

Starting a business 1681

[Business](#), [Marketing](#)



Introduction

More and more people are beginning to open their minds to new business ventures. It seems like it is becoming the popular move. By opening a business there could be huge profit to be made, depending on the market. On the other hand, there are risks and losses that may occur as well. It is said that there are two reasons why people start a business. The first reason is because they have inspiration for what they believe would be a great idea and the second is from desperation. People have a need to make money and there are no jobs out there, which they found, that suites them or their needs. There are various different ways to start a business. Not all entrepreneurs begin their business by the thought of an idea. There are many other ways to go about starting a business. Buying a franchise, buying an existing company, the inventions of a product are all other ways to begin a business. People often start a business in a field that they know well. Although this is true, it is essential not to limit the perspectives of the kind of business to open. The areas outside of your interests may just be the right opportunity for you, which is why it is important to explore other areas. This paper will talk about the general ways in which to start a new business and how to go about doing it. Included will be how to get ideas to open a business, planning out the business structure, ways to get money to start the business, getting prepared, hiring the staff, and getting the word out to the public.

Getting Ideas to Open a Business

The business idea plays a critical role in the overall success of the business venture chosen.

" It is part of the early pre-venture stage of business development that often goes unnoticed by those who are interested in getting into a business and by those involved in business development counselling/training"(Canada 1). "

There are many considerations that must be thought of before determine the success of an enterprise, including the entrepreneur, financing and other external forces". " In order to have a good business idea it should:

- * satisfy personal goals and interests,
- * find a success place in the market,
- * making sure it is possible to produce the necessary quality and quantity of the product or service, and
- * Meet or exceed your financial goals"

In order to meet all of these criteria, it is essential to complete research on the business idea that has been chosen. Research information can be gathered from various different sources. Some of these sources being the library, looking at existing businesses, word of mouth, reading books, watching television, going to government departments, talking to university professors etc. If the research has not been completed then it more likely that the business will become a failure.

Planning Out the Business Structure

The one basic question facing all new business owners is " what business structure is the

best for me?" (Canada 6). There are three main types of business structures: sole proprietorship, partnership, corporation. All of these different structures are different and require different things to make them work. The sole proprietorship is a business that has only one owner and for the purpose of his/her own profit, the partnership is a business which has two or more people and all of the workers work as co-owners, and the corporation is an artificial entity with obligations, rights and privileges that are distinct. By having a structure it can cut down costs and maximize the profits, it will be easier to get money lent with certain structures and the tax is different depending on the type of structure.

Once the name of the business has been chosen it is important to register this name

unless the company is just your first and last names. The name registration must go through the Registry of Joint Stock Companies. By doing this it ensures that no one else will take the name from you and that no one else that already has a business has the same name. This process will cost money but in the long run it is worth it.

The most important step in starting a business is the business plan. If the business plan is not completed then the business is more likely to fail, lenders are less likely to lend money to the business, there could be a loss of investment or other bad things could happen. Most of all the preparation for

the business is not there and the owner(s) may not be prepared for most of the situations they will face.

In order to find out a way in which to figure out the needs and the wants of potential clients, a good idea would be to do a survey. This will allow the business owner(s) a chance to get a reflection or thought of the people that will be using the services of the company. This may increase the sales or services of the business as well. Another survey that could be completed is to find out with other companies in the same market are heading toward. Also by doing this it can enable the business to redesign the business before it is too late, to adapt to the needs of the consumers. Keeping in touch with the public needs will help the business in the short and long term periods. This step should be done before the business plan to capitalize on the survey done. To be able to get this done correctly, there are people who work for the Governments that are trained for this kind of thing. The places known off hand is the Business Service Center, and ACOA (Atlantic Canada Opportunities Agencies). These are Federal Government employees who are there for all types of services to do with any type of business venture.

A business plan has to have the following:

- "* an Executive summary which summarises key points of the business plan in one or two pages;
- * an overview which introduces the reader to the business;
- * a description of the products and services;

- * an overview of the industry in which the business will compete;
- * a marketing strategy which summarises the product, promotion, pricing and distribution strategies of the business;
- * a description of the management and the staff;
- * an implementation plan; and
- * a financial plan which includes pro-forma balance sheets, income statements and cash flow statements. A balance sheet compares what your business owns to what it owes. A cash flow statement compares how much money will be coming in, to how much you will be spending. An income statement compares your revenues to your expenses to see if you are going to make any money" (CBSC 1).

To ensure that a business plan is complete makes sure that there is a summary of all these things. The length of the business plan should be approximately between ten pages and twenty-five pages in length. This business plan will acquire lots of time and effort and for that reason a lot of people do not get one done.

Ways to Get Money to Start the Business

There are various different funds available for new business ventures to try and create more jobs in Canada. Entrepreneurs are more than welcome and advised to come into the Canadian economy. To get these funds the business plan has to be completed. The funds available are for many different types of people. There are special ones for immigrant

entrepreneurs, women's entrepreneurs, and young entrepreneurs. Loans from the government are available in several different places. Some of these include: " ACOA - located on Brunswick Street in Halifax, C/NSBSC - located on Hollis Street in Downtown Halifax, Business Development bank of Canada, Economic Development and Tourism, Business Development Corporation, St. Marys Business Development Center, Black Business Initiatives and Calmeadow". The loans from the Government are mostly interest free and unsecured loans. This, in comparison to a bank loan, is much better for the fact that there is no interest. If the only resource left is the bank then it is necessary to get a low interest loan.

Start-Up Check List

One of the most common questions in starting a business is: " where do I start?". The questioner below will help answer that question for new business people. This checklist will be the road map for starting a business. Most business owners should use this to make sure that everything is done before the opening of the store.

Conduct a self assessment of your entrepreneurial suitability.

Prepare a business plan.

Prepare a marketing plan.

Speak to business information officers and business development officers at any of the business resources in the area.

Ask for advice from professionals such as your banker, accountant, or lawyer.

Contact your municipal or regional government concerning zoning requirements or special licences or permits.

Register the business name with the Nova Scotia Registry of Joint Stock Companies.

Check with the C/NSBSC, Access Nova Scotia, The department of Business and Consumer Services, or Trade and Professional agencies to find if there are any special licences, permits, or environmental concerns for your type of business.

Set up a bookkeeping system.

If you are occupying commercial premises, notify in writing within one week of opening your business your Regional Director of Assessment, Nova Scotia Department of Municipal Affairs in order to be assessed for Municipal Occupancy Tax.

Open a Business account with the bank under the company's name

Contact Revenue Canada's Business Window in order to register for collecting HST, remitting EI, making CPP payments, corporate income tax, and import/export taxes.

Arrange for insurance coverage for your business.

If you need to register a trade-mark, Copyright, Industrial Design or apply for a patent, contact the Canadian Intellectual Property Office.

If you will be invoicing customers and charging them interest on overdue account contact the Nova Scotia Department of Business and Consumer Affairs.

If you are hiring employees, contact the Labour Standards Office, The Nova Scotia Human Rights Commission, The Occupational Health and Safety Division of the Department of Labour, The Workers Compensation Board and Revenue Canada.

(Canada 2)

Hiring the Staff

If the company is going to have staff hired, the first thing to do is decide on the number

Staff that is going to be hired. This can be determined by the size of the store but mostly what type of business the company is involved. This should be one of the easiest things to do when opening a business. The next thing to do is to create a questionnaire to ask people when doing the interviews. This should be the same for everybody interviewed. If the questionnaire is changed from person to person then the end result will be different for everyone. When doing the actual hiring there are some pros and some cons to hiring friends for the job.

Pros Cons

- have someone that you can trust - a friend may think that they are able to do anything
- someone to tell if anything goes wrong - Harder to get rid of them if they are not suited for the job
- Could end a friendship?

In the end I do not believe that people should hire their friends into their work place if they are the owner or the manager. This could make things even more difficult when you are starting out then it already is.

In the work place it is important to vary the types of people working for the business. For example: if the new business is a sporting goods store, it would not be a great idea to hire someone who has no interests in the area at all. On the other hand it may be a good idea if the people were of various different genders and cultures with other things permitting.

Conclusion

There are various different ways to go about starting your own business. In this era of time it is important to understand that it is easy to fail but there are lots of people to help you succeed. In my own personal opinion I feel that, depending on the business, new business ventures are the way of today. If all of the proper steps are followed, the business should do well and there could be a lot of money to be made from it. In the long run, people who succeed at their own business are far more proud of their accomplishments

in the end. Of course there is a lot of extra work to be put into the business but the outcome could be rewarding.

Table of Contents

1.

Introduction.....
.... Page 1

2. Getting Ideas to Open A

Business..... Page 2

3. Planning Out the Business

Structure..... Page 3

4. Ways to get money to Start the

Business..... Page 6

5. Start-Up Check

List..... Page 7

6. Hiring the

Staff..... Page 9

7.

Conclusion.....
.... Page 10

8. Word

Count.....

Page 11

9.

Bibliography.....

..... Page 12