

How to Start a New Business?



Starting a New Business:

Starting a new business can be both exciting and frightening. Start by having confidence! Acquaint yourself with the basic procedures for opening a business. To help ensure your business' success, it is of the utmost importance that you are aware of all the regulations, requirements and aspects of operating a business before beginning your own in addition to ensure that you have all necessary licenses, permits.

Becoming a small business owner has unique challenges and rewards. You must be driven, disciplined and able to identify a product or service that people need. Business owners need to understand how to budget, and handle unexpected issues. They must familiarize themselves with employment laws if they want to hire staff. They also need a plan for protecting their business and everything that is tied to it if something goes wrong.



Whatever your situation, you should consider the following factors before you settle on a business concept. No matter what line of business you go into, you will need startup capital to get your business going. Some typical startup costs facing new business owners may include:

- Electronic equipment: computer, printer, scanner, tablet, smartphone
- Furniture and fixtures: desk, lamps, bookshelves
- Office supplies: printer ink, printer's papers
- Advertising & marketing costs
- Licenses
- Legal fees



Steps to start a new business:

Do market research:

In order for a small business to be successful, it must solve a problem, fulfill a need or offer something the market wants. In order to identify this need, you should do market research. As you explore the market, some of the questions you should answer include:

- Is there a need for your anticipated products/services?
- Who needs it?
- Are there other companies offering similar products/services now?
- What is the competition like?
- How will your business fit into the market?





How to Start a New Business?

5

Make a business Plan:

You need a plan in order to make your business idea a reality. A business plan will guide your business from the start-up phase through establishment and eventually business growth, and it is a must-have for all new businesses. The business plan should answer these questions:

- What is the purpose of the business?
- Who are my customers?
- What problem does my product/service solve?
- Who is my competitors, and what is my product/service's advantage?
- How will I price, position, market and support my product?
- What are my financial projections for the business for the next 3-5 years?



How to Start a New Business?

1

Selection of staff:

It is related to the correct utilization of people to perform different activities. Human capital is the major source to determine the efficiency of business. Staff should be selected according to the nature of business. Success of business depends upon selection of staff. That's why capable, skilled, experienced and honest employees must be selected.

Assemble your team:

Identifying your founding team, understanding what gaps exist, and determining how and when you will address them should be top priority. Figuring out how the team will work together is equally important. Defining roles and responsibilities, division of labor, how to give feedback. While your team consists mainly of employees, think more broadly as you may want to consider hiring a Virtual Assistant who is experienced in startups to handle the administrative tasks that come with launching a new business.



How to Start a New Business?

Choose a logo and a slogan:

Once you have got your business name selected, it is time to work on your branding strategy. Branding is all about building credibility with your target customers. Your logo is the fun part of branding but do not spend too much time and money on it at first. Create a logo and a slogan that can help people easily identify your business, and be consistent in using it across all of your platforms, including social media. Use social media to spread the logo and the slogan of your new business.



Assess your finances:

Starting any business has a price, so you need to determine how you are going to cover those costs. Do you have the means to fund your startup, or will you need to borrow money? If you are planning to leave your current job to focus on your business, do you have some money put away to support yourself until you start making a profit. Experts generally agree that startup businesses often fail because they run out of money too quickly before turning a profit. Therefore, it is never a bad idea to overestimate the amount of startup capital you need, as it can be a while before the business begins to bring in a sustainable revenue.



Getting the necessary licenses and permits:

Licenses and permits are part of the process when you start your own business. There are varieties of small business licenses and permits that may apply to your situation, depending on the type of business you are starting, and where you are located. You will need to research what licenses and permits apply to your business during the start-up process.



Choosing a Business Structure:

Your small business can be a sole proprietorship, a partnership, a limited liability company (LLC) or a corporation. There are a few options when it comes to choosing your business structure. No structure is absolutely right or wrong. Each has its own benefits and drawbacks. The options:

- Sole Proprietorship: refers to a person who owns the business and is personally responsible for its debts.
- Partnerships: a formal agreement in which two or more parties cooperate to manage and operate a business.
- Limited Liability Company (LLC): is a corporate structure whereby the members of the company are not personally liable for the company's debts or liabilities.

Barriers to Starting your own Business:

- Lack of leadership skills
- Government regulations
- Lack of appropriate technical and practical skills
- Lack of market experience
- Aversion to risk and fear of failure
- Lack of adequate entrepreneurship background
- Shortage of funds and resources
- Severe market entry regulations
- Unsupportive business environment



Conclusion:

Starting a small business is complex, time consuming. There are many things that go into running it than just providing the product(s); or service(s) that your business offers. You will also be responsible for your business's finances, protecting your business and personal assets, keeping your business legal, paying taxes, managing employees and more. If you understand what you are doing and know how to minimize the risks and challenges. The independence, personal satisfaction and financial rewards you can achieve as an entrepreneur mean that starting a small business could be the best decision you will ever make. Be sure to attend to the basic needs of your customers and always put them first. Do not underestimate the power of word-of-mouth marketing which comes from an exceptional product or service offered by your business.



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