

Strengths and Weaknesses Checklist

The chart below will help you identify your strengths and weaknesses and will give you a better idea of whether you're ready to become a small business owner.

Examine each of the skills areas listed in the chart. Ask yourself whether you possess some or all of the skills listed in the parentheses. Then rate your skills in each area by circling the appropriate number, using a scale of 1-5, with 1 as low, 2 as between low and medium, 3 as medium, 4 as between medium and high, and 5 as high.

Skills	Rating				
	low		medium		high
Sales ■ pricing ■ buying ■ sales planning ■ negotiating ■ direct selling to buyers ■ customer service follow-up ■ managing other sales reps ■ tracking competitors	1	2	3	4	5
Marketing ■ advertising/promotion/public relations ■ annual marketing plans ■ media planning and buying ■ advertising copy writing ■ marketing strategies ■ distribution channel planning ■ pricing ■ packaging	1	2	3	4	5
Financial planning ■ cash flow planning ■ monthly financial ■ bank relationships ■ management of credit lines	1	2	3	4	5
Accounting ■ bookkeeping ■ billing, payables, receivables ■ monthly profit and loss statements/balance sheets ■ quarterly/annual tax preparation	1	2	3	4	5
Administrative ■ scheduling ■ payroll handling ■ benefits administration	1	2	3	4	5
Personnel management ■ hiring employees ■ firing employees ■ motivating employees ■ general management skills	1	2	3	4	5
Personal business skills ■ oral presentation skills ■ written communication skills ■ computer skills ■ word processing skills ■ fax, e-mail experience ■ organizational skills	1	2	3	4	5
Intangibles ■ ability to work long and hard ■ ability to manage risk and stress ■ family support ■ ability to deal with failure ■ ability to work alone ■ ability to work with and manage others	1	2	3	4	5
Total					

After you've rated yourself in each area, total up the numbers. Then apply the following rating scale:

- if your total is less than 20 points, you should reconsider whether owning a business is the right step for you
- if your total is between 20 and 25, you're on the verge of being ready, but you may be wise to spend some time strengthening some of your weaker areas
- if your total is above 25, you're ready to start a new business now