



Business starter list – A guide to starting your entrepreneurial journey

Description

[Starting a business is becoming increasingly simpler.](#) Business models like drop shipping and franchising allow entrepreneurs to go into business with limited funds or limited knowledge respectively.

This has allowed more people to go into business and subsidize their income or make a living from their passions. If going into business is for you, then you'll need some or all of the following:

1. An Idea

[A solid idea](#) is the key to starting a business. It's the nexus for all the other points on this list; it'll guide your hand in undertaking them. Ideally, the idea should be something you are skilled and knowledgeable in or something you are passionate about.

A combination of these two is the nirvana of starting a business. New ideas are ideal, but not the only avenue to successful entrepreneurship. You don't necessarily need to invent the wheel, inventing run-flats can just be as profitable.

Many brands have come into competitive markets and become leaders. Innovation in products and approaches can earn you market stewardship even in mature markets.

Whether new or innovating on an existing idea, just remember to:

1.1 Solve a problem

Products may come and go, fall out of vogue, and be rendered obsolete by technology, but basic problems always exist. Throughout history, man has always been looking to produce sufficient food with the least resources.

Agricultural methods have come and gone, but the problem of food still exists. When starting a business, identify a problem you want to solve as opposed to a product to sell.

This will allow you to evolve over time, but stay relevant as long as that problem needs solving.

1.2 Have a good value proposition

Ultimately, clients will always remain loyal to brands that offer them value. That value may be a product of many factors, price, convenience, and quality, but it's the common denominator in brand loyalty.

Starting a business without a good value proposition is guaranteed to lead to failure, no matter how brilliant the idea is.

It's important you be clear about what difference your idea will make in the market, otherwise, all your efforts will fall flat.

Mut-Con blog

2. Business Plan

A [business plan](#) is a strategic document that introduces your business to stakeholders that want to invest in your business.

It's also an important policy document that will guide internal stakeholders in effectively running and growing the business. Important elements of the business plan include a:

2.1 Business Model

A business that has multiple revenue streams is most likely to grow and succeed as well as survive tough times. Entrepreneurs need to pick a robust business model when starting a business.

This model needs to not only earn from all aspects of the product but minimize costs to ensure profitability and good cash flows.

It also needs to ensure the product completely meets the needs of the client to completely capture the market.

2.2 Feasibility Study & Viability Study

There's not much value in pursuing an idea that can't be executed. When starting a business, it's important to ensure the external landscape supports the success of your idea.

The technological, political, social and economic landscape needs to be conducive to the success of your idea. We could argue all we want about how profitable a weed business would be, but until it's legal, entertaining the idea is a waste of time.

Viability is slightly different but equally important. Before starting a business, the entrepreneur needs to know if the business is viable. There is not much use in investing in an idea that will not turn a profit.

Even non-profit organisations need to ensure their mandates can be carried out within the funding they expect to get.

2.3 Needs Assessment & Financial Projections

A good business plan keeps you cognizant of the resources necessary to meet your goals at any stage.

It contains an HR strategy to retain the best talent, financial projections for all the funds needed as well as the assets and facilities the business will acquire.

This is important to ensure you are starting your business with just the right amount of capital. Starting a business with too much capital may lead to losing more equity than necessary or excessive debt obligations.

Starting with too little may lead to the business failing. Most importantly though, knowing what exactly the business will need at any given time will curb wasteful expenditure.

2.4 A Set of Strategies

At its core, a business plan is a strategic document for entrepreneurs starting a business. It continues to fulfil this role even as the business plan.

Business plans contain detailed tactics for how the business will manage its finances, challenge its competitors and capture the market.

These policies will be used in the day-to-day running of the business, allowing it to be managed to growth and success.

They also reassure external stakeholders that the business is a going concern, likely to succeed and a good investment.

3. Company Profile

A [company profile](#) is a marketing document that introduces your business to stakeholders that want to deal with your business. It builds on your unique value proposition to illustrate what difference dealing with you brings to clients.

It also introduces your brand and determines the following elements:

3.1 Brand Strategy

This includes the tone the brand will use and what qualities it will adhere to in meeting its value proposition. Nando's, for example, goes for a humorous approach and their value is in quality cooked, family-oriented fast chicken meals.

3.2 Brand Elements

When starting a business, it's important to define elements that will be associated with your brand, including colours and fonts. A company profile is a good document to introduce them by incorporating them into your design.

Consistency will then be crucial to maintaining high brand recollection, so stick to these brand elements moving forward.

3.3 Brand Positioning

When starting a business, particularly in a competitive market, it's important to have a clearly defined niche. Your company profile is an opportunity to define your niches and what characteristics define them.

It's also important at this point to outline how your approach will be uniquely suited to this market. This should be written in a manner that speaks directly to the client and makes them see a need.

Don't just outline the approach, list the attributes that will let the target client see the brand as a fit for their needs.

4. Pitch Deck (Optional)

A pitch deck is a summary of the key elements of the business plan. It's a tool to quickly draw attention to the areas you believe will entice investors to give you funding. It'd be wise to know it by

heart as well, just in case you have to do an elevator pitch without it.

5. Online Strategy and Assets

The days when only people starting a business in e-commerce had to worry about the web are long gone. Between Search, Pay per Click Advertising and Social networks, fewer purchases are occurring without the web being a touch point.

Even business-to-business suppliers are not exempt from this rule. Businesses that leverage LinkedIn are getting good leads in this sector. Every business today needs to have a strategy to be visible to its target audience online.

[Building and properly utilising assets online](#) is no longer a privilege but a matter of survival. However this need not be a grudge exercise, the web promises a lot of advantages for businesses.

Online, businesses need not worry about geographical limitations, and even the smallest of businesses can compete with industry giants with the right strategy. Simultaneously building your brand online and on the ground will benefit your business immensely.

6. Business Registration

Every entrepreneur dreaming of starting a business needs to understand the [types they can run their business under](#). The major types include sole proprietorships, partnerships, private companies, public companies and various types of non-profit organisations.

Each business type carries pros and cons as well as requirements and limitations, so acquaint yourself with them before making a choice. This is also an important time to get acquainted with the taxes applicable to your region and business model.

It's important to be tax compliant when starting a business.

7. Business Account

Starting a business without a plan for [proper financial management](#) is dooming it to fail. Good cash flow is the lifeblood that keeps your business going and profit is the motivation that keeps you hustling.

Neither one of these is possible without good financial management. Being able to separate personal and business expenses and revenues is the first step to managing both finances well.

Even if your business is just a side hustle, keep affairs separate if you want your business to succeed. It's important to know that your business is making a profit and not surviving from your other revenue streams.

Otherwise, it's not worth it to be working to support your business. The opposite is also true. You don't want your personal expenses putting a strain on your new business. To stay aware of this, run your business from a separate account immediately after you start it.

8. Funding

Depending on your business needs and your own financial state, you may need business funding. Just be sure it's absolutely necessary because [starting a business with limited funding](#) is quite possible with the right model.

If you deem it necessary to get your business funded, beware of the [dangers of early business funding](#). This is where your business plan and pitch deck shine bright and help you attract potential investors. These investors will likely be [debt or equity investors](#), or some combination of both.

Equity Investors give capital in return for a stake in the business. The pro is that they earn a return proportional to your business's earnings. Often, this means if the business fails, then they have no further claim. The con is it means giving up some ownership and operational control of your business.

Debt Investors earn a fixed return on their investments. The con is interest has to be paid on their capital, whether revenues are good or bad, and this can stress cash flows. Investors are entitled to their funds even in the event of business failure. On the upside, often, they have no ownership or control of the business.

9. Business Partners

Before starting a business you need to understand the verticals and service providers that will help you deliver to clients. Be it suppliers or outsourced functions like accounting, IT and marketing, make sure your business has the necessary [strategic partners](#).

This is where your company profile shines bright and lets them in on your vision. Finding partners that understand your unique value proposition will propel your brand forward.

To the client, you are entirely responsible for the final product, so make sure your partners understand your standards and commitment to quality.

10. Insurance

A lot of unknowns stand in the way of the entrepreneur when starting a business. In its early days, these risks can be catastrophic, but most are mitigated by experience along the learning curve.

Contrary to popular belief, insurance is a lot more valuable for new businesses as opposed to older ones. The reason is simply that larger businesses can withstand the effects of adverse events, not so much for small businesses.

Be it theft, natural disasters or problems relating to service delivery, these events could spell the end for your business. It's important when starting a business to know the full value of your assets and have them insured.

It's also important to insure against public liability, especially for service providers. With the help of a good broker, your business can be fully covered without significantly impacting your budget.

And it might not seem like it now, but it'll definitely be worth it the day these unknowns occur.

11. Growth Strategy

When starting a business it's important to immediately [think of growth](#) and where you want to take it. Hacking on growth after starting is unlikely to be a winning strategy. Put together a reasonable projection of your market's evolution and craft a strategy to stay relevant.

Your growth strategy should be two-fold:

1. It should focus on increasing capacity and market share for the current product
2. It should anticipate market evolution and plan for growing your products to meet anticipated future needs.

Failure to grow leaves your brand susceptible to strong competition and losing relevance. It's important to plan well for growth.

If growth is unsystematic and non-systemic, it's likely to cause as much damage as the lack of it.

12. Contingency Plan

The mortality of new businesses is always very high and as an entrepreneur that's a tough but ever-present reality. [Small businesses fail for a lot of reasons](#), and not all of these reasons are within your control.

Smart entrepreneurs factor this into their plans when starting a business and benefit greatly. A contingency plan allows you to salvage a little from your failed business. Be it financial salvage or just coming out with your motivation intact, you can build on this and try again.

And don't allow yourself to believe a contingency plan is giving up before starting. It's just an essential part of a good [risk management strategy](#). On the contrary, it's a pragmatic assessment of a very real possibility.

And as uncomfortable as it can be, a good contingency plan can mean continuing the entrepreneurial dream even after the business fails.

13. Execution

Don't let your ideas die from lack of poor execution. Many business plans, many registered businesses and many innovative ideas lie unused; don't let yours be one of them.

Put your plan into action and keep at it until you see results. Just be flexible enough to adapt your plan to prevailing circumstances. Move fast and learn fast; the trick is to put your best foot forward at each time and learn from the results.

Don't bother with perfection, you'll never achieve it. An okay decision today will always beat a perfect decision a long time later. However, the first rule to starting a business is actually starting it!

14. Focus, Determination, Perseverance

It's likely a few days into starting a business most entrepreneurs find themselves looking for [ways to hold onto their sanity](#). It's a gruelling and tough journey where the ups and downs come faster than a roller coaster ride.

Learn to celebrate the small victories and buckle down through tough times, because the adrenalin rush is definitely worth it. You'll need to have a clear vision and mission and focus towards them.

Follow your dream with unwavering determination and a fierce hunger to succeed. And like in all things worth having, patience is important; success may come a while after starting a business. You'll need to persevere and put in the work even when it doesn't feel worth it.

As long as you know it's not yet time to execute the contingency plan, get your hustle on.

So what's stopping you from starting a business today?

Starting a business has become simpler, but not necessarily easier. There's a very important distinction there. There might be a lot less stumbling blocks to starting a business but it's still hard work.

Even starting a business as a side hustle requires you to carve out enough time to nurture it to fruition. Put in the work and you might just get that reward. Remember to prepare yourself for the most thrilling and terrifying journey of your life.

Also, remember we built Mut-Con to partner with entrepreneurs like you to [start and grow a successful business](#). [How can we build yours today?](#)

Category

1. Business Documents
2. Business Funding
3. Business Insights
4. Business Planning
5. Financial Management
6. Online Strategy and Presence

Mut-Con blog

Tags

1. Business Documents
2. Business Growth
3. Business Management
4. Business Models
5. Business Planning
6. Entrepreneurship
7. New Business
8. Start-ups
9. Sustainable Growth
10. Value

Date Created

May 5, 2018

Author

mutconco