

Essential Qualities for Business Owners

You can still be successful even if you don't possess every skill needed to run a small business. There are, however, certain qualities that you should possess if you're to be successful. Let's take a look at them:

- **Willingness to sacrifice** — you must be willing to accept the fact that, as a small business owner, you are the last one to be paid. Your bank, your vendors, and your employees are all in line ahead of you and must be paid before you see any of the money. You must also be willing to sacrifice much of what once was your free time to your business. If you like working nine-to-five, knowing how much you'll make, and taking three weeks of vacation every year, don't go into business for yourself.
- **Strong interpersonal skills** — if you thought that getting along with your boss was tough, wait until you have to deal with suppliers, customers, employees, lawyers, accountants, government officials, and everybody in between. Successful owners are able to work with all personality types, and they're able to find out from their customers what they like and don't like.
- **Strong leadership skills** — successful owners understand that others are looking to them to be led to the Promised Land. Others will be looking to you for answers, and if you're not ready for that responsibility, you probably shouldn't own your own business.
- **Strong organizational skills** — successful owners are able to keep track of everything that's going on in their business and they're able to set priorities and get things done. They know that if they lose track of what's going on, they're sunk.
- **Intelligence** — we're not talking about the ability to score well on standardized tests. We're talking more about street smarts and common sense. Successful owners are able to anticipate problems before they arise and to take preemptive steps to avoid them, and they know how to solve crises after they occur.
- **Management ability** — small business is all about managing relationships, with your customers or clients, with your employees, with your suppliers, with your accountant and lawyer, with your banker, and with your family. If you don't think you can effectively manage those relationships, you shouldn't start a new business.
- **Business experience** — without some solid business experience, you're probably not going to be able to borrow any money. Your banker will want to know about your experience, not just in business, but in the same field as the business you're hoping to start. If you lack the experience, go get it any way you can: volunteer at an existing business or try to get a part-time or weekend job in the field.
- **Optimism** — how will you react when business isn't going as well as you expected? A pessimist may fold the tent, but an optimist who believes in the business will keep going. Successful owners are optimists who are able to weather the rough spots.

Although the qualities listed above are important to a small business' success, particularly to one just starting out, not every single owner of every single successful business has had every single one of the desired qualities. This suggests that there's hope for those who don't possess every quality. Maybe one of these categories applies to you:

- **The unique idea** — if you've built a better mousetrap, they'll beat a path to your door, even if you're a poorly organized pessimistic misanthrope.
- **The genius** — if you possess the gift of greatness, they'll not only overlook your weaknesses, they'll revel in them.
- **Blind luck** — the Small Business Hall of Fame contains more than a few stories of people who backed into success because of their incredibly good timing.

Now that you've taken a look at your strengths and weaknesses, you can consider how to compensate for weaknesses.

Compensating for Weaknesses

At this point, you should have looked at your own strengths and weaknesses and judged for yourself whether you're ready to start a small business. You should also have compared those strengths and weaknesses with the traits you'll need to have if you're to be successful. The next step is to figure out what to do if you don't yet possess all of those traits.

Options

If you discover that you don't have all of the traits you need to succeed, don't despair. You have options, including:

- hiring someone who can handle those tasks you may not be good at
- partnering with someone who has the traits or skills you lack
- developing those traits or skills yourself

Ask yourself if you can pay someone else to perform them. For example, if you don't like to sell, you can hire a salesman or if you don't like to do accounting work, you can hire an accountant.

Down the road, as you get further along in setting up your new business, you may determine that the convenience of paying someone else to do the work is outweighed by the costs. But for now, all you have to do is identify whether someone else **could** do the work for you.

Now look again at the list of items you don't like to do. If your list includes items that you can't hire someone else to do, such as working with others, the solution is not so easy. Your best bet may be to partner up with someone whose skill set complements yours. For example, a person who likes working with people but not with numbers and forms may be a good match for someone who likes working with numbers but not with people.

Finding a good partner. This can present difficulties. Most people partner up with those they know best, such as friends and family. But be aware that partnering with those you know best doesn't always work. Some marriages and

friendships have been ruined by business partnerships, while others have been enriched by them. Finding a partner through others means, such as through a business association, is even more tenuous. The best advice is to be careful. Make sure that you're a good match before you go into business together.

Learning new skills. The third possibility is to develop the traits and skills you lack. There are at least three ways to do this:

- The first is by trial and error. In other words, you'll develop the skills over time by learning from your mistakes. The downside to this approach is that most small businesses won't give you much time or allow you to make many mistakes. If you benefit from trial and error, it'll usually be with the third or fourth new business you start.
- The second method is to take classes at a local business school. While classes may offer a wealth of valuable information, they are usually expensive, they often take a long time to complete, and they normally don't offer much in terms of real-world experience.

The third method is to contact a Small Business Development Center (SBDC) to receive real world advice, training and counseling. Most Centers have experienced consultants who have owned or operated their own small business. The mission of the (SBDC) is to help new entrepreneurs realize their dream of business ownership, and assist existing businesses to remain competitive in the complex marketplace of an ever-changing global economy. Hosted by leading universities, colleges and state economic development agencies, and funded in part through a partnership with the U.S. Small Business Administration, approximately 1,000 service centers are available to provide no-cost business consulting and low-cost training. You can go to www.asbdc.org to find a SBDC near you.