

Ways To Operate A Business

Too many business planners end up spending time and money creating a plan that offers a detail for every little piece of their business. This is great for getting started to make sure nothing is left to chance in getting the business off the ground. For an average business, this type of detailed plan will probably grow into a 300 page book, or larger and will cover every minute detail of operating your business. When it comes time to seek funding, ask yourself who is going to read it. Many potential investors will tell you they do not care how many facings of each different brand and style of peanut butter you will stock on your shelves. Heck, they probably will not care that you are going to sell peanut butter at all unless they plan to shop at your store. Many also agree that business plans looking for money that are thicker than 20 or 30 pages are rarely read and funding seldom given. If investors, after reading through a brief, well documented business plan want more information they will ask for it. If they are inundated with information they will usually move on to the next proposed project. They simply do not have time or desire to read each and every detail written plans handed to them. In general, potential investors will be looking for how much money the business needs to get started, justifying the total amount as well as how long it will be before the business expects to turn profitable. Not so much as to how soon they will be fully repaid with interest, but how long before they can expect to see money coming back to them. They will also want to know about the person who will be running the business. Many investors will want the operator to have experience in the business. A person planning to open a hot dog shop, for example, may have 20 years of experience in management but has never worked in food service, has little to offer the investor in the way of an incentive to think they may succeed. On the other hand, if they worked for another hot dog shop for 10 years and have five years in food service management, they will feel better about the chances of success. Regulatory compliance is another hot issue for many investors as they do not want to see the business closed down for violating state or federal laws. The business owner, or a representative, must be knowledgeable about the laws governing the particular business and have inspection steps in place to insure compliance with all rules and regulations. Training of current and future employees is another issue for some investors, making sure the companys representatives can responsibly serve the needs of potential customers. Investors will also look for marketing research, indicating there is a need for the product or service the business will provide and that it is large enough to offer sustainability. Single sales business rarely survive for long and business that promise repeat sales to the same customer are often given more consideration for funding.

About the Author

Obinna Heche. Los Angeles - California Delivering the best home based business ideas and opportunities so you can work at home successfully..

<http://www.homeincomeportal.com/obhmy365>

Source: <http://www.candlebusinesscorner.com/articles>