

Business Management Module 1: Small Business Readiness Assessment Tool

Are you ready to start a business? This assessment tool is designed to help you better understand your readiness for starting a small business. It will prompt you with questions and assist you in evaluating your skills, characteristics, and experience as they relate to your preparedness for starting a business. This assessment is taken from the SBA's website at <http://app1.sba.gov/sbat/index.cfm?Tool=4>.

General

Do you think you are ready to start a business?	Y	N
Have you ever worked in a business similar to what you are planning to start?	Y	N
Would people that know you say you are well suited to be self-employed?	Y	N
Do you have support for your business from family and friends?	Y	N
Have you ever taken a course or seminar designed to teach you how to start and manage a small business?	Y	N
Have you discussed your business idea, business plan, or proposed business with a business coach or counselor such as a faculty advisor, SCORE counselor, Small Business Development Center counselor or other economic development advisor?	Y	N
Do you have a family member or relative who owns a business?	Y	N

Personal Characteristics

Do you consider yourself a leader and self-starter?	Y	N
Would other people consider you a leader?	Y	N
Are you willing to invest a significant portion of your savings or net worth to get your business started?	Y	N
Do you have enough confidence in yourself and your abilities to sustain yourself in business, if or when things get tough?	Y	N
Do you like to make your own decisions?	Y	N
Are you prepared, if needed, to temporarily lower your standard of living until your business is firmly established?	Y	N
Do others turn to you for help in making decisions?	Y	N
Are you willing to commit to long hours to make your business work?	Y	N
Would others consider you a team-player?	Y	N

Skills, Experience & Training

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Do you have a business plan for the business you are planning to start?	Y	N
Do you know and understand the components of a business plan?	Y	N
Do you know what form of legal ownership (sole proprietor, partnership or corporation) is best for your business?	Y	N
Do you know why some consider business planning to be the most important factor determining business success?	Y	N
Do you know if your business will require a special license or permit and how to obtain it?	Y	N
Do you know where to find demographic data and information about your customers?	Y	N
Do you know how to compute the financial "break-even point" for your business?	Y	N
Do you know how to compute the start-up costs for your business?	Y	N
Do you know about the various loan programs that are available from banks in your area and the SBA?	Y	N
Do you understand how a business loan can impact your credit?	Y	N
Do you know how to prepare and/or interpret a balance sheet, income statement and cash flow statement?	Y	N
Do you know why small business loans are considered more risky than loans made to large businesses?	Y	N
Are you sure your planned business fills a specific market need?	Y	N
Do you know your target market?	Y	N
Do you understand the tax requirements associated with your business?	Y	N
Do you know how to prepare a marketing strategy for your business?	Y	N
Do you know how to learn about your business competitors?	Y	N
Do you understand marketing trends in your business industry?	Y	N
Do you feel comfortable using a computer or other technology to improve business operations?	Y	N
Do you have a payroll process planned for your business?	Y	N
Do you have a customer service strategy in mind or in place?	Y	N
Do you know how to obtain an EIN (Employer Identification Number) for your business?	Y	N
Do you know if your business should have some form of intellectual property protection?	Y	N
Do you know where to obtain information about regulations and compliance requirements that impact your business?	Y	N