

READINESS CHECKLIST

This checklist is an important tool in the planning of your new business. Each of these areas must be addressed by the entrepreneur. By following this checklist, the business owner can deal with many of the problems that face a new venture before they become major obstacles. Serious consideration should be given to the viability of the venture if the entrepreneur has many questions that cannot be addressed or rectified.

THE SITE

- Have you decided on a location?
- Have you found a good building?
- Is it big enough to allow for growth?
- Can people get to it easily?
- Do you have adequate parking available?
- Do you have a proper sign?
- Have you signed the necessary papers?
- Has a lawyer checked the lease and zoning?
- Are the utilities in line?

EQUIPMENT AND OFFICE SUPPLIES

- Do you have the necessary office equipment?
- Do you have a reliable source?
- Can you afford to maintain proper levels of supplies and the up-keep of equipment?

YOUR MERCHANDISE

- Do you know precisely what will be sold?
- Are you qualified to sell it?
- Can you afford the suppliers' prices?
- Can the supplier provide the services you need?
- Do you know how to "merchandise" your goods?
- Do you have the necessary inventory?

RECORD KEEPING

- Have you planned a system of records for income, expenses, etc.?
- Have you worked out an effective inventory tracking system?
- Do you know how to keep payroll, tax, and payment records?
- Do you know what financial statements will be needed?
- Do you have an accountant, if one is needed?

LEGAL RECORDS

- Do you have all the necessary licenses and permits?
- Do you know what business laws you have to obey?
- Do you have a lawyer with small business expertise?

PROTECTION

- Have you made plans for protecting against both employee and customer theft?
- Have you talked with an insurance agent about all the kinds of insurance you need?

MARKETING

- Do you have a marketing plan?
- Do you know how you will advertise?
- Can you afford adequate advertising?

PRICING

- Do you know the selling price for each item to be sold?
- Do you know your competitor's price?
- Can you make a profit with the prices at which you intend to sell?
- Do you have a pricing strategy for old merchandise or slow to sell merchandise?

BUYING

- Do you have a plan for determining what your customers want?
- Is it both workable and affordable?
- Do you have buying experience?
- Do you have reliable suppliers?

SELLING

- Do you have a selling strategy?
- Can you afford the necessary staffing?
- Do you have a plan flexible enough to cover both the slow and peak times?
- Are you and your employees experienced in selling?

EMPLOYEE

- Have you hired the necessary staff?
- Do they have the needed experience?
- Have you set personnel procedures?
- Do you have a benefits package?
- Do you have a performance appraisal system?
- Do you have a training program and procedure manuals for new employees?
- Do you have an employee recruitment plan?
- Can you offer employees insurance coverage?
- Do you know what the total salaries and benefits will equal?
- Can you afford this figure?

CREDIT

- Will your customers have the option of buying on credit?
- Have you arranged for the use of credit cards?
- Do you have a method for determining good creditors from the risky ones?
- Have you set credit acceptance procedures for the staff to follow?

OTHERS

- Could you make more money working for someone else?
- Can you afford the loss if the business fails?
- Do you have a plan to repay debts?
- Does your family support you completely?
- Do you have the energy and time to run a business?
- Do you have adequate funding?
- Will you need to mortgage your home or use it as collateral?
- Do you have managerial experience in each aspect of your business?