

Entrepreneurship: Decisions, Decisions, Decisions

As you launch out this year to start your own business and use your talents to become the person God has called you to be, there are some critical decisions you will need to make. The very first one is choosing to develop a plan. I'm always amazed by individuals who want to start their own business and become entrepreneurs but do not have a plan. They just slap some ideas together and think they have a plan. Or better yet, some have a feeling they will be successful in providing food services for example, but really don't like dealing with inventory. One of my favorite books makes it clear: which of you intending to build a house, do not count the cost before commencing construction? (Luke 14:28) So let's look at the list of initial decisions you will have to make in order to lay down a solid foundation.

SELF ASSESSMENT

You will need to be honest with yourself ask: Can I do task without help? Do I need employees or contractors and why? What is my risk tolerance? Am I a self starter? Am I disciplined? Can I manage my time and get things accomplished without a taskmaster watching over me? Now here's a big one, if there is a significant other in your life, are they supportive of your proposed business? Do you have enough money saved so that you can make it for several months before cash flow really kicks in? Do you have debt? Will you be able to acquire a business line of credit?

CHOICE OF ENTITY

When starting a business there are several corporate formations you can establish. You can choose Sole Proprietorship, Corporation, S-Corporation, Limited Liability Company, Professional Limited Liability Company, Limited Liability Partnership and Professional Limited Liability Partnership just to name a few. You will need to sit down with your accountant or business consultant to figure out which structure best serves your objectives and gives you the most protection.

EMPLOYEES OR CONTRACTORS

Making the right choice on this one can save you lots of headaches and problems in the future. Some considerations would include finding out who would qualify as a contractor verses an employee. What will be your responsibility to an employee as opposed to a contractor. What impact, if any, will taxes play in choosing an employee over contractor.

OFFICE

This decision must be made quite early. Will you rent a space or share office space or can you work from home? If you need a space then you will have to decide on location, size, rental cost and equipment just to name a few factors. If you are working from home, will your contractors or employees be able to come over to your home office and work?

FINANCES

You don't have to be an accountant to know you'll need a budget to start your business. Other financial considerations would include a possible line of credit. For example, you need to know how many bank accounts are you going to establish-checking and savings? Do you know accounting software and how to read financial statements?

These and a few more considerations are some of the basic decisions you will need to make in starting your business or ministry in 2020. In our next article series on entrepreneurship, we will be taking a deeper dive into some of the areas presented above to help you become a successful ministry or business leader and live out your purpose!

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