



Ask SCORE for Business Advice

Green Bay Press Gazette Sat., May 16, 2009

Great Time for Starting a Business? by Tina Dettman-Bielefeldt

“I’ve lost my job. Maybe I should start a business.” That thought is being voiced more and more by those who find themselves unemployed. SCORE clients often sign up for counseling with the thought that they’d like to start a business, any business. In the next few weeks, we’ll be looking at business types that have done well during the economic downturn. However, before jumping into a business, one of the first questions should be, “How will the current economy affect my plans?”

Kenneth Stubbe, executive director of the Economic Development Corporation of Manitowoc County (www.edcmc.org), thinks that the basics are the same. His group, along with the SCORE branch in Manitowoc, will be holding a seminar on Tue., May 19 from 6 to 8 p.m. entitled, “Starting a Business in a Challenging Economy.”

“My advice to entrepreneurs thinking of starting a new small business in these tough economic times is not substantially different from the advice I would give in better times,” Stubbe noted.

While Stubbe cautions that it will likely be more difficult to obtain financing and probably isn’t a good idea to risk your financial safety net, he also sees opportunities. He encourages, “First, identify an underserved market need or business opportunity in an area in which you are knowledgeable and experienced. While the current economy has slowed some markets, others remain strong – the needs of boomers for example. It has also created new market needs.”

After identifying a potential business type, Stubbe suggests:

1. Determine if the opportunity can be scaled to a size that you can finance personally, or that you have the connections and financial wherewithal to attract financing.
2. Before going to far with the idea, seek advice and counseling about both the viability of the idea, and whether or not you are temperamentally suited to entrepreneurship. SCORE and/or the local technical college are excellent places to start.
3. Sign up for a business-planning course through the local technical college, economic development corporation, E-Hub or SCORE. These courses will walk you through the planning process and assist you in developing a business plan.

4. If the business idea remains viable after the planning stages are complete, seek professional and experienced advice about business financial structuring.
5. Before starting a business, your business plan should be formal, written down and well researched.
6. Learn and understand cash flow.
7. During both the business planning stages and after the business is running, maintain the flexibility to take prudent risks that are in line with your business plan.
8. Plan for the long haul. Ups and downs are part of the economic cycle.

“In the long term, the economy will rebound,” said Stubbe. “Established businesses will be ready to reap the benefits. Un-launched businesses will not.”

If you'd like to learn more about starting a business, contact the Green Bay Chapter of SCORE. Visit www.greenbayscore.org or call Cindy Gokey at 920-496-8930 for information.

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