



Ask SCORE for Business Advice

“Ask SCORE” Column
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Is it Feasible? by Tina Dettman-Bielefeldt

When an entrepreneur has an idea for a business, there is uncertainty. Is there a need for the business? Is there a market for my product? Can I make a living if I quit my job? Asking these questions is a vital part of the process and a step that Andrew Clark, manager of NWTC’s Center for Entrepreneurship, considers absolutely necessary.

Clark teaches a series of credit courses targeted to educate students about the opportunities and essence of entrepreneurship and how to start, run, and manage profitable businesses. Five classes are offered with the graduating student receiving a Certificate of Entrepreneurship. In instructing students, Clark asks potential entrepreneurs to evaluate their personal readiness and their potential for success. His goal is to help students determine whether or not their business concept is feasible.

The feasibility student examines four primary areas. These include: Concept Development; Situational Analysis; Marketing, and Budget and Pro forma.

In Concept Development, Clark asks students, “Why would a potential customer buy your products or services as opposed to buying from their past provider?” He looks for a clean, clear, cogent, and well-articulated concept that offers a “unique value proposition.”

The Situation Analysis includes a snapshot of “what is.” Students review trends, competition, plus and minus factors that could affect success, preparation, and personal skills. “This requires our client to take a painfully realistic view of their own assets and deficiencies – things to consider that may lead to their success – or conversely, cause their small business demise,” Clark explained. Students are encouraged to ask hundreds of questions because Clark believes that any question not asked is a question that has the potential to trip you up later on.

Marketing requires the participant to conduct an in-depth look at their target market. Clark sees the most success in positioning that serves a niche market. Once a market is defined, the second part of the section gets into promotion, advertising, and public relations. Clark noted, “Many entrepreneurs think that they’re going to grow their business by ‘word of mouth.’ We say, ‘Good luck with that!’” He emphasizes the

importance of promotion, promotion, and promotion and says it should be considered, planned for, and budgeted.

The last section is Budget and Pro forma. It differs from a detailed business plan in that Clark works with students to develop a solid business budget rather than detailed financials. He helps them understand fixed and variable expenses, projected sales, and a break-even analysis. “This process allows them to consider setting a price based on empirical data and not just what the market will bear,” Clark stated. “In so doing, they often begin to see the importance of charging for their own time, and the importance of controlling expenses.”

The outcome of the feasibility study should determine the next course of action. Clark concludes, “If they do their research and are guided throughout the process, the answer to their question of feasibility will eventually be self-evident. If the business looks feasible, we suggest they write a complete business plan.”

If you’d like help with your business idea, 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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