

Business Owners

Strengths & Weaknesses

The chart below will help you identify your strengths and weaknesses, and will give you a better idea of whether you are ready to become a small business owner.

Examine each of the skills areas listed in the chart. Ask yourself whether you possess some or all of the skills listed within each area. Then, rate your skills by circling the appropriate number, using a scale of 1-5, with 1 as low, 2 as between low and medium, 3 as medium, 4 as between medium and high, and 5 as high.

Skills	Low		Rating Medium		High
Sales <ul style="list-style-type: none"> ▶ Pricing ▶ Buying ▶ Sales planning ▶ Negotiating ▶ Direct selling to buyers ▶ Customer service follow-up ▶ Managing other sales reps ▶ Tracking competitors 	1	2	3	4	5
Marketing <ul style="list-style-type: none"> ▶ Advertising/promotion/public relations ▶ Annual marketing plans ▶ Media planning and buying ▶ Advertising copy writing ▶ Marketing strategies ▶ Distribution channel planning ▶ Pricing ▶ Packaging 	1	2	3	4	5
Financial Planning <ul style="list-style-type: none"> ▶ Bookkeeping ▶ Billing, payables, receivables ▶ Monthly profit and loss statements/balance sheets ▶ Quarterly/Annual tax preparation 	1	2	3	4	5
Administrative <ul style="list-style-type: none"> ▶ Scheduling ▶ Payroll handling ▶ Benefits administration 	1	2	3	4	5
Personnel Management <ul style="list-style-type: none"> ▶ Hiring employees ▶ Firing employees ▶ Motivating employees ▶ General management skills 	1	2	3	4	5

Personal Business Skills <ul style="list-style-type: none"> ➤ Oral presentation skills ➤ Written communication skills ➤ Computer skills ➤ Word processing skills ➤ Fax, e-mail experience ➤ Organizational skills 	1 2 3 4 5
Intangibles <ul style="list-style-type: none"> ➤ Ability to work long and hard ➤ Ability to manage risk and stress ➤ Family support ➤ Ability to deal with failure ➤ Ability to work alone ➤ Ability to work with and manage others 	1 2 3 4 5
Total	

After you have rated yourself in each area, total up the numbers. Then, apply the following rating scale:

- If your total is less than 20 points, you should reconsider whether owning a business is the right step for you at this time.
- If your total is between 20 and 25 points, you are on the verge of being ready, but you may be wise to spend some time strengthening some of your weaker areas.
- If your total is above 25, you are ready to start a new business now.

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