

FOR IMMEDIATE RELEASE

FROM: WAYNE UNZE (797-1100)



**RE: AN ENTREPRENEURIAL TEST**

According to Fortune Magazine, nearly 80% of the 400 richest Americans have earned their wealth through business ownership...which may help to explain the tremendous interest in entrepreneurial pursuits today. Another explanation may lie in the fact, that when corporate America downsizes, a key strategy involves the discharge of middle-aged managers at the peak of their earning power. These high-priced executives are generally replaced by younger counterparts hungry for promotion and willing to work long hours for less money in order to achieve that goal.

In any event, more and more people are looking to themselves for the answer to future employment. As a result, business sales are increasing nationwide with the emergence of a new breed of entrepreneur: the "modified risk taker."

My dictionary defines "Entrepreneur" as, "a person who organizes, operates and assumes the risk for a business venture." This definition implies that the "classic entrepreneur" starts a business from scratch - a risky venture indeed when you consider that nearly two-thirds fail during their first three years of operation. The "modified risk taker" coming out of corporate America typically buys an existing business or franchise to bypass most of the start-up risk.

In order to limit risk, all would-be entrepreneurs should examine their strengths and weaknesses to see if they are even qualified to consider business ownership, **because not everyone is cut out to be an entrepreneur.** To see if you possess some of the more vital entrepreneurial traits, I offer the following test.

Yes No

1. \_\_\_ \_\_\_ Do you want to own a business bad enough to work long hours with no promise of immediate compensation?
2. \_\_\_ \_\_\_ Have you ever worked in a business similar to the one you want to buy or start?
3. \_\_\_ \_\_\_ Have you had any entrepreneurial training (formal or informal)?
4. \_\_\_ \_\_\_ Are you a self-starter?
5. \_\_\_ \_\_\_ Do you have the patience to work with and energize people, i.e., customers, employees, vendors, landlord, etc.?

6. \_\_\_ \_\_\_ Are you a leader?
7. \_\_\_ \_\_\_ Can you accept total responsibility for a job's success or failure?
8. \_\_\_ \_\_\_ Are you able to withstand stress?
9. \_\_\_ \_\_\_ Do you have a credible team of objective advisors?
10. \_\_\_ \_\_\_ Have you created a business and marketing plan (with budget) for your acquisition or start-up?
11. \_\_\_ \_\_\_ Has the plan been critiqued by your team of advisors?
12. \_\_\_ \_\_\_ Can you make decisions quickly?
13. \_\_\_ \_\_\_ Do people consider you both trustworthy and creditworthy?
14. \_\_\_ \_\_\_ Can you stick with a task until it is completed?
15. \_\_\_ \_\_\_ Are you in good health?
16. \_\_\_ \_\_\_ Can you access additional capital beyond the initial start-up or acquisition costs (most businesses fail due to lack of capital).
17. \_\_\_ \_\_\_ Are you prepared to lower your standard of living while your business is getting on its feet?
18. \_\_\_ \_\_\_ Have you done any research to determine the marketability of your product and/or service?
19. \_\_\_ \_\_\_ Have you shopped your competition and determined what your competitive advantage is?
20. \_\_\_ \_\_\_ Have you researched the availability of personnel and the skills necessary to staff your business?
21. \_\_\_ \_\_\_ Do you have a suitable location for your business?
22. \_\_\_ \_\_\_ Did you check to see if there were any laws (local, state or federal) that may hamper your ability to do business?
23. \_\_\_ \_\_\_ If you could make the same (anticipated) amount of money working for another business owner would you still proceed?
24. \_\_\_ \_\_\_ Do you have the support of your spouse or "significant other?"

25. \_\_\_\_ \_\_\_\_ Are you able to comprehend financial statements?

If you answered "yes" to twenty or more questions, you likely possess the proper mindset to be a "classic entrepreneur" and start a new business. If you answered "yes" to at least 15 questions, you seem to fit the profile of a "modified risk taker" suggesting that you focus on the purchase of an existing business or franchise. And if you answered "yes" to fewer than 15 questions, you should keep your money in safe investments and keep your day job.