ALEXANDRA JOHN

BEING YOUR OWN BOSS

How to start up a business

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2017

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Introduction

DEAR READERS AND FUTURE BUSINESSWOMEN,

You are on the first page of a book that will guide you through your entrepreneurial beginnings. You might not be sure that you´ve made the right decision, or you may already be feeling the fresh winds of change. Yes, starting up a business will bring great changes to your life. Just think about how many people waste their opportunities, sweep them under the carpet refusing to move off the beaten track. You are the one who is searching for new ways, trying to do things differently, and I appreciate it!

I´m trying to imagine who you are: you may have just graduated from university, you may have many years of employment behind you, or you may be just about to end your maternity leave. Whatever the case may be, you feel the urge to show the world what is hiding inside you, to take responsibility for your life and stand on your own feet. And earn money, naturally!

I dare say I know what you´re going through. I was driven to write this book by my own personal experience. When I graduated I knew only one thing for sure: I wanted to be an entrepreneur. But I had no idea where or how to start. I didn´t know what it takes to be an entrepreneur and there was no one around me I could ask for advice. I was searching for my own way, and one day I launched a job website. The fact that I was later forced to end this project was a valuable experience for me. Even if you don´t succeed at the first attempt, don´t beat yourself up about it. Instead, think about what you should do differently next time (change

your business model, procedures, scope of business or something else) and give it another try. Don´t give up too easily!

After many years of hard work, my husband and I built Meriglobe Advisory House Ltd., a successful London-based international company providing consultancy services to businesspeople. Over those years I met many company owners who were dealing with various problems, facing their failures and losses, but also enjoying their successes and victories. Meeting them was a valuable experience. There´s a solution to every situation, even though we may not see it at the time.

There´s one more thing. There are some women among our clients, but female entrepreneurs are still as scarce as hens' teeth. Although the number of women in company management has been increasing in the past decades, many people still think the epitome of a top manager is a man. This mentality is widespread, despite the fact that sex is not an important aspect of being a manager, or even a company boss. What is important is the ability to lead people and the knowledge acquired from experience in management. It doesn´t matter if the boss is a man or a woman. Tradition has it that men are usually good leaders and visionaries and that they are more competitive and combative, which is sometimes counteracted by their oversized egos and rather limited empathy and adaptation. It is also said that women are more intuitive, less argumentative, good listeners, more empathetic and more patient. They can thus manage their company and their team just as well as men, although in a different way.

Madeleine Albright once said that there is a special place in hell for women who don't help other women. I strongly agree with her, which is why you are now holding in your hands this book containing the essential information and specific steps you need to take when starting up your

business. I wrote it to support you, all the women who are thinking of setting up their own businesses. Don´t be afraid to do it, don´t hesitate to believe in your capabilities and don´t let anyone discourage you from accomplishing your goals. After all, that is also the objective of Meriglobe Women Club Ltd., which I founded to provide further education for women. One of its projects is the website www.womenonline.club, where women entrepreneurs, especially those at the start of their journey, will find a lot of useful information as well as opportunities to share their experiences and inspire each other.

In conclusion, I would like to emphasize that I don´t encourage you to do business simply because I want you to "wipe the floor with men" in the name of the fight against social stereotypes! Do it only if you feel it is your personal calling. Entrepreneurship is a beautiful journey full of adventure and you don´t know where it may take you. That is what makes it so exciting!

May this book be your best guide on your journey through entrepreneurship!

ALEXANDRA JOHN

Prague, London (August 2016)

Chapter 1

A businesswoman! Are you talking about me?

Please come in and have a look around to see what awaits you

When you hear the phrase "world economy", the first thing that will probably come to your mind is the word "crisis". You may be afraid to plunge into business in such uncertain times. But, frankly speaking, when is any time "certain"? The golden years are always those in the past. We´re living in the here and now, and the present always has both its advantages and its drawbacks. It depends on what side of the coin you are looking at.

Moreover, economic crises are very similar to crises we face in our personal lives. Nobody is happy when they strike, but retrospectively we appreciate how much these hard times made us stronger and tougher. People will always have needs; all you need to do is to find a gap in the market and estimate whether you are able to fill it. An ailing economy sharpens your brain, your senses and boosts creativity and readiness for action!

Starting up a business in uncertain times when all entrepreneurs must reckon with great risks and learn to react quickly to changes is, of course, a challenge.

Even those who don´t own a multinational company need to take into account – at least to a certain extent – climate change, progressive depletion of traditional energy sources and the political situation in many countries.

CONSCIOUS CONSUMERS WELCOME!

You certainly must have noticed that globalization is, slowly but surely, going out of fashion and the trend is to protect national economies. Many consumers have adopted the motto: "from global to local". There are still more and more people who, when they go shopping for certain kinds of goods, prefer taking a basket instead of a shopping trolley and heading to the farmers´ market rather than the supermarket. We are rediscovering "our" regional bakers, butchers and greengrocers. We go to cafés where they cook using exclusively local products, we buy coffee from small private roasters and there are many other examples of products that we prefer to come from local sources rather than the other side of the world.

It is no longer just when it comes to food that we are thoughtful and conscious consumers who not only care about "what" we are buying but also "where from" and "how". We are more conscious of the origin, circumstances under which it was made and, above all, the quality of the product (it was not so long ago that the term "fair trade" was only familiar to a couple of enthusiastic idealists). Companies have come to understand that profit is not the only thing that matters, but that they should also live up to their obligations to society to score points with their customers.

You may argue that the most prosperous shops are those selling cheap goods from Asia, because most people are looking for the best prices. I don´t deny this, but what I am talking about is the direction in which the development is heading. Of course, traits attributed to men, such as courage, speed, directness and willingness to take risks, are still important for success in business, but they alone are not enough. It is no coincidence that a new space is opening up for female entrepreneurs who imbue business with other values.

SMALL AND MEDIUM-SIZED COMPANIES ARE "IN"

What speaks in favour of enterprising women is also the fact that small and medium-sized companies are becoming the backbone of economies in Europe and elsewhere, as they are more flexible than large concerns and can adapt more easily to the quickly changing requirements of the market. Naturally, it always depends on what specific conditions there are for doing business in a particular country.

In many countries, entrepreneurs have to struggle with rather complicated and hard-to-digest legislation and a large administrative burden. Other complications include rather frequent and radical changes to tax laws and local corruption. For example, according to the Ministry of Industry and Trade of the Czech Republic, last year there were more than 10,000 new female entrepreneurs in the Czech Republic where women now account for more than a third of all entrepreneurs (1). This trend is in line with developments in other countries as women whose destiny is to combine a professional career with a family are greatly helped by the fast development of information technology.

US investor and businesswoman Ingrid Vanderveldt believes that: "The economy will recover thanks to a new view, the view of women." Will you join in?

A FEMALE ENTREPRENEUR? ARE YOU TALKING ABOUT ME? CONSCIOUS CONSUMERS WELCOME!

It´s nice to be your own boss – to work when and from where you want. Isn't that right?

Who wouldn´t want to decide when to go to work, when to leave, what needs to be done during working hours and what can wait – or even have the option to decide not to work that day just because the weather is nice, it is your daughter´s birthday or there is a rerun of the latest episode of your favourite TV series that you missed last night.

It doesn't matter that such plans will remain in the realm of fantasy and you will get down to work anyway. What matters is that you know you CAN and if you don´t feel like working, you DON´T HAVE TO!

Naturally, there are several other advantages.

NO MORE NEEDLESS COMMUTING TO WORK!

Whether you start doing your business "online" or open a brick-and-mortar shop, fitness studio or language school, you will decide where it will be located. Often, this will save you a lot of time that you would otherwise have to spend commuting to and from work. You won´t need to bother any longer with catching the bus or spending money on petrol. You´re a busy woman and you certainly have more important things to do than travel there and back every day!

NO MORE DRESS CODES!

Nobody will be telling you what clothes to wear. Work in your track suit, night gown or your daughter´s fancy dress. Whatever you feel most comfortable in when working. Paradoxically, some people say that in order to be able to work efficiently at home, they need to be wearing the same type of clothes they wore when they were employed. So grab a tailored suit or a track suit, it´s up to you!

NO MORE FIXED WORKING HOURS!

Are you a night owl who feels like a zombie in the morning, or are you an early bird whose work performance drops in the evening? Do you need to pick up your kids from school or check on your ill aunt every morning? You don´t need to worry any more about how to explain it to your boss or how to take an extra half-day off because there is a plumber coming to your house in the morning. When you are your own boss, you can determine the working hours that suit you best.

NO MORE BLIND OBEDIENCE TO YOUR SUPERIORS!

You don´t need to do tasks that you consider useless or respect a process you disagree with just because your boss (who you possibly have no respect for) tells you to. You don´t even have to watch, frustrated, how the management repeatedly ignores your recommendations. Decisions about the direction your company will be heading in, and how, are in your hands only. Now you only answer to yourself and nobody else.

NO MORE WORRIES OF GETTING THE SACK!

There is no need to worry whether or not you will lose your job just because you fall out of favour with your boss (or, alternatively, that you'll get unwanted advances) or because your colleague blames you for his mistake and the management doesn´t believe you. Now you are the one who negotiates new orders, and you can choose who you will or won´t deal and cooperate with.

NO MORE HANDING YOUR PROFIT OVER TO SOMEONE ELSE!

If you make the right decision, the profit goes to you. The fruits of your labour will go directly to your pocket, not to your boss, CEO, members of the board of directors or shareholders. Doing business also enables you to influence the level of your income.

When she was pregnant with her second child, Stephanie initially started her business as a way to replace the income she was losing while on maternity leave. "Not until I went back to work did I realize that I really wanted to make my business work", explains Stephanie, "so I started searching for what I could offer (in my expertise) that was also helpful and profitable." Having found the term "Virtual Assistant", she researched as much as she could on the industry and began to offer VA services. Stephanie's business has now grown into a successful consulting firm. (2)

(Stephanie Coradin, USA)

ARE YOU READY TO BE RICH?

When asked why they want to start a business, many women speak about self-actualization, making their dreams come true, a desire to arrange their life to their liking. Hardly any of them say: "I want to be rich." But having enough money for one´s own needs and those of one´s family is a legitimate reason to start your own business!

The truth is that as employees we have no chance to become rich. We all sell our time, and most of us do it by the hour. No matter if we earn ten pounds or ten thousand, our earnings are limited as we can only dedicate a limited number of hours per day to work. Then there is a second type of person who is not limited by time, but by a fixed amount of work for an agreed fee. They receive money for their ideas and actions. These are entrepreneurs who determine the price of their work themselves.

The question in the heading is not rhetorical. I really mean it: are you ready to get rich? I can hear you answering "yes", but this is not guaranteed. Try to imagine you are extremely wealthy. How much do you earn per month? How much money do you have and what do you intend to do with it? The immediate answers may surprise you. It might be hard to say aloud that you earn £50,000 per month. To your surprise you might find that you wouldn´t know what to do with the money.

How would you describe your attitude to money? How often do you think about it? Do you know what your family budget is? Do you have an idea what your monthly expenses are? Do you like to stock banknotes in an envelope in a kitchen drawer? Or – no matter how hard you try – does your salary slip through your fingers each month? Without being aware of it, you act under the influence of behaviour patterns usually learnt in childhood. What did you hear from people around you when you were

a child? Maybe it was one of these statements: "Money is dirty." "Business is just for the rich." "Money isn´t important." "Stick to what you have." What is "your" behaviour pattern? Think about it.

Business is always about money, whether you like it or not. Establishing a company and not considering money important, whatever the reasons, is a recipe for failure, just like it is when somebody sets up a company only because of money. It is unlikely that anyone will be engaged over the long term for many hours a day, with maximum determination, in something they actually aren´t interested in.

BEING YOUR OWN BOSS IS A GREAT RESPONSIBILITY

As I have already said, coins have two sides and business is no exception. In the following chapter we are going to talk about self-assessment, and we will discuss how you can find out if doing business is the right choice for you. Yes, it is important to realize that business is not for everyone! Even though you might like the advantages of being your own boss, you should also be aware of a number of other facts which we will look at now.

YOU ARE GOING TO HAVE TO MAKE UNPLEASANT DECISIONS

You will be the one running your own company and every single decision you take will influence your success. It is a great responsibility, and you will carry it on your shoulders alone. You are going to have to make pleasant as well as unpleasant decisions and deal with various problems, often taking unpopular measures. There will be no boss above you who can relieve you of these obligations.

On the other hand, if you know what is good for your company, you can start straight away. You don´t have to wait until your superior finally decides to take the plunge or watch helplessly as somebody else takes the wrong steps.

YOU WON´T GET PAID FOR "OVERTIME"

You will have to work many hours of "overtime", usually unpaid, at least at the start: a necessary sacrifice you have to make in order to achieve future success. And when you become tired, you can forget about having a rest as there will be nobody you can delegate the tasks to.

There will be nobody to entrust with solving the problems that will, sooner or later, arise. When you come across trouble, you will have to face it with determination, although you´d rather run far away from it.

WITH YOUR FAMILY BY YOUR SIDE, BUSINESS IS EASIER, BUT ALSO MORE COMPLICATED

If you have a family, doing business will be more difficult because you will have to have consideration for your partner and your children. On the other hand, your family will provide you with a sanctuary where you can recharge your batteries, relax and forget about work problems.

If you want to do business, you don´t need special education, training or a certificate. All you need is genuine desire, effort, determination and common sense. As Moira Forbes, president of the ForbesWoman magazine and website said:

"Entrepreneurs don´t just come up with ideas. They make things happen." This brings us to the most important question, which is why now is the best time to start up a business. Do you have an idea? Because if you do, it will only become valuable once you have turned it into reality.

"I´d never thought of being a freelancer. They´ve always laughed at me at home for being slow and being lost in my thoughts. I was used to obeying my parents, so after I graduated from college I dutifully picked a 'reasonable occupation' and started working in an office in administration. But, I couldn´t wait to get home and do, finally, what I lived for. My passion was and still is writing. I set up a blog and started writing about what I was interested in – good food, fashion, travelling. After a couple of years, it grew into a successful business. The income from advertising amounts to thousands of pounds each month."

(Laura, 29, UK)

WHY YOU SHOULD LAUNCH YOUR BUSINESS RIGHT NOW

When is the right time to have a baby, buy a house or start up a business? In a week, three months, two years or a decade? As for a business, if you sit and wait and write lists of arguments for and against establishing your own company, you will always find enough things to discourage you. You mustn´t mistake the right moment for the ideal moment, as that never comes. The right moment is when you feel that you are ready, irrelevant of external circumstances. You see an opportunity that is worth pursuing.

I don´t intend to prompt you to take a rash, impulsive decision. Naturally, you should "look before you leap". You need to consider all the possibilities and think everything over. But don´t hesitate for too long – opportunities will not hang around forever. Consider whether you are really waiting

because you are pondering your possibilities, or perhaps because you are afraid to take the first step.

For those who need to hear further convincing arguments in favour of starting a business, here are a few more in conclusion:

BEING A SMALL SHARK IS AN ADVANTAGE

As I mentioned at the beginning, economic situations change very quickly. Smaller companies can operate with lower overheads and are thus more qualified to overcome hard times.

WHERE THERE´S A COLLAPSE, THERE'S A BOOM

When the economy is on the decline or new technologies are being introduced, opportunities open up in many industries. While some industries are withering away, others are flourishing. "For instance, when Chrysler went bankrupt as its cars with high consumption stopped selling, Jitterbug, a company from San Diego making simple mobile phones for elderly people, hired new employees and grew at a sky-rocketing speed" (3). In other words – your idea may get a better foothold now than at any other time

STARTING WITHOUT BURDEN

You are not limited by any prejudices or scepticism resulting from previous negative experience, whether yours or somebody else´s. You are unbiased, unburdened with awareness of old business models, while sufficiently flexible so that you can adapt your business to customers' current requirements.

THE PERSONAL APPROACH IS "IN"

The current market favours small entrepreneurs. Potential customers want to negotiate with a real person, not a corporation. They prefer the personal approach, even when shopping online. Individuals don´t want to feel like an anonymous entity in a uniform mass of customers or like just a number. And there is nothing easier for you to do than approach your clients individually.

QUESTIONS TO CONSIDER

WHAT WOULD BE THE MAIN ADVANTAGE IF I WERE MY OWN BOSS?

This is an important question, because you need to be strongly motivated so that you are completely devoted to your business.

AM I READY TO RUN MY OWN BUSINESS?

We´ve mentioned why it is important to start up a business right now, so now it is just appropriate to ask if you feel ready for it.

WHAT IS MY RELATIONSHIP WITH MONEY?

Succeeding in business is preconditioned by having a healthy and well-balanced relationship with money, so pay careful attention to this topic.

AM I READY TO FACE STRESSES, UPS AND DOWNS?
AM I READY TO INVEST AS MUCH TIME AS NEEDED?

Starting up a business is a big decision, so you´d better make sure you are ready for the long run.

Be honest when answering these questions. Take an unbiased look at whether you are ready to start up your own business. If you are, you need to be sure that business is the right thing for you. Do you have what it takes? We will go over that more thoroughly in the following chapter.