

Activity-based Metrics for Low Income Entrepreneurs: The First Eighty Steps

(variables for progress tracking)

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Planning Phase

1. Attend an entrepreneurial training program or course **(S)**
2. Assess your personal strengths and weaknesses when it comes to running a business, identify methods for addressing weaknesses **(S)**
3. Get an entrepreneurial mentor (a successful entrepreneur) **(S)**
4. Interview at least thirty customers and write up findings **(P)**
5. Visit four competitor businesses and identify what they do well **(P)**
6. Research best practices and the latest trend in your industry **(P)**
7. Determine whether this will be full-time or part-time initially, whether you will be keeping an existing job while starting the business **(S)**
8. Determine whether you want to start a survival, lifestyle, managed growth or aggressive growth business **(P)**
9. Formulate a unique value proposition **(P)**
10. Establish a brand name **(M)**
11. Apply for a patent, copyright or trademark **(P)**
12. Determine how many revenue drivers you will initially have & which will generate most revenue **(P)**
13. Determine your price point **(M)**
14. Estimate your first year start up, fixed and variable costs **(F)**
15. Determine your profit margin per unit and your breakeven sales level **(F)**
16. Understand your volume (hi, med, lo) and margin (hi, med, lo) relationship **(P)**
17. Determine how much money you need to start the business and get to a positive cash flow **(F)**
18. Determine how much income you need from the business, if any, to survive **(S)**
19. Segment the market and identify priority target audiences **(M)**
20. Determine whether to initially work from home or have premises---if you will have premises identify and prioritize locations **(O)**
21. Determine if you will make online sales or sell in person or through retailers or middlemen or your own store (and % of sales through each if using more than one) **(M)**
22. Systematically identify and list out resources you have or that you can leverage from your network and your community **(P)**
23. Identify sources of differentiation **(M)**
24. Design operating model (how you make your product or deliver your service) **(O)**
25. Formal business model on paper **(P)**
26. Completion of business plan **(P)**
27. Make pitch for money to friends and family, bank or other investment source or conduct crowdfunding campaign **(F)**

Launch Phase

28. Register business **(O)**
29. Create operating agreement **(A)**
30. If you have any partners, establish partnership agreement **(A)**
31. Obtain any required or relevant licenses or permits **(A)**
32. Obtain business insurance **(A)**
33. Establish board of advisors **(A)**
34. Get and Employer Identification Number (EIN) **(A)**
35. Open business bank account **(A)**
36. Create invoices and receipts **(A)**
37. Establish system to collect and pay taxes **(A)**
38. Establish system for accepting credit card payments **(F)**
39. Sign lease or agreement if you are not working from home **(O)**

40. Purchase, lease or leverage key equipment, tools, furnishings (O)
41. Obtain signage (O)
42. Prepare facility or site for operations (O)
43. Create system to monitor daily management of cash payments (A)
44. Create system to track revenues and expenses (including time spent per week) (A)
45. Set up payroll system to pay yourself and any employees (A)
46. Implement full bookkeeping system (A)
47. Get business cards, letterhead (M)
48. Create logo (M)
49. Create and launch website (M)
50. Create social media presence (M)
51. Become active in community organizations and events (M)
52. Develop and implement guerrilla marketing tactics (M)
53. Identify sources of supply and acquire inventory or materials needed (O)
54. Do trial production or operating run and determine approach for ensuring quality and consistency (O)
55. Establish system for delivery/shipping, decide whether customer is charged for this (O)
56. Determine any family members or friends that will initially work in business, whether and how much they will be paid, and how many hours per week they will work (O)
57. Create job descriptions, employment contract or agreement, and hire first employee (O)
58. Have grand opening (M)
59. Make first sale (M)

Stabilization Phase

60. Establish standard operating procedures (O)
61. Set monthly sales targets (P)
62. Create customer database for use in marketing / explore CRM options (M)
63. Determine where you have cash flow shortages on a monthly and seasonal basis, explore options to for line of credit or other ways to fill cash flow gaps (F)
64. Assess patterns in expenses and costs, identify where costs can be reduced (O)
65. Determine patterns in sales (customers buying more, products/services selling more, products/services generating most profit) (M)
66. Establish and implement survey or system for getting customer feedback (M)
67. Refine customer segmentation and targeting approach (M)
68. Establish loyalty program for repeat customers (M)
69. Adjust product/service mix and inventory levels (O)
70. Add new products or services (M & O)
71. Assess adequacy of sources of supply, identify additional vendors, buy more efficiently (O)
72. Hire additional employees (O)
73. Determine how customers learn about your business and adjust marketing approach (M)
74. Continue to employ guerrilla marketing tactics but implement formal advertising media efforts (M)
75. Adjust prices (M)
76. Integration or improvement of accounting software to generate financial statements (A)
77. Create employee guidelines, work rules and employee manual (O)
78. Create system for evaluating employees and providing feedback (O)
79. Obtain woman-owned, minority-owned or veteran-owned certification (M)
80. Apply for business credit card (F)

Key:

- F** = financing and financial management activity
O = operations, production, logistics or procurement activity
M = marketing activity
A = administrative, record keeping and accounting activity
P = planning and strategizing
S = self-development