

# CHECKLIST FOR STARTING A BUSINESS

## *Organizational Checklist*

- |   | I can answer<br>this question<br>adequately. | I need to give<br>this question<br>further study |
|---|--|--|
| 1. Have you chosen the form of business organization most appropriate for your needs (i.e. proprietorship, partnership, corporation)? | <input type="checkbox"/>                     | <input type="checkbox"/>                         |
| 2. If you will operate as a partnership, have you drawn up a legal partnership agreement?   | <input type="checkbox"/>                     | <input type="checkbox"/>                         |
| 3. If you will operate as a Corporation, have you drawn up the necessary documents (i.e. articles, charter and bylaws, etc..)?        | <input type="checkbox"/>                     | <input type="checkbox"/>                         |
| 4. Have you chosen and established relationships with business advisors (i.e. lawyer and accountant)?                                 | <input type="checkbox"/>                     | <input type="checkbox"/>                         |
| 5. Do you have a quote from an insurance agency?  | <input type="checkbox"/>                     | <input type="checkbox"/>                         |
| 6. Have you complied with any and all legal requirements affecting your particular type of business?                                  |  |  |
| Licensing requirements  | <input type="checkbox"/>                     |  |
| Health regulations  | <input type="checkbox"/>                     |  |
| Fire regulations  | <input type="checkbox"/>                     |  |
| Transportation regulations  | <input type="checkbox"/>                     |  |
| Environmental legislation   | <input type="checkbox"/>                     |  |
| Labour laws   | <input type="checkbox"/>                     |  |
| 7. Have you developed workable systems of record management for all areas of the business?  |  |  |
| Accounting  | <input type="checkbox"/>                     |  |
| Payroll   | <input type="checkbox"/>                     |  |
| Taxation  | <input type="checkbox"/>                     |  |
| Credit  | <input type="checkbox"/>                     |  |
| Payables  | <input type="checkbox"/>                     |  |
| 8. Have you negotiated necessary contracts with franchisers (if necessary), suppliers, etc.?  | <input type="checkbox"/>                     | <input type="checkbox"/>                         |
| 9. Have you negotiated lease agreements for premises and/or equipment?  | <input type="checkbox"/>                     | <input type="checkbox"/>                         |
| 10. Do you know enough about your particular type of business to operate it effectively?  | <input type="checkbox"/>                     | <input type="checkbox"/>                         |
| 11. If not, can you fill the gaps in your knowledge?  | <input type="checkbox"/>                     | <input type="checkbox"/>                         |
| 12. Have you established contacts with suppliers your firm will be dealing with?  | <input type="checkbox"/>                     | <input type="checkbox"/>                         |
| 13. Have you developed an appropriate credit policy?  | <input type="checkbox"/>                     | <input type="checkbox"/>                         |
| 14. Do you feel confident in your ability to deal with customers? (Complaints, servicing, etc.)                                       | <input type="checkbox"/>                     | <input type="checkbox"/>                         |

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15.	Can you manage your own time commitments to the business?		<input type="checkbox"/>	<input type="checkbox"/>
16.	Have you determined the amount of capital you need to start the business?		<input type="checkbox"/>	<input type="checkbox"/>
17.	Have you determined how much of this capital you can raise on your own?		<input type="checkbox"/>	<input type="checkbox"/>
18.	Have you enough ready cash to pay your bills during the early months of the business?		<input type="checkbox"/>	<input type="checkbox"/>
19.	Have you allowed for the following expenses in your financial planning?			
	Rent	<input type="checkbox"/>	Benefits	<input type="checkbox"/>
	Supplies	<input type="checkbox"/>	Inventory	<input type="checkbox"/>
	Utilities	<input type="checkbox"/>	Advertising & Promotion	<input type="checkbox"/>
	Equipment	<input type="checkbox"/>	Professional Fees	<input type="checkbox"/>
	Furnishings	<input type="checkbox"/>	Transportation	<input type="checkbox"/>
	Licenses	<input type="checkbox"/>	Tax	<input type="checkbox"/>
	Telephone	<input type="checkbox"/>	Interest	<input type="checkbox"/>
	Wages & Salaries	<input type="checkbox"/>		
20.	Have you allowed for a living wage for yourself?		<input type="checkbox"/>	<input type="checkbox"/>
21.	Have you determined your borrowing requirements for startup and the first year of operation?		<input type="checkbox"/>	<input type="checkbox"/>
22.	Have you completed a sales forecast for the first year of operation?		<input type="checkbox"/>	<input type="checkbox"/>
23.	Have you completed cash flow projection for the first year of operations?		<input type="checkbox"/>	<input type="checkbox"/>
24.	Have you investigated the following financing options and determined which ones apply to your firm?			
		Banks	<input type="checkbox"/>	
		Insurance policies	<input type="checkbox"/>	
		Trade credit	<input type="checkbox"/>	
		Friends and family	<input type="checkbox"/>	
		Capital stock	<input type="checkbox"/>	
		Franchising	<input type="checkbox"/>	
25.	Have you accessed available government assistance programs at the federal and provincial levels?		<input type="checkbox"/>	<input type="checkbox"/>
26.	Does your product or service fill a real market need?		<input type="checkbox"/>	<input type="checkbox"/>
27.	Have you specifically defined the market required for your product or service?		<input type="checkbox"/>	<input type="checkbox"/>
28.	Is this market segment large enough to support your business?		<input type="checkbox"/>	<input type="checkbox"/>
29.	Are you able to truly differentiate your business from your competition?		<input type="checkbox"/>	<input type="checkbox"/>

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30. Does the market have good potential for future growth?	<input type="checkbox"/>	<input type="checkbox"/>
31. Do geographical or environmental factors limit this market?	<input type="checkbox"/>	<input type="checkbox"/>
32. Will this market be affected by demographic change in the future?	<input type="checkbox"/>	<input type="checkbox"/>
33. Will competitors affect your share of this market?	<input type="checkbox"/>	<input type="checkbox"/>
34. Does your product or service offer advantages over those of competitors?	<input type="checkbox"/>	<input type="checkbox"/>
35. Is the market accessible through existing media at an affordable cost?	<input type="checkbox"/>	<input type="checkbox"/>
36. Have you considered the characteristics of your potential customers, and how these will affect your market share?		
	Age <input type="checkbox"/>	
	Sex <input type="checkbox"/>	
	Occupation <input type="checkbox"/>	
	Income <input type="checkbox"/>	
	Marital status <input type="checkbox"/>	
	Family size <input type="checkbox"/>	
	Education <input type="checkbox"/>	
	Buying habits <input type="checkbox"/>	
37. Have you developed a promotion strategy?	<input type="checkbox"/>	<input type="checkbox"/>
38. Have you determined what selling methods and techniques to use?	<input type="checkbox"/>	<input type="checkbox"/>
39. Have you determined which advertising media are most suitable?	<input type="checkbox"/>	<input type="checkbox"/>
40. Have you developed a pricing strategy that is appropriate for this market?	<input type="checkbox"/>	<input type="checkbox"/>
41. Have you chosen a location accessible to a good market for your product or service?	<input type="checkbox"/>	<input type="checkbox"/>
42. Is the cost of this location reasonable?	<input type="checkbox"/>	<input type="checkbox"/>
43. Are there any competitors close to this location?	<input type="checkbox"/>	<input type="checkbox"/>
44. Are there any legal or other restrictions that might affect your business at this location?	<input type="checkbox"/>	<input type="checkbox"/>
45. Does this location have access to basic services --- electricity, water, sewer, gas?	<input type="checkbox"/>	<input type="checkbox"/>
46. Is there a suitable building at this location?	<input type="checkbox"/>	<input type="checkbox"/>
47. Have you determined what employees you need to start the business?	<input type="checkbox"/>	<input type="checkbox"/>
48. Have you prepared and determined qualifications and specifications for each position that must be filled?	<input type="checkbox"/>	<input type="checkbox"/>

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49. Have you prepared full job descriptions for key positions in the organization?	<input type="checkbox"/>	<input type="checkbox"/>
50. Have you established a policy on wages and salaries?	<input type="checkbox"/>	<input type="checkbox"/>
51. Have you considered what additional training your employees will need, and how it will be provided?	<input type="checkbox"/>	<input type="checkbox"/>
52. Have you developed a method for evaluating your employees' performance?	<input type="checkbox"/>	<input type="checkbox"/>
53. Once the financing has been approved do you have a detailed start up plan?		
Key dates	<input type="checkbox"/>	
Renovation plans	<input type="checkbox"/>	
Order of inventory	<input type="checkbox"/>	
Business registration	<input type="checkbox"/>	
Promotional strategy	<input type="checkbox"/>	