

# Starting a Business

*It isn't always easy working for yourself – so you need to be sure it's something you really want.*

To succeed you need a good business idea, good support from others and lots of commitment. Starting a business is a big step. It can be risky – but it can also be very rewarding. You'll need to have lots of commitment and a good plan.

## Am I ready to start a business?

Before you start, you need to be sure it's what you want. Ask yourself:

- Am I ready to work really hard for as long as it takes?
- Do I have something people want to buy?
- Will I be able to attract customers?
- Am I willing to learn new skills and go on courses?
- Can I cope without always having a steady income?
- Do I have the support of my family and friends?

If your answers are "Yes" you're ready for the next step.

## Do I have the right idea?

To succeed you'll need a business idea that works. Think about:

- Where the best location for your business is
- Who your competitors are and what they offer
- What else could affect the business, like the seasons
- What's new or different about your idea
- How much you'll need to charge
- What skills you'll need to run the business
- What licences or permits you may need
- How many hours you'll need to put in.

You also need to find out if people will pay for your product or service. Ask others what they think and seek professional advice. Organisations such as BIZ Business Information (email: [info@biz.org.nz](mailto:info@biz.org.nz)) and Inland Revenue can help.

## What skills will I need?

You'll need information on a wide range of business and personal skills – such as accounting, marketing, customer service, time management and organisational skills. There are a lot of courses and organisations that can help you gain skills you don't have now. Contact BIZ Business Information for details on training courses available for businesses.

### What costs will I have?

It takes time to get a business going so you need to think about how you'll cover your costs in the meantime. Your costs might include:

- Rent, rates, phone, power and other bills
- Stock – and storing or freighting it
- Business vehicles
- Equipment like phones, faxes and computers
- Furniture like desks, chairs and filing cabinets
- Stationery like letterheads and business cards
- Wages, ACC, GST and other taxes
- Interest on loans or hire purchases
- Advertising, insurance and other business services.

### What else do I need to think about?

When you work for yourself you'll be responsible for things like:

- Paying tax, GST, wages, PAYE and ACC
- Meeting health, safety and employment laws
- Arranging legal things like contracts, leases and agreements.

### Where do I begin?

Start by writing down your ideas – and then turning them into a business plan. If you follow a plan you'll have more chance of succeeding.

And you'll need a business plan if you want help with things like finance or business advice. Contact us for a copy of *Planning for Success* – a comprehensive guide to writing a business plan.

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