

# Money TALKS

Should I Be Working?

## Making My Own Job

When Will turned 16, he decided to buy an old truck, some ladders, and paint brushes to start his own painting company. Some months were better than others, but he made a lot more money than he would have at any of the jobs he previously applied for. When he graduated from high school, Will was able to work more hours. He hired two friends to help him out and soon his company was doing really well. After a couple of years, he even started taking classes at a community college while his crew kept the business going. In the end, Will was glad he didn't find another job that summer.

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# WHY START A BUSINESS?



While Will's experience may seem like a dream come true, the truth is that it is a lot easier to work for someone else than to make your own job. When you work for someone else, you're guaranteed a paycheck, you don't have to advertise to get customers, plus someone else worries about permits, licenses, insurance, lawsuits, and taxes. So, why would you want to start your own business? Maybe you're like Will, someone who has a lot of great skills but just can't land the right job, or perhaps you:

-  are usually frustrated at your current job because you want to be your own boss.
-  have a great business idea you are ready to try.
-  enjoy a challenge.
-  like to set your own work schedule.
-  really want to work at something you love.
-  are good at something but don't have the experience or degree that employers want.



# Would I be a Good Entrepreneur?

## Quick Definition

*Wall-Street Words* by David L. Scott defines an entrepreneur as “A risk-taker who has the skills and initiative to establish a business.” But anyone who works for him/herself can be called an entrepreneur.

There are many good reasons for starting your own business, even if you plan to move into another job or go back to school in the future. Perhaps you just work better by yourself, have unique skills, or you have a really busy schedule. Whatever your reason, there are some characteristics that most entrepreneurs share.

Find out if you are entrepreneurial by taking the “Should I Be My Own Boss?” quiz on page 5.

**en•tre•pre•neur** | ,äntrəprə'hoŏr; -'hər|  
noun

a person who organizes and operates a business or businesses, taking on greater than normal financial risks in order to do so.

**syn:** enterpriser, speculator, tycoon, magnate, mogul; dealer, trader; promoter, impresario; informal wheeler-dealer, whiz kid, mover and shaker, go-getter, high flyer, hustler, idea man/person.

# Apple for the World

Nowadays, Apple products are known throughout the world.

But did you know that Apple started because three people, Steve Jobs, Steve Wozniak, and Ronald Wayne had a business idea and wanted to make their own job? Steve Jobs, was only 21 at the time, but he had begun planning for his business while still in high school by attending after-school events held for teens at the nearby Hewlett-Packard Company. Founded on April 1, 1976, the first Apple computers were hand-built in the living room of Jobs' parents' home by Steve Wozniak. Jobs approached a local computer store, The Byte Shop, and convinced them to order fifty computers at \$500 each. To raise the money needed to pay for the product costs of electronic parts, Jobs borrowed money from friends and family and sold various items including a Volkswagen bus. Jobs managed to secure the parts needed while Wozniak and Ronald Wayne assembled the Apple I computers. The rest is history. So, what product will you offer the World?





## Should I Be My Own **BOSS?**

Read the following statements. Check YES if you feel like the sentence describes you or NO if you don't think the sentence describes you.

- YES  NO I am pretty independent, so I don't mind going shopping by myself, packing my own lunch, or scheduling a doctor's appointment.
- YES  NO I get a little down if I get in an argument with a friend, but for the most part, I have a positive attitude.
- YES  NO I may not be a great artist, but I definitely have a creative side.
- YES  NO If I have a good gut feeling, I am willing to take a risk--although I know things might not turn out the way I want.
- YES  NO My teachers would say that I have a good work ethic.
- YES  NO There are times when it's hard to tell the truth, but I am an honest person.
- YES  NO When something needs to get done, I will work hard to finish it.
- YES  NO People have mentioned my talent for organizing and/or planning.
- YES  NO I have a lot of self-confidence, so I feel comfortable speaking up when I need something from someone else.
- YES  NO I try hard to be a good listener.
- YES  NO I do well on most group projects because I am a good team player.
- YES  NO I make decisions quickly.
- YES  NO When I know what I want, I am motivated to get it.
- YES  NO I find it easy to convince other people when I am arguing a point.
- YES  NO Once I get started on a project, I know I will finish it.

Write down the number of times you circled YES and NO in the spaces below.

YES \_\_\_\_\_ NO \_\_\_\_\_

If you circled YES 13 or more times then you may have what it takes to start your own business and work for yourself. Read the rest of this guide to find out how to get started.

If you circled YES 10 to 12 times then you may need a little help getting your own business started but will probably do well once you get going. The rest of this guide will show you exactly what it is going to take.

If you circled YES 9 or less times you may have a harder time working for yourself, if the idea even interests you. If you still want to go for it after you have finished reading the rest of this guide, then try starting with a service that doesn't require too much investment to get going, like tutoring, babysitting, or window washing. If you find you enjoy working for yourself, then move onto your dream business.

# What's Right for Me?

Think you'd like to be your own boss? Then, the first thing you need to do is come up with a great business idea. While there are endless options, some of the best ideas are things that aren't offered yet. In the spaces provided, brainstorm your business ideas. Note each example. Try to come up with two or three of your own ideas for each item.

What do I like to do?

- Skateboard

- 

- 

Business Idea

- Offer skateboarding lessons

- 

-

What am I good at?

- Playing the guitar
- 

Business Idea

- Play at weddings & other events
- 

What do I wish someone would sell?

- Pretty birthday cards for my friends
- 

Business Idea

- Sell handmade, personalized cards
- 

What service do I wish someone would offer?

- Clean my wheels and tires
- 

Business Idea

- Weekly tire and wheel detail at client's home or business
- 
- 

Now that you have come up with some ideas, think about which one appeals to you the most? Also, consider how much money it will take to start each business. For example, it probably won't cost too much to offer skateboard lessons. But you'd have to buy the material to begin making personalized cards. Time is another factor to consider. If you own a bucket, cleaner, and a rag then it won't take too much time to get ready for a tire and wheel detailing job. However, learning the specific guitar music for a wedding will take quite a bit of practice time. After you've come up with a great idea, keep reading to find out how to begin your business.



# Getting Started

The following suggestions can help you figure out how to get started.

**Start reading.** People who are successful in business have learned from the success and mistakes of others. Often, you can read about these things online or you can go to your local library and find very useful books, magazines, articles, etc.

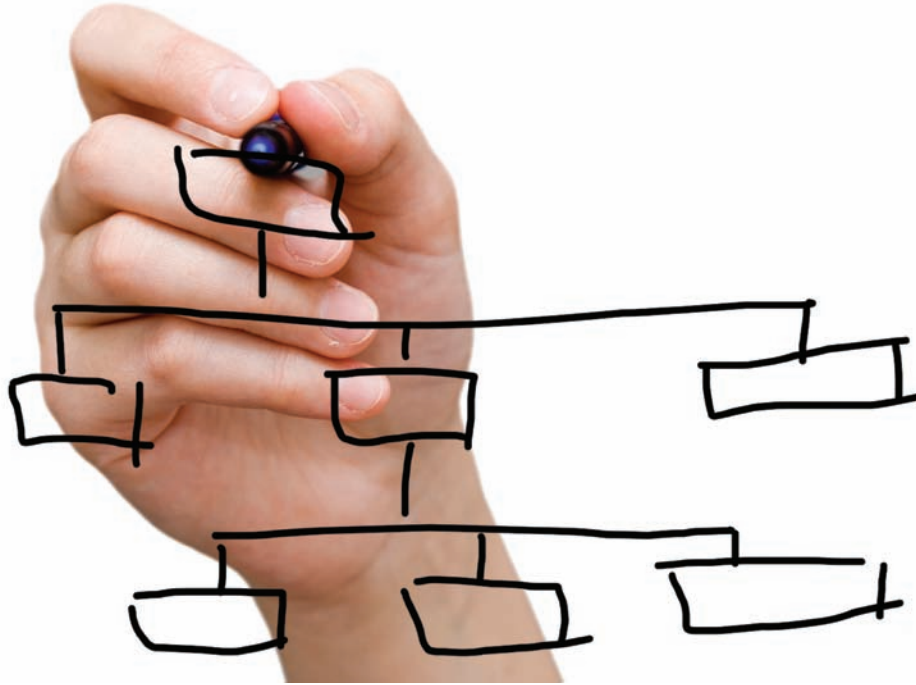
**Start talking.** Some of the best advice you can get is from people who have been there. Once you have decided on your business idea, look for and talk to people who have started their own businesses or who work in the same industry. They can help you when you are developing a business plan or just need to vent. Plus, if you prove you're serious and committed, professionals in the field may send some business your way.

**Get some experience.** Try out your idea by volunteering your time and services. Also, find out about classes or certifications that might help you out. For example, you might consider becoming certified in basic First Aid if you are going to teach people how to ride a skateboard.

**Make a business plan.** A business plan is basically a written description of what you plan to do and how you plan to do it. While a business plan can seem like a lot of work, it will really help you figure out the workings of a business, like how to advertise and what to do when you run into a problem. A business plan may also help show that you're serious if you decide to ask your parents for some financial help to get started.







# My Business Plan

## strategy | 'stratəjē|

noun ( pl. -gies)  
a plan of action or policy  
designed to achieve a major  
or overall aim

**syn:** master plan, grand  
design, game plan, plan (of  
action), action plan, policy,  
program; tactics.

Use this section as a guide for your business plan. Some of this information will need to be researched and some can only be guessed. Remember to talk to people who have started their own business whenever you need some help.

Company Name:

### General Company Description

- Generally, what will my business do or provide?
- What are my business goals and how will I meet those goals?

### Products and Services

- Give a detailed description of my products and services. Include pictures if available.
- What advantages do I have over my competitors?
- What are the disadvantages?
- How much will I charge for my product/services?



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# My Marketing Plan

An important part of your business plan is your marketing plan. Consider the following when developing your marketing plan.

- What is the demand for my product or service?
- What is my business' growth potential?
- Describe my product/service, this time from the customers' point of view.
- What am I offering?
- What are the most important features for the customer?
- What are the benefits for the customer?
- Who are my potential customers (i.e., age, gender, income level, social class, location, education, etc.)?
- Who are my potential competitors?
- What are the names of the businesses and products I will compete with?
- What will my customers like about me over my competitors?
- What will my customers like about my competitors over me (i.e., product, quality, service, selection,



- price, reliability, expertise, location, appearance, sale method, advertising)?
- Describe where my company fits into the world.
- How will I advertise?
- What media will I use (i.e., TV, flyers, radio, online, etc)? Why and how often will I use media?
- How do I want to appear (what is my image) in my advertisements?
- How much will it cost to advertise this way?
- Explain how I developed my prices. How will they compare with my competitors' prices, and how will my customers pay for products/services?
- Describe my business location and how convenient it will be for my customers.
- Forecast my sales month by month for an entire year.

continued on back page

# Why Do Businesses

# FAIL?

# B

Before going into business for yourself, it is important to know that many people starting their own businesses do not make money and end up failing. Some common reasons for failing are:

- lack of business experience
- not enough money to get the business going
- not making enough money to keep the business running
- too much competition
- not enough advertising
- too many people paid by the company
- the services/products aren't useful or of good quality
- owner burn out
- poor location
- owner uses too much of the company's money to buy personal things



Bottom line: The best way to avoid business failure is to choose a good business idea and prepare well.

## My Business Plan (cont.)



Start up expenses

- List any expenses I may have before making any money. Consider costs such as: rental and transportation expenses; equipment purchases; advertising or printing costs; license, permit, or tax fees; personnel; and material or product costs
- How will I pay for my initial expenses?
- Where can I go to borrow money?
- If I plan to borrow money, how long will it take me to pay it back?

### Consider This:

Your city/county may require a business permit or license for certain types of businesses. Once you start making money, you will need to keep a record of your income for tax purposes.

There is obviously a lot to consider before going into business yourself. But if you do decide to become an entrepreneur, all of your hard work can really pay off. Even if you don't make it big, you will have had a great life experience and the satisfaction of trying out one of your dreams.

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*Money Talks...Should I Be Working?* is a series of teen guides and leader's guides. The goals of these teen guides and leader's guides are to assist teens in 1) identifying careers that may work with their job personality; 2) understanding the process of finding and keeping a job, and 3) recognizing the benefits and pitfalls of being an entrepreneur. Comments regarding these teen guides can be addressed to: Consumer Economics Department, University of California Cooperative Extension (UCCE), 135 Building C, Highlander Hall, Riverside, CA 92521. Author: Katherine Wassenberg, Freelance Writer; Development Team: Keith Nathaniel, Karen Varcoe, Brenda Roche, Margaret Johns, Charles Go, Patti Wooten Swanson, Shirley Peterson and the UCCE Money Talks Workgroup; Graphic Designer: Kerry Decker, UC Riverside. 2010

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