

The Business Idea

People turn simple ideas into business opportunities every day! Look around your area. What do people need or want that no other business is supplying? What do you need or want? Make a list of your business ideas. Think “unique and innovative” but keep public demand in mind. The Yellow Pages will give you an idea of the businesses already operating in your area. It will also indicate the competition you may face if you market certain products or services. Business magazines and daily newspapers are good additional sources of business information, and some weeklies even print regular business advice. Speak to friends and family for guidance.

The Feasibility Study

Coming up with business ideas is only the first step in starting your own business. It doesn't matter how good you think your ideas are. It's important to assess how feasible (viable, realistic and practical) they are. A business opportunity is feasible when your idea has a good chance of succeeding as a business.

You might be able to throw out some of your ideas if they don't seem feasible, rather than wasting too much time thinking about them.

This involves examining your idea carefully to see if a profitable business can be created from it. Focus on whether:

- you're sure this is what you want to do;
- there's a demand and a market for your product or service;
- your skills can meet the needs of your customers; and
- you have (or can get) the resources to get the idea to the market.

Be ruthless in assessing your ideas against all possible risks and cross out ideas that require skills or resources you don't have. If you can answer “Yes” to all four questions – that is, if your idea passes the feasibility test – you're probably ready to start your business. Just in case, speak to others who are in the same industry. Ask them for advice. What they say may make you rethink your idea or make you decide to go for it!

You can't run before you can crawl. Once you've chosen a feasible business idea, you can't run off and start immediately. You need to consider each part of the process, so that you can plan each step in detail.

Business Planning

Business planning helps entrepreneurs to find out if they have what it takes to own and manage a business. It also helps them to analyse whether or not they have enough capital to start and maintain the business. Finally, business planning provides the basis for being organised - the most important factor in being successful. With few exceptions, businesses begin small and growth happens over time. Good business planning is about seeing a picture of the future that includes current resources, intended activities, financial realities and foreseeable happenings inside and outside the business. So get off to a good start by understanding what's involved:

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