

Business Assessment

Running a small business requires you to be a jack-of-all-trades. It is important to know early on which skills you have and those you will have to learn or delegate to others. The skills covered in this exercise can be acquired if you work at it. Chances are you possess far more business skills than you think and can learn those skills you don't have more easily than you think. When answering the questions, consider past and present activities, including community, religious or professional organizations, work, family, or hobbies. Chances are, you routinely use many business skills without knowing it.

Read each statement and enter a score using a scale of 1 to 4.

1 = strongly disagree 2 = disagree 3 = agree 4 = strongly agree

- I keep track of my personal finances and balance my checkbook every week.
- I create monthly and yearly budgets for myself and follow them.
- For any given period of time, I know what I spend on medical costs and living expenses.
- I know within \$100 how much it cost me to operate my car last year.
- Even if I don't prepare my tax return myself, I understand the concepts regarding taxation.
- I know how to borrow money from a bank.
- I have an excellent credit rating.
- I enjoy getting "out there" and selling an idea or product to people I have never met.
- Give me five minutes, an audience, and a great product, and I can make a sale.
- I understand how to calculate profitability and perform break-even analysis.
- I understand the difference between fixed and variable costs.
- I regularly read business books to improve my skills.
- I am able to utilize a computer to efficiently manage my work and personal finances.
- I have an e-mail address and use it.
- I regularly read *Inc.* and other weekly business magazines.
- I would press customers for full payment up front, or if they refused, negotiate with them for a 50% deposit or unconventional payment terms.
- I have work experience in the industry or field in which I am interested in starting a business.
- I have successfully managed people by: setting goals, delegating responsibility, and addressing performance.
- When negotiating a decision with a friend, co-worker, or salesperson, I am confident in identifying and communicating my interests and succeed at maximizing my outcome.
- I understand the basics for how different products and services are distributed and why.
- I have hired and fired people.
- I know how to effectively interview and assess potential employees.
- I understand how the concept of "cash flow" impacts business decisions.
- I am comfortable giving presentations and know how to create professional, effective presentations.
- I know how to use computer software to create professional, effective presentations.
- I know how to prepare an invoice.

Business Total Points

If you scored 63 points or above, you may already possess basic business knowledge and skills. Review the areas where you scored below a 3 and concentrate on learning the skills in these areas.

If you scored below 63 points, you probably need to polish some existing skills and learn some new business skills. Take some time to narrow the specific areas of business in which you need to develop by looking at the areas where you scored below a 3. The NxLevL course taught by the Idaho SBDC is an excellent place to learn these new skills or you can pick up specific skills through Idaho SBDC workshops. Talking with experienced business people is also a great way to get real life knowledge and skills.

Whatever your point score, remember that learning new business skills is a continual process in today's marketplace.

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