

How to Organize and Run a Small Business

How to Organize and Run a Small Business

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Course Description

This course is a primer for aspiring small business owners and entrepreneurs. The course explores step-by-step procedures necessary to set up and manage a small business. Topics include the development of a business plan, market entry strategies, organization and management, financing, internet marketing, software, and critical factors for small business owners and entrepreneurs.

Field of Study	Business Management and Organization
Level of Knowledge	Basic
Prerequisite	Basic Math
Advanced Preparation	None

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Section 1:

Getting Started

Learning Objectives:

After studying this section, you will be able to:

- Recognize the advantages and requirements of different business organizations.
 - Identify factors to consider when buying an existing business.
 - Recognize methods for determining how much to pay for a business.
 - Identify important factors for selecting a new business location.
 - Recognize the key sections of a business plan and how it can be used.
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Introduction

An entrepreneur is one who generally owns, manages, organizes, and assumes the risk of a business. The entrepreneur starts a business because he or she believes they have a product or service that customers want or need.

The Small Business Administration (SBA) Office of Advocacy defines a small business as one that is independently owned, is locally operated, is not dominant in its field of operation, and has fewer than 500 employees.

There are just over 30 million small businesses in the U.S., and more than 99 percent of American businesses are considered small. Small businesses employ approximately 49% of the employees in the U.S. Of course, many of today's giant companies began as small businesses.

Before starting a new business, ask some tough questions, including: Who are the competitors, and can I outperform them? What are the downside risks? What is the trend in the industry? How does the economy look? Can I raise the necessary funds? Why is my product or service better than the competition's? Do I really know how to run a successful business?

At the very beginning, get competent professional advice from an attorney and an accountant. You want them to advise you on what to do and what not to do. An attorney will know how to form the business legally and how to