

Starting Your Own Business

Starting a business is usually thought of as something that takes lots of money and carries lots of risks. Many businesses require tens of thousands of dollars to start. Then, tens of thousands of dollars are required to pay salaries and overhead until the business becomes profitable. That can take six months to a year or even longer. Statistics also show that most businesses fail within the first three years. This can be a result of poor management, insufficient revenue (lack of capital reserves), and lack of financial controls (accounting).

You can start your own business without large amounts of money and high risks. Here is what you should look for:

Find something in high demand

You don't want to start a business only to find there is little demand for what you offer.

Ninety percent of all businesses are considered small businesses. However, many small business owners are too busy running their business to take the time to manage their finances. They find it hard to justify a fulltime employee to be in charge of that function. And they usually do not have the training to do it themselves.

Find something you can learn quickly

It seems hardly practical to start a business that requires four years of training. There are plenty of small business opportunities out there either using skills that you have already acquired or that do not take to long to learn.

Keep expenses low

Although most new business find a place in a commercial area and sign an expensive lease, this is not necessary for many businesses. Your new business can be handles from a spare room in your current home. Many of your clients may never see your place of business as you may meet with them at their location. If you set up your office at home in a room used exclusively for business, you save on expensive lease payments and may qualify for additional write-offs. This may include deducting part of your mortgage or rental payments, taxes, and utilities. How many businesses can claim this savings and get tax breaks for doing it?

Start part-time business

Without the overhead of employees and a commercial lease, it is easy for you to start your business and work part-time. This allows you to continue to receive the income from your current job as you begin to grow your business. Even before you begin to earn a profit, you may still take the deductions for your business expenses. These deductions reduce the taxable income that comes from your current job if you file a Schedule C form for your business. This alone might pay for your training.

Learn how to find clients

Without clients, your business has no hope of earning a profit. This is job one of any business owner. Be sure to attend networking mixers, join the chamber, and be to sure meet and get to know other business owners and individuals. As you develop relationships you may be the first person that they think of when a need arises.