big bucks and may find nothing at all. That being the case reliable CPAs are reluctant to do an audit on the basis of suspicion alone. Owners and Managers then find themselves in a no-win situation, unable to go further,

"EMBEZZLE" is the solution! It's how you find the evidence, if there is any. EMBEZZLE" is not set up like an audit. It works from the inside, like a bookkeeper does. If there are discrepancies to be found, you'll have documentation: what it is, where it is. You'll be operating on fact, not suspicion.

With the instructions in "EMBEZZLE" you can easily do it yourself. If you need a little fine-tuning of your bookkeeping skills, consider **Bookkeeping Basics**. If you don't have the time or desire to follow "EMBEZZLE" yourself, hire someone to do it for you on a temporary/part-time basis. I suggest an outsider, a retired full-charge bookkeeper with years of experience, a high school education and a clean record

EMBEZZLE

- *How you are setting yourself up for embezzlement.
- *How your Financial Statements hide embezzlement.
- *19 Common embezzler tricks and how they work.
- *If you're not seeing evidence of embezzlement, why bother to look for it?
- *How to make sure you can access your records.
- *What to do **RIGHT NOW!**
- *What's so important about keeping your investigation secret?
- *What to do now to recover money later.
- *Exactly how to access bookkeeping accounts and find what you're looking for.
- *How to massage bookkeeping data in excel to reveal vital clues.
- *How to check the hard copy files for what IS and is NOT there.
- *If your suspicions are confirmed, what to do next, absolutely NOT do?
- *Other Risks.
- *Prevention **METHODS** that make embezzlement almost impossible.
- *How to Limit your exposure.

<http://www.aniota.com/~jwhite/bookkeeping/embezzlement0.html> \$10.00