

# ***Checklist for Entrepreneurs***

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There are many considerations in starting a business. Ensure that you have adequately addressed at least these.

<b>Start with a clear idea of the revenue potential</b>	
Who will pay how much for what you offer?	
How many people like that are there, and how many will buy?	
How many sales will occur each month? When will they start and how will they ramp up?	
<b>Do a thorough analysis of how much each unit of production (product or service) will really cost</b>	
How much in labor? (Who will do the labor?)	
How much in material? (Where will it come from?)	
<b>Do a thorough analysis of the costs of running a business, including (for example):</b>	
Salaries for managers and administrators	
Costs of selling and marketing	
Costs of product research and development	
Costs of interest (if funds will be borrowed)	
<b>Do a thorough analysis of capital requirements, including:</b>	
Real estate	
Machinery and equipment to make your products	
Office furniture and equipment	
<b>Identify and address every critical concern</b>	
Review estimates with a neutral, financially-oriented individual	
<b>Develop an appropriate business plan. It should cover (at minimum):</b>	
The "Business Model," describing the legal form of the company and outlining how the company will make money	
Market research describing potential customers in demographic terms, including a strong case for why they will buy	
The marketing plan, describing how the company will reach prospects and manage the sales funnel to convert them to customers	
The organization plan, naming people and describing roles	
The production plan, describing how and where products will be made and delivered	
The financial plan, including pro forma financial statements and other analyses as needed (e.g., breakeven analysis, payback curves, and metrics such as ratios)	
The pitch for investors, as appropriate	
<p>ROI-Team's free Excel Startup Model tool accepts estimates of product prices, sales, and costs, plus estimates of ongoing business expenses, plus an estimate of capital requirements to generate pro forma income statements, balance sheets, and cash flow statements by month, quarter, and year for five years. While it is easy to use, it is totally dependent on the realism of its underlying estimates, and its use requires at least an appreciation for the fundamentals of finance. If you can balance your checkbook, you can probably use this tool!</p>	