

To Go Into Business or Not To Go Into Business

by Daniel Mayville

Two men were talking as they sat on a dock by the Caloosahatchee River in South Florida.

The one says to his friend that he wants to start a business in mass production.

After they discuss it for a while his friend responds, "Go for it!"

It's not always so cut-and-dry when deciding whether to start a business—to invest time and capital—or not. After all, there is a lot of work when considering a new business.

You have to consider whether you have the capital or whether you will borrow it. You will wonder who you will get to work for you, where your location or locations will be, where you will do your work. You have to consider transportation, geography, and of course, profitability. These are just some aspects; there will be many more.

When making these you should ask yourself..."How do I know this is a good idea?"

You should consider these three elements: 1. Knowledge, 2. Gut feelings, and 3. Advice of friends and colleagues.

Knowledge

You will have to have all the information you can practically get. Do the research. Go to the library and learn all you can about your product and about the market. Consider all the pros and cons. Assess the risk. Find out if others have tried this idea. Did they succeed or did they fail? Why did they fail? What were the deciding factors that gave them success or failure?

Gut Feelings

One 'famous' person said that he didn't sit around and do the research. He just knew that this was what he was going to do. It was a gut feeling and he made his decision based on that. He was known as Famous Amos of the Famous Amos cookies. Admittedly, this is rare that one would succeed this well on just a hunch but it does happen. On the other hand, many good people have lost a tremendous amount of money by making big decisions based on their gut feelings.

Getting advice of friends and colleagues

This method is critical for an entrepreneur going into a new business. Good advice can make a businessman very successful and bad advice could cost the businessman everything he has. Just talking to a person in the same business that is successful does not insure your success. That's where knowledge comes in. Knowledge and advice are close mates but knowledge is imperative.

A good and long-time friend of mine was planning to go into a new business adventure. He did his research and took the advice of others in the business who have had tremendous success. He and his spouse agreed that this was a good thing to do. They had affirmation on all three points but they still failed. How can you predict this outcome? I don't know. I would have to conclude that they really did not do all the necessary research, they did not get the proper advice, and their gut feelings were wrong. If he had asked the right people, who would have told him not to do it, and if he listened, he would not have lost hundreds of thousands of dollars.

One other critical consideration to make is this...Do you have the money to expend? Will you go into major debt if this business succeeds or fails, and will you lose your house if it does fail? There is also the human element. You have to consider how it will affect people around you. This, too, will require knowledge, gut feelings, and the advice of others.

By the way, the two men I used as an example at the top of this article were Henry Ford and Thomas Edison. Henry Ford had an idea of building cars and he asked his good friend Thomas Edison if he should do it. You know the rest of the story.

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DANIEL MAYVILLE

This article was written by Daniel Mayville, a successful landscaper and property caretaker in south west Michigan, who loves to spend warm summer days in his dune buggy on the dunes of Silver Lake in Hart, Michigan. He is currently writing a novel about the two contradictory sides of the of the United States: Far right conservatism and far left liberalism. It's an exciting story about deception and discovery for a young man who discovers that things aren't what they seem to be.