

# Becoming an entrepreneur

By: Michael Shinn, CFP

I recently gave a presentation to a local community college class on entrepreneurship. Now, I have always believed that entrepreneurship is an innate ability and not something that can be taught in the classroom. Needless to say, I was somewhat skeptical when I entered the classroom, but before the evening was over, I was pleasantly surprised.

The class of about 25 students ranged from 20 to 45 years of age. About 40 percent were female and 30 percent were minorities. Ninety percent said they had a full-time job, however only 10 percent said they owned a business.

## Pursue Your Passion

Successful entrepreneurs are passionate about their product or service and the business that they will create. It's not Henry Ford's or Walt Disney's dream, but it is their "piece of the rock."

## Job Security

Becoming an entrepreneur allows you to take charge of your own destiny. As a business owner, you are the "Captain of your ship." With mergers, downsizing and globalization, there are no jobs in corporate America that are "safe."

## Wealth Creation

Employees create wealth for their employers. However, if you look at some of the most financially successful individuals, you will see that they are business owners. Additionally, their business and financial legacy can be passed on to future generations. We discussed, "What is required to be a successful entrepreneur?"

## Product Or Service

An entrepreneur has to have a competitive product or service that is either cheaper, better quality, unique or more effective than the competition's. If it were not more competitive, why would anyone buy it over an established brand?

## Business And Marketing Plan

A business plan describes the product or service to be offered, identifies the customers, projects income and expenses, describes the management system and projects a timeline for the business' growth. A marketing plan describes in detail how the product will be introduced to and sustained in the marketplace.

## Resources And Financing

The business and marketing plan form the basis for convincing oth-

ers of the potential viability of a new business. However, in nearly every startup business, the entrepreneur will have to provide a significant portion of their own net worth and resources for the initial financing. Other resources required are talented people, management expertise and the ability to sell the product or service.

## Energy

Successful entrepreneurs have a vision of their business as a raving success. They are able to engage others and clearly articulate their vision. They have boundless energy and the ability to energize others.

## The Millionaire Next Door

Near the end of the session, we discussed the book, "The Millionaire Next Door." The authors outline seven common factors of American households with a net worth of over \$1 million. Typically, they are business owners, only married once and are compulsive savers and investors. The seven common factors of the affluent are:

- Live well below their means.
- Build wealth by efficiently allocating their time, energy and money.
- Believe that financial freedom is more important than high social status.
- Did not inherit their wealth.
- Their children are economically self-sufficient.
- Proficient in targeting market opportunities.
- Own a business.

The class is well on its way in conducting research on how to start a business. I recommended the book "Make the Leap: Shift from Corporate Worker to Entrepreneur" by Genevieve Gee Fulbright, CPA and Armando G. Roman, CPA. It is a "how to" book that contains the "Top 50" things you need to do to start your business, as well as tips on how to purchase a business or a franchise. Becoming an entrepreneur is not easy and requires discipline, sacrifice and hard work. On the other hand, working a lifelong 9-to-5 job and not being able to pursue your passion is not easy either. I wished the class the best of luck.

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## To the Editor:

Wal-Mart wants to bring two new state of the art Supercenter's to the Winston Salem area. It is important that the residents of Winston Salem and the Triad area understand what the benefits are. The East Hanes Mill Road store has been a real win-win for our community, bringing hundreds of new jobs, hundreds of thousands of dollars in property and sales tax revenues, and thousands of dollars in charitable donations to community groups.

These Supercenter's will allow nearly 1,000 new associates to be hired with jobs that pay an average of \$9.98 an hour, with benefits like profit sharing/401(k), annual performance bonuses, annual raises, medical and dental insurance, company paid life insurance, and the ability to build a nest egg with discounts on Wal-Mart stock, and discounts on Wal-Mart's already low prices for associates.

Importantly for the community, which has had so many job losses in recent years, Wal-Mart's jobs bring tremendous opportunity for professional and personal growth. Wal-Mart believes very strongly in promoting from within, and pride themselves on providing the job and leadership training that will help

talented people grow into jobs they may never have believed possible for them. About two-thirds of Wal-Mart's managers started as cashiers, or stock people, or in other hourly entry level jobs. Today, many of them are running multi-million dollar divisions, or launching new careers in areas that support the company – such as information technology, real estate, architecture, public affairs, finance, and law.

Wal-Mart can make a positive difference in the lives of the people who they employ, the people who shop at Wal-Mart, and the communities they serve. In an area that's hit hard economic times, Wal-Mart works hard to provide goods at significant savings, so that customers can hold on to their money. New Wal-Mart stores will generate hundreds of thousands of dollars in property, sales and income taxes. Wal-Mart budgets \$30,000 to \$50,000 at each of our stores to contribute to community groups and charities right here in Winston-Salem. They will do this without asking for one penny of abatements or other economic incentives to open new stores.

We live and work here in Winston-Salem. We believe in Winston-Salem, and we're proud to have Wal-Mart be a part of Winston-Salem's future.