

## **Gear Up for Small-business Success**

Going into business is a huge commitment. It is a commitment of money, time and mental stamina.

Yet for all of the commitment that a business owner might put into it, he or she has no guarantee that any small business will succeed.

“Achieving success is the goal, but finding it is the challenge,” says (Insert name and title) of (Insert county). “Besides requiring so many quantifiable elements, the unknown always comes into play.”

To increase an owner’s chance of success, he or she needs to understand some of the common business drivers. One of the big things the business owner must remember is that the difference between staying in business and failing rarely depends on just one factor. Business failures have some common threads.

The most common reason for a startup being unable to stay in business is the owner not knowing his or her market.

“This often is referenced as building a solution and looking for a problem,” says Glenn Muske, the North Dakota State University Extension Service’s rural and agribusiness enterprise development specialist. “As a business owner, you need to understand what the client needs.”

“However, this may not be what the clients say they want,” Muske continued. “Getting to the real problem may require some digging and observation before you understand the problem you need to solve for your client.”

Related to the idea of understanding what the market needs is the whole issue of entering the market at the right time and making sure potential clients know you exist.

Your marketing efforts must be focused and provide a reason for the client to come to you. They also must be ongoing because people forget. Finally, you need to use all of the tools in your marketing tool chest. As you learn more about what the most effective marketing tools are, you can focus your marketing campaign.

Fiscal issues are another reason for business failures. This is not just one issue but a range of things from cash-flow problems to pricing issues to cost control management. Another is the inability to get the financing you need to get started and keep you going through those first lean years.

In terms of your product or service, businesses close when the product doesn’t perform as promised or when a competitor just does it better.

A related issue in the area of performance is being responsive to change in what consumers want or what competitors are offering.

An issue that comes into play, often as the owner hits hurdle after hurdle, is the lack of passion to see things through or burnout when you just can't find the stamina to keep going. Knowing the hurdles can help business owners realize they are not the first people who have reached that point.

“Starting a business is not easy,” [insert last name] says. “Yet getting one up and running is so rewarding. And it can be done with planning and perseverance.”

For help, contact your local Extension Service office at [insert phone number and email address]. Also visit NDSU's small-business support website at [www.ag.ndsu.edu/smallbusiness](http://www.ag.ndsu.edu/smallbusiness) and sign up for the monthly newsletter. Or check out Facebook at [www.facebook.com/NDSUextsmallbiz](http://www.facebook.com/NDSUextsmallbiz) or Twitter at @gmuske.

Other resources include <http://powerofbusiness.net> and [www.eXtension.org/entrepreneurship](http://www.eXtension.org/entrepreneurship). The Small Business Administration and its related organizations, such as the Small Business Development Centers and SCORE, also can be valuable resources.

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