



# ***Entrepreneurship & SCORE***

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***By: Mort Harris***

**SCORE**  <sup>TM</sup>  
FOR THE LIFE OF YOUR BUSINESS

# Agenda

- Who is SCORE
- Entrepreneurship
- Types of Businesses
- Success Factors
- Questions Before Starting
- Business Plan
- Q & A

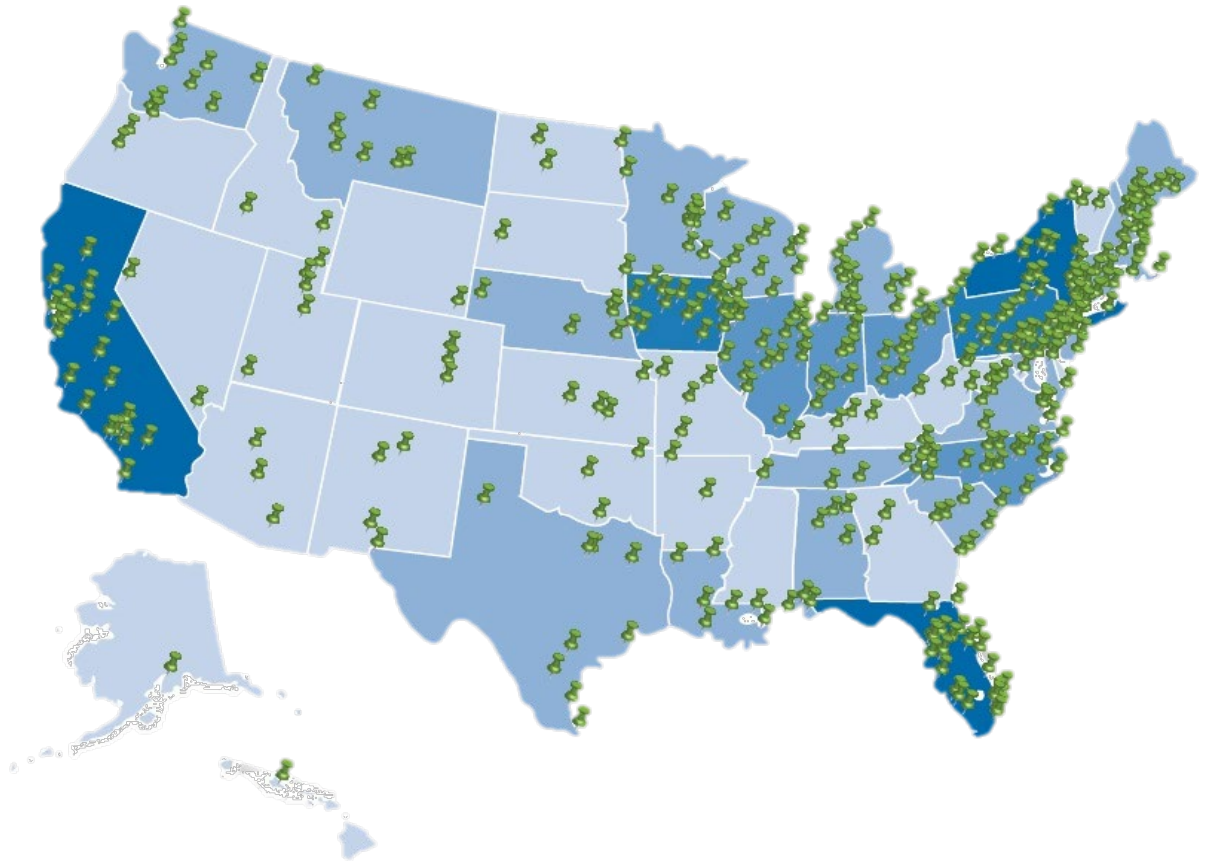
# Who & What is SCORE?



**SCORE**<sup>®</sup>  
Counselors to America's Small Business

# Small Business...Huge Impact

**SCORE offers  
over 340  
chapters  
across the  
nation.**



# SCORE

## How SCORE works.

*SCORE is a nonprofit association dedicated to educating entrepreneurs and helping small business start, grow & succeed nationwide.*

**SCORE** *is a resource partner with the U.S. Small Business Administration (SBA).*

# Who Do We Help?

Growth

## Research & Planning



Pre-  
Startups

**SCORE**<sup>®</sup>  
Counselors to America's Small Business

## Opening



Startups



Firms in  
Business  
for a Year  
or More



# Small Business...Huge Impact

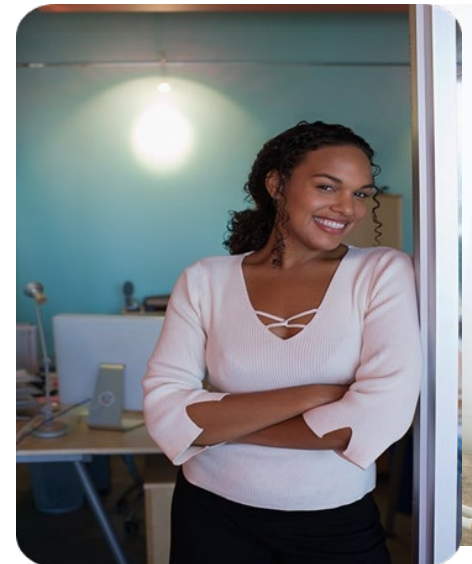
**Of SCORE's 2017 Clients:**



**29%**  
**Considering**  
**a Business**  
**SCORE**  
Counselors to America's Small Business



**38% in**  
**Process of**  
**Starting a**  
**Business**



**33% Were**  
**Already in**  
**Business**

# Small Business...Huge Impact

**Of SCORE's 2017 Clients:**



**47% were  
women**



**46% were  
minorities**



**11% were  
veterans**



# We help small businesses :



**The  
conversation  
begins with  
one client.**



Businesses we serve typically have less than 20 people

# The Price for Coaching a Client

**\$0.00**

**There is no cost to the client.**

# Webinars

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[www.score-mn.org/pw-webinars](http://www.score-mn.org/pw-webinars)

**You will see over 30 topics listed.**

# **Learning From Other Entrepreneurs**

- Roundtables for Start Up businesses
- Roundtable for Existing Businesses
- CEO Forum
- One on One Mentoring



# Why SCORE Works

## You Don't Have to Go It Alone



Our team of SCORE mentors offers over 300,000 total years of business experience in over 60 industries.

We're here *for the life of your business* – providing free advice for as long as you own your business.

# SCORE

**We will be  
there to help  
you through  
your journey  
in business.**



# What is entrepreneurship?



# What is entrepreneurship?

- ***A person who organizes and operates a business, taking on greater than normal financial risks in order to do so.***
- ***The most obvious example of entrepreneurship is the starting of new businesses***

# Entrepreneur Characteristics



- **Self-starter**
- Resourceful
- Responsible
- Organized
- Hard worker
- Persistent
- Decisive
- Healthy
- Supportive family





# Myths and Realities of Entrepreneurship

SESSION 1: Start-Up Basics

**Myth 1:** All I need is a good idea to be a successful entrepreneur.

**Myth 2:** If you go out on your own, you won't have to work so hard or such long hours.

**Myth 3:** You'll be able to deduct everything, so you don't have to pay taxes.



# Myths and Realities of Entrepreneurship

SESSION 1: Start-Up Basics

**Myth 4:** If you work independently, you won't have to report to a boss.

**Myth 5:** Business owners get to do the work they want to do and only what they find interesting.

**Myth 6:** If you choose to be self-employed, you'll be limited in what you can achieve, since you'll be working alone.

# Entrepreneurship

- “Being an entrepreneur is following your passion and finding a profit in it. You spend 70% of your life at work, you better love what you do.”
- “An entrepreneur is someone who sees a need in the market and does something about it, rather than just sitting on the sidelines.”

# Entrepreneurship

- “An entrepreneur is someone who has the passion and courage to try something that’s never been done before.”
- “As an entrepreneurs, you have a fire burning inside your belly, a vision and a dream that you will do anything and everything in your power to bring to life.”

# Small Business

- There are 28 million small businesses in the U.S.
- **70%** of small businesses are owned and operated by **a single person**
- Small businesses employ **57% of the country's private workforce**
- Small businesses pay **44% of U.S. payroll**
- The **77 million people** that make up the US small business workforce.





# Starting a New Business

## ADVANTAGES

- Not hampered by previous image or technologies
- Can choose location, name, logo, relationships
- Can explore new markets and directions
- See your dreams come true

## DISADVANTAGES

- No base, must build all new
- Greater risk
- No track record = difficulty in financing
- See your dream become a nightmare



# Buying a Business

## ADVANTAGES

- Established clientele, suppliers, location
- Known quantity, proven formula/name
- Help in starting and running business
- Can review records
- Easier to obtain financing

## DISADVANTAGES

- Potential hidden issues: debts, poor reputation, loyalty to owner, out-of-date inventory or transfer issues
- No guarantee that success will continue



# Buying a Franchise

## ADVANTAGES

- Proven image and product/service
- Marketing/Sales power
- Limited experience
- Training, professional guidance
- Continued consulting relationship
- Access to other franchisees for help

## DISADVANTAGES

- Loss of control - not always your own boss
- Franchise = royalty and other fees
- Operational boundaries and limited choices
- Binding contract
- Franchisor problems are your problems



# Home Based Business

## ADVANTAGES

- Convenient work location
- Less expensive
- Flexible schedule
- Tax Advantages
  - Sq. Ft of total home
  - Percentage of utilities

## DISADVANTAGES

- Zoning or deed restrictions
- Isolation from others
- Difficult financing
- Family distractions
- IRS scrutiny



# Non-Profit

## ADVANTAGES

- Allows operation in a not-for-profit status – no owners
- May qualify for government or foundation grants
- Protection from liability for directors and employees
- Can pay salaries to employees and consulting fees for contractors

## DISADVANTAGES

- Focus on educational or charitable purposes and cannot profit those who created the organization
- All profits remain within the organization
- Must apply and qualify for 501c3 status or sales tax exemption





# Online Business

## ADVANTAGES

- Lower startup costs
- Expanded geographic reach
- Convenience & accessibility
- Flexibility

## DISADVANTAGES

- Low conversion rates
- Low barriers to entry = higher competition
- Visitor expectations
- No personal contact/ limited sensory info



# Product & Service

- Who needs it?
- Why do they need it?
- How is it different or better than the competition?

# Competitive Advantage

## Definition:

***A competitive advantage is what distinguishes you from the competition in the minds of your customers.***

# Differentiate

SESSION 1: Start-Up Basics

Result of efforts to make a product, service or brand stand out as a provider of unique value to customers in comparison with its competitors.



# Differentiators

“No matter how tough the market gets, my suggestion is that you stick to your principles to **sell the value that differentiates your company** from your competitors

# Do you have what it takes?

SESSION 1: Start-Up Basics



- Good choice of time and location
- Adequate capital
- Ability to manage and multi-task
- Education/experience in field
- Strong work ethic
- Effective time management
- Willingness to ask for input from others





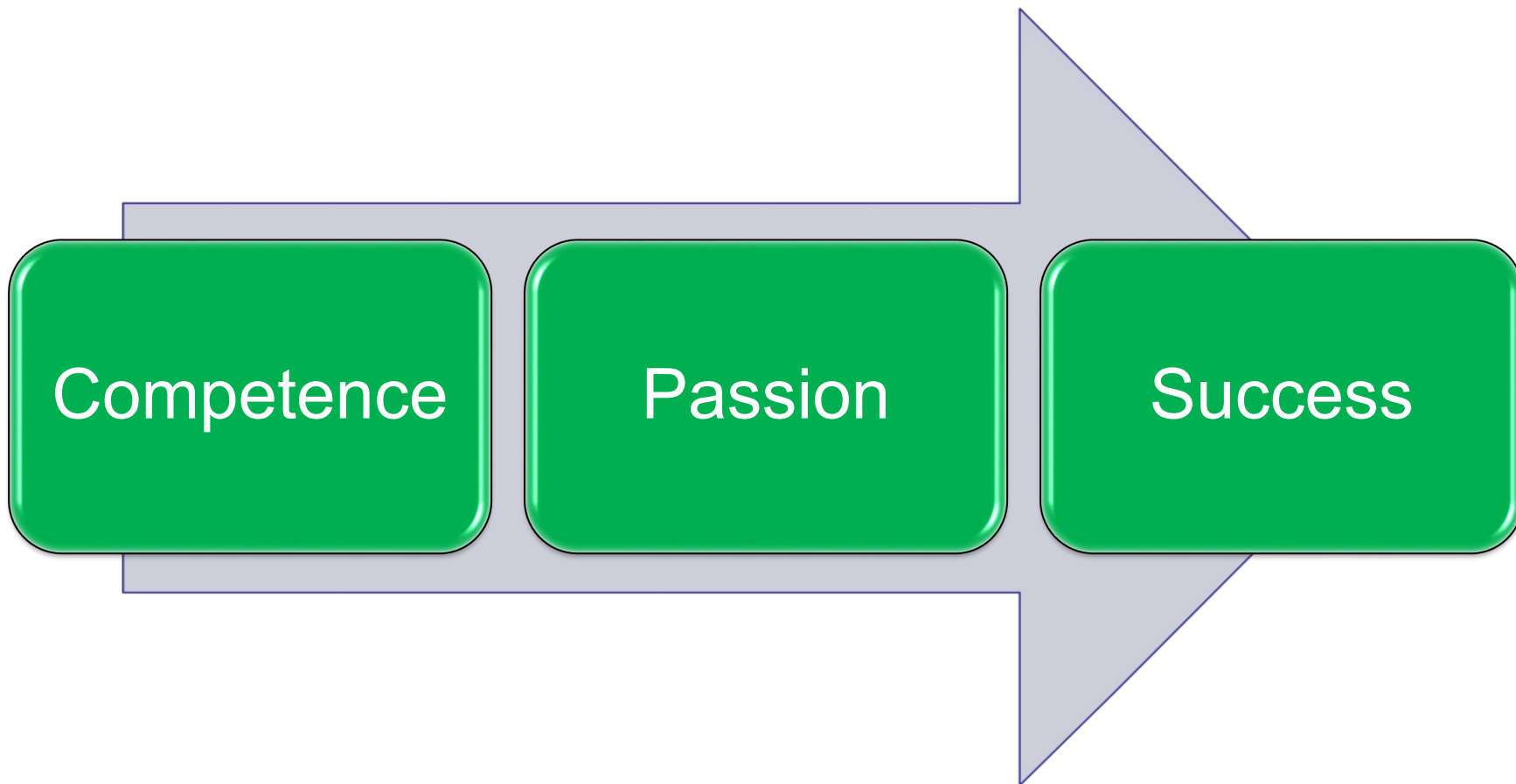
Competence





Competence

Passion




# Digital Marketing



# Why you can't afford to ignore social media

40





***“You can no longer start  
a business without  
including digital  
marketing in your plan.”***

# Digital Marketing

SESSION 1: Start-Up Basics

- Why inbound marketing matters
- Websites, your digital calling card
- Email marketing
- Generating leads online
- Social media marketing strategy & tactics
- Mobile Marketing

# Cash

SESSION 1: Start-Up Basics



- Having cash isn't the same as having a profit.
- There is a big difference between making a profit and having cash.





# Questions Before Starting

SESSION 1: Start-Up Basics

***Have you got what it takes to be an entrepreneur?***

***Now, ask yourself these questions.***

- Why am I starting a business?
- Where will my business be located?
- Who is my ideal customer?
- Who is my competition?

# Questions Before Starting

SESSION 1: Start-Up Basics

- What differentiates my business idea and the products or services?
- How much money do I need to get started?
- What products or services will my business provide?
- How will I advertise my business?
- How will I price my product compared to my competition?

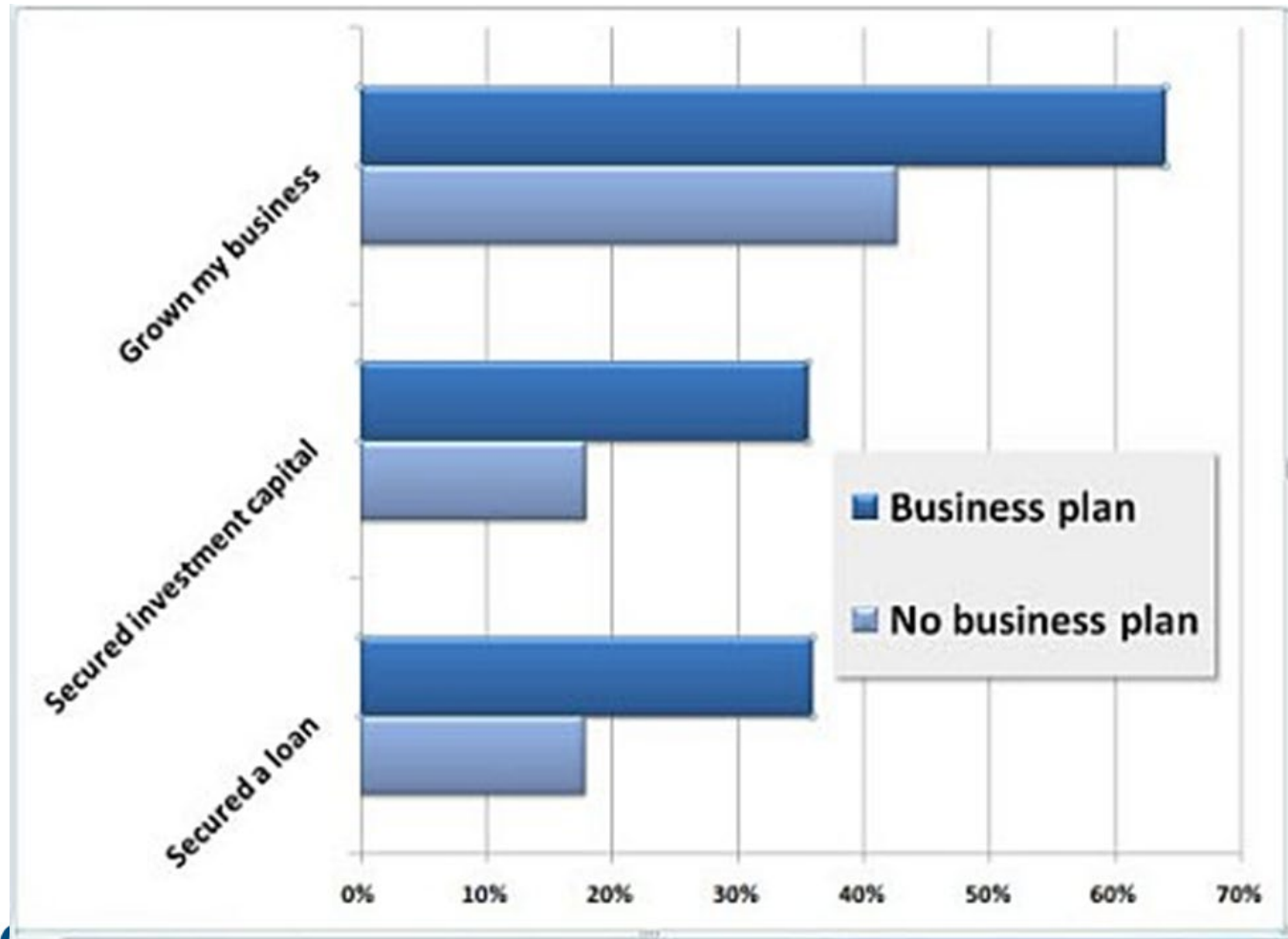
# Questions Before Starting

SESSION 1: Start-Up Basics

- Am I prepared to spend the time and money needed to get my business started?
- Will I need to get a loan?
- How soon will it take before my products or services are available?
- How long do I have until I start making a profit?
- How will I set up the legal structure of my business?



# Business Plan



# Business Plans

- Simply put, those who finished their business plans were about ***twice as likely*** to successfully grow their business, get investment, or land a loan than those who didn't.

❖ *University of Oregon Department of Economics*



FAILURE IS NOT THE  
OPPOSITE OF SUCCESS,  
IT IS A PART OF  
SUCCESS.

Thinking Successfully



# Get Started Today

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# Q & A?

