

Ask SCORE for Business Advice

“Ask SCORE” Column

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Back to Basics by Tina Dettman-Bielefeldt

For the next several weeks, this column will be going back to the basics. At SCORE seminars, held throughout the year at the Business Assistance Center, the focus is on the general information that an aspiring entrepreneur needs. Participants spend two nights learning about insurance, marketing, financing, business plans, legal issues, and accounting. The overview touches on these areas as a starting point to future learning.

“The six topics presented are just the basics and should be used for deciding whether or not to make the commitment of starting a business,” explains Steve Greenfield, chairman of the Green Bay SCORE Chapter, during the introduction. “I tell them to take advantage of all of the resources available at the Business Assistance Center including classes, seminars, and counseling.”

Greenfield advises clients to proceed with caution. Not everyone is emotionally wired to be a business owner. Materials provided by SCORE ask, “Can you handle not knowing where your next paycheck will come from and when? Is job security important to you? How much time, money, and effort are you willing to risk?”

While some people think that entrepreneurship will allow them more freedom and less hours of work, experienced business owners usually say that the hours and responsibilities are greater when you work for yourself. Physical stamina is required. Business owners need a lot of energy.

Greenfield emphasizes knowing your strengths and weaknesses. He says, “Focus on what you know how to do best and hire what you don’t like or do not have the qualifications to do. If you are not good at accounting, web design or marketing, hire someone who does. However, you need to have sufficient understanding in each area to make hiring decisions as well as decisions for your business.”

In the beginning, Greenfield says knowledge is vital because you might not have the cash flow to hire professionals and will have to be prepared to wear different hats. However, if there is an area that just isn’t comfortable, like accounting, it’s probably better to wait to start the business until you can afford help. This is one area that can quickly bury a business.

“The main reason for business failure is underestimating expenses and overestimating income in the planning phase,” Greenfield noted. “The disparity tends to grow and the business soon finds itself under water.”

To help with estimating, Greenfield thinks the best advice is to talk to owners of similar businesses. It might not be advisable to contact a competitor in your trade area, but if the business is far enough away, most owners are happy to help a new entrepreneur.

After the seminar, clients will have enough information to decide if they want to pursue a business, delay their plans until they are better prepared financially and mentally, or change their plans entirely. Business ownership is a sacrifice and a challenge. It can be the best or worst thing that ever happened.

Next week’s column will highlight successful business planning.

If you’d like to learn more, 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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