



Regions Next Step for Business Podcast

Questions to Ask Before Starting a Small Business

Before launching a business, there are a number of questions you may want to consider before you get too far down the road. In this podcast, Bobby Hoyt, the [Millennial Money Man](#), talks about the questions and details one should be thinking about before starting a small business. Check out the link below to hear from Bobby on the financial and logistical details to consider, the importance of having a mentor during the planning stages, and questions to consider about yourself and why you're going into business.

Episode Transcript

Narrator:

You're listening to Next Step Podcast "Questions to Ask Before Starting a Small Business" – part of the Next Step for Business podcast collection presented by Regions Next Step – advice, tools and resources to help you get closer to reaching your unique business goals.

We are excited to be talking with Bobby Hoyt, the Millennial Money Man. Bobby is a well-known personal finance blogger, who has turned his knowledge into an audience of millions. As an entrepreneur and small business owner, he's learned a lot about what questions you need to ask and those early steps before launching a business. Hi Bobby, thanks for joining us today!

Bobby Hoyt:

Yeah. Thanks for having me. I'm really glad you are taking on this important topic.

Narrator:

So, we have a lot to talk about today. Bobby, you know how tough and uncertain everything is when you're starting a business. What's your advice for those who are in the planning stages?



Bobby:

I definitely do. I'm a bit of a poster child for how not to start a business. There were some things I didn't understand at the outset that really would have helped me get off on the right foot. First of all, I didn't have a fully mapped out business plan. I started building my web presence and writing a blog on the side while I was still a high school teacher and band director. I was just basically dreaming of a day when I could work for myself. The day I made my first sale, I literally made \$3 and I then I quit my job. It's not the smartest decision I ever made. I wish I knew then that the smartest and fastest route to success is to have all your ducks in a row and map out your plan. So, there are a number of questions you need to ask before you get too far down the road, preferably before you actually launch your business.

Narrator:

Now that's quite a story. Clearly you learned some lessons and turned it around. What are some of those questions a budding business owner should ask early on?

Bobby:

I did learn a lot and obviously some of it the hard way. But one of the things I did right was to find a mentor who was a successful businessman and I asked him as many questions as he would tolerate. I really recommend everyone should do that if you can. Find someone who is willing and able to share their wisdom and help to answer those initial questions. You will definitely need to do a lot of research on your own, but as much advice as you can get from someone who's been there, the better.

Narrator:

What are some of those initial questions you should ask yourself or your mentor?

Bobby:

Well I mean, some of those first questions are pretty simple. What is the business? Who's your audience? What's the market for your product or service? And, where are you selling? Online, brick and mortar, at shows or farmers' markets? How should you name or brand your business? It's really important to put enough thought and research into that decision. Your name, your brand, of course, could make or break you.



Narrator:

That all makes a lot of sense. What else?

Bobby:

Well, there are a whole slew of questions to ask about money. How are you going to finance your business? Should you get a loan or use your own money? How much cash flow will you need? The answers will depend on what the business is and the scale, or if it requires an investment in equipment or inventory.

Some other important questions to consider at the outset include:

- Are you going to rent space or work out of your house?
- How will you set up your business?
- Are you creating an LLC?
- What are the tax and licensing considerations?
- How will customers pay you?
- What goals should you set for getting the business to a point where it's profitable?

If you need to hire employees, there are a number of other questions. How will you find and keep good people? How will you pay them or offer benefits? Liability is also a big one, so you will need to figure out what type of insurance you will need and how much.

Narrator:

Wow, that was incredibly helpful. New business owners are likely going to be pouring a lot of time and energy into this work, so if you're going in blind or don't have a good sense of what your working life will look like, you might be in for a big surprise. Aside from the details and logistics of the business itself, are there questions that you should ask yourself before diving into all of this responsibility?

Bobby:

Absolutely. You should be very sure about why you're going into business and whether you're ready for all of the responsibility. Ask yourself questions like, why this business and why now? Are you prepared to work harder than you've worked before? Can you handle taking big risks? What is your messaging for your business? What are you projecting to the outside world about who you are and what you do?



I think it is easy to romanticize about working for yourself. You dream of doing things on your own terms, and see your quality of life as only getting better and better. There was a lot about being a teacher that I loved, but I was so excited when I resigned and decided to go down this new path, and then the next day I was hit with all this dread and worry about how I was going to make this business venture work. And the reality is that there's a lot of stuff that you won't like about it, but it's now your responsibility, so you have to do it.

Narrator:

Were you surprised at how hard it was to get your business started and to build upon it?

Bobby:

I knew it would be hard, but, yes, the intensity and the stress of starting out was more than I anticipated. That's also where a mentor can help you put things in perspective and remind you of your plan and your goals. Thankfully, I had a good sense of why I wanted to do this and believed that all the hard work would eventually get me to where I wanted to be.

As hard as you're going to be working and all the sacrifices you have to make, at the end of the day you need to ask perhaps the most important questions: are you going to enjoy the work? Is it going to fulfill your vision? Is it what you want to be doing? It doesn't matter whether your goal is to simply make more money or if you want to serve your community in a specific way. You should ask yourself in advance if that's what you want and if you will be happy doing it.

Narrator:

Those are, indeed, very good questions. And that's a good place to wrap up this interesting discussion. Thank you so much, Bobby. You've given us a lot to think about.

And that does it for this Next Step for Business podcast on essential questions to ask before you start your business. You can find additional information about growing your business and more online at www.regions.com/nextstepforbusiness. No matter your goals, Regions will help you with each step you want to take. Thank you for listening.

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