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Plan to do Business

One of the common American dreams people have is to own their own business. It sounds great doesn't it? Aside from the income potential, you make all the decisions and you get to work for no one but yourself. Unfortunately many people do not prepare their idea or themselves enough and ultimately many young businesses fail as a result. Before you take that final step to becoming an entrepreneur, do some homework and take the necessary time to prepare so your dreams can become a reality.

You may have a good idea of what you'd like to do, but sit down and write it out to clearly define exactly what you envision. Develop your mission for the business and list out some goals. Also, now is a good time to examine your motives for starting a business and whether you are up for the long hours, self-discipline, and frustrations associated with being the owner. Do you truly have a passion for the product or service you would offer, are you motivated by the potential profits, or do you simply want to be your own boss? Any combination of these motivators is acceptable but the most important factor is your interest or love for the work you will be doing.

The next step is to test your idea by doing market research. This doesn't have to be complicated or expensive, but it must be done and you must be willing to adjust your plan based on your findings. Research the target market and determine whether there is a sufficient amount of potential customers to buy your product or service. If there is, go talk with some and get their feedback. Is your idea something they are excited about and would realistically purchase? Pay careful attention to the feedback and keep a written record of it.

Another important factor to consider is your competition. Well established industries can be harder to penetrate and competition can sometimes adjust their operations slightly to push you out of business. Study them and determine whether your offering will be an improvement over their product or service. What gives you the advantage? How does the competition compare on price? Will you be able to price yours competitively to cover your expenses and make a profit one day?

Assembling a team of support professionals ahead of time is also vital. A good banker, accountant and attorney can provide valuable insight into how you can obtain financing, structure your business, and protect your idea. In their experience, these individuals have seen many businesses started and can point out the strengths and weaknesses in your idea. Use their advice because in many cases they can warn you of the pitfalls for young companies.

Talk to other successful entrepreneurs to learn about their struggles and successes. Trade associations and government offices are also good resources for support. If you develop your business plan with the advice of these sources you will find that it will become much more refined and increase your chances of success.

Now that you've come this far, you're ready to create one of the most important documents: the business plan. A well-written plan will play a key role in the success of your business and I will plan to discuss this topic next time.

Please feel free to contact me with any questions or comments you may have by email at mdaily@p-s-b.com or by phone at 309-385-4375.



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