

The 10 Commandments of Entrepreneurship

wise

Vademecum for women
entrepreneurs and all
who want to set up
their own business



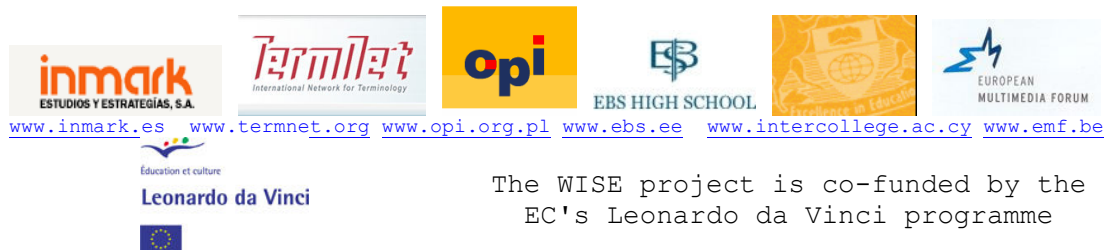
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When starting the WISE - Women integration and skills for Entrepreneurship project 18 months ago that is at the basis of these guidelines, none of the partners was sure what exactly to expect. Statistics and surveys provided figures and tendencies but were silent as to the needs and necessities of women themselves. In the course of the project, women in the ICT sector and in sectors related to new technologies were questioned and participated in the workshops and trial phase. The results of this "bottom up" approach are laid down in this guidance for women entrepreneurs and led to the "10 Commandments of Entrepreneurship".

Margaretha Mazura
Brussels, March 2007

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Women and the Future of Europe

"Last autumn in Deauville, at the first meeting of the Women's Forum for the Economy and Society, one could sense in the atmosphere something deeply different, far from the cynicism and pessimism prevalent today in most international gatherings. The 500 women, representing more than 45 nationalities, had a "difference" that could be summarized as pragmatism and positivism. They were happy to celebrate their success as women assuming responsibilities that had escaped them for much too long. They were convinced that together they could make a difference in a society slowly opening to them."

Dominique Moisi in FT, 29 January 2006

On Gender Mainstreaming

Promoting women does not mean treating them in the same way as men. Men's characteristics, situations and needs are often taken as the norm, and - to have the same opportunities - women are expected to behave like them. Ensuring gender equality means giving equal consideration to the life patterns, needs and interests of both women and men. Gender mainstreaming thus includes also changing the working culture.

From: Integrating the gender dimension in FP6 projects, European Commission, Working Document



On the Future of Women

"Many individuals have more sense than their male relatives; and, as nothing preponderates where there is a constant struggle for an equilibrium without it has naturally more gravity, some women govern their husbands without degrading themselves, because intellect will always govern."

Mary Wollstonecraft, 1792, from: A vindication of the rights of woman

Women in a business context are like European businesses in a global context: They have the best assets (skills, experience, products) but are very bad in promoting and marketing themselves. Importance rating of success factors¹ by women showed that skills that women have "naturally" like soft skills (supportive leadership, intercultural skills) were rated much lower than those they consider rather difficult (decision-making, delegating, upward leadership). Main success factors identified were:

- | | |
|--------------------------------------|------|
| 1 Successfully managing oneself: | 60% |
| 2 Having recognized expertise: | ~50% |
| 3 Successfully managing others: | >40% |
| 4 Optimizing entrepreneurial skills: | 40% |
| 5 Gaining intercultural skills: | <30% |

In general, Europe lags behind the USA in entrepreneurial spirit² (and this fact does not only concern women). On average, only 45% of Europeans are inclined towards entrepreneurship, as opposed to 61% in the USA. Main reason is: regular income, stability and security.

In the ICT sector, the tendency towards entrepreneurship reflects these findings. The WISE project's survey showed that women in the ICT sector are to 70% employed, and, as it is, mainly in the service sector. Their market penetration differs considerably from country to country, with ~40% in Poland, Estonia and Cyprus, and less than 30% in the UK, Austria and Spain. The gender divide is felt among ICT women especially in progressing to higher management positions and in salary rewards.

¹ WISE Benchmarking report, p.94, www.ubique.org/wise/Benchmarking.htm

² Flash Eurobarometer 160 "Entrepreneurship", June 2004

The causes for these factual differences are manifold and lay to a large extent in the business environment and business culture. Where women are concerned, the "catching up" of the new EU Member States' economies appear to be highly beneficial to them. But differences in thinking (stereotypes) and the perception of potential assets or problems are rooted in women themselves. When asked what they perceive as gender specific leadership qualities, these answers were given³:

Ranking	Women	Men
1	Supporting	Decision making
2	Team-Building	Delegating
3	Networking	Team-Building
4	Problem-Solving	Rewarding
5	Rewarding	Problem-Solving
6	Inspiring	Networking
7	Communicating at International level	Communicating at International level
8	Decision making	Mentoring
9	Mentoring	Influencing Upward
10	Consulting	Supporting
11	Delegating	Consulting
12	Influencing Upward	Inspiring

It is time to analyse these differences, women's perception of barriers and to suggest solutions to overcoming perceived problems and turning self-defined weaknesses into valuable assets.

8 ³ Benchmarking Report, p.98, op.cit

Let's face it: If you do not have a business idea, do not dispose of a network of potential partners or clients and do not have a general overview on the market, then it is better to stay away from becoming an entrepreneur. You may want to become independent but your pre-dispositions are rather unpromising.

On the other hand, if you have a business idea, if you have acquired a certain experience in the market, if you know that your idea corresponds or has a high potential to correspond to the market needs, you should consider the step towards entrepreneurship. Whereas a first step is difficult for men and women alike, these Guidelines will focus on the barriers particularly encountered by women. Having said this, it is evident that the "objective/practical" barriers identified are gender-neutral. Where the "subjective/psychological" barriers are concerned, a look into them might help to - slowly - change the business environment towards a level playing field for men and women alike.

2.1 SUBJECTIVE/PSYCHOLOGICAL BARRIERS

The clear "winner" of identified barriers for women for starting a business was:

"Not having self-confidence or believing not having abilities to create and manage a company".

63% of the women that filled in the questionnaire (during the WISE project) put this barrier at first place. It is obvious that this result stems from stereotypes in the abilities of women, gender-biased education and a still strong prejudice of what running a company needs: mainly, a strong = male hand.

That "female" characteristics such as conciliation and flexibility are equally needed, is less appreciated by women themselves. 9

The lack of self-confidence can best be overcome in - objectively - looking at one's qualities and one's deficiencies. One mean to do this is to use benchmarking and self-assessment tools. Whereas these tools are not a panacea for all situations, they give a good first indication on where one stands.

Benchmarking tool: <http://www.complexity-research.com/ffgE>

This tool originates from the FFG - Austrian Forschungsförderungsgesellschaft (Research promotion Agency of Austria) and exists in German and English. The English version stems from the WISE project. At the end of the test you will have a good overview on how you compare to your potential competitors.

Self-assessment tool: There exists several managerial self-assessment tool on the Internet. The two listed (in English and German) were the "winners" in terms of conclusiveness of their results:

http://www.bdc.ca/en/business_tools/entrepreneurial_self-Assessment/Entrepreneurial_self_assessment.htm

This is the Canadian tool that yields an interesting insight into yourself - provided you fill in the answers truly and accurately.

<http://www.gruenderservice.net/unternehmertest/default.aspx>

This test in German by the Bundeswirtschaftskammer Austria gives as a results your plus and minuses for becoming an entrepreneur.

All test are anonymous and can be seen only by you.

Related insecurities such as being "**afraid of taking the risk**" or "**being not sure if my skills are sufficient**" etc. may be overcome by taking a training in management or assessing one's **objective** assets.

The second place of identified barriers was:

"Financial insufficiency"

55% of the questioned women put this difficulty forward as a main impediment to become independent or to create a company. Surveys found out that women are reluctant to take up bank loans to finance their business. They consider loans as a financial risk - not as a facilitator towards business.

Possible Solutions:

To overcome this barrier, a clear financial plan as part of the business plan is crucial (see below "10 Commandments"). Only then is it possible to determine if the financial capacity is indeed insufficient or if it is simply (well, not so simple) a psychological barrier: believing not to being able to take the financial risk.

Even an Internet shop starting in a garage needs some start-up money. You may have some money to invest, but better to keep this for "rainy business days" and look elsewhere: Women prefer to have recourse to **family and friends** than bankers. There is some truth in this approach: the family may have a vested interest in supporting her, whereas a bank needs to look towards its shareholders. Only 11% of women entrepreneurs look out for Venture Capital or subsidies. Recently, the US model of **"business angels"** appeared in Europe that provide for **seed money** (a kind of easier Venture Capitalists). Their involvement stands and falls with the business plan. Finally, many public institutions support "start-ups" with **favourable loans**. Whereas being meant as a business encouragement, it may turn to the contrary as the loan appears as debt on the balance sheet - and that may have a negative impact on other business partners, suppliers etc. A more practicable solution may be to take a **financially strong partner** into the business, or to convince potential **clients** to pay an up-front advance.

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A second practical barrier has been identified by 40% of women:

"Lack of information, networking or access to business support"

Whereas this barrier touches upon the basics of entrepreneurship - knowledge, communication and networking - it can be easily overcome by addressing those that are knowledgeable: Institutions that support start-ups, institutions that support women, women mentoring groups, women networking groups, you name it.

The real problem lies a layer deeper and is again a *psychological problem* rather than a practical one: **Women tend to do all by themselves**. Before approaching others, they look inside themselves. And if they do not find "it", they are discouraged and feel unfit to start the undertaking.

Possible solutions:

Learn that you need not be perfect, omniscient, and omnipotent to run a business. *Dare asking!* As a first step, look near to you: your family, your girlfriend, your former classmates, the respective husbands etc. and tell them what you want to do. The occasional "Are you mad?" should not discourage you.

Then look at **women networks** (on-line and off-line) that support business women and often provide for **coaching** and **mentoring**. At the latest at this point you will realize that the **Internet is your best friend!** It is invaluable to get a first information, to keep up easy contact and to **pick the brain** of others that are in a similar situation as you are.

Just "google" (www.google.com) for "business women" and study the result you get! Or, in a more selective way, have a look at: <http://www.ubique.org/wise/Networking%20links.htm>

49% of the questioned women considered a typical "female" barrier as crucial:

"Combining work and family"

They see the reconciliation of family and profession as a clear holdback. The commitment of women to personal or family responsibilities is naturally high - a quality most often lacking in men. At the WISE workshop in Vienna, Austria (September 2006), a "head-hunter" woman admitted freely that when jobs include extensive travelling or displacement to a foreign country, she stopped suggesting women because they are far less inclined to impose these changes to their family than men. In this case, traditional stereotypes play a role: a woman should "follow" the man, not the other way round. Reality belies all assertions towards gender equality! Whereas the double burden for women in business is a fact, it plays again into some **psychological/subjective barriers based on stereotypes**: The one that women want to do all by themselves (women consider asking for support as weakness rather than logical consequence of one's limits), and second, the *lack of delimiting oneself within the family* (the family takes the permanent availability of a woman for granted; the woman does not delimit herself for fear of being considered a "bad" mother or housewife). The result is overwork, frustration and no time for oneself (herself).

Possible solutions:

Consider following a course on **work-life balance**. As was indicated under the success factors, self-management was ranked number 1. Part of it is the efficient balance between time spent for business, time spent for the family - and time for oneself! Work-life balance sessions take these elements into consideration and coach you towards higher efficiency for the benefit of all.

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2.3 GENDER-SPECIFIC BARRIERS

When starting a business, however, the support of the family is crucial and the commitment to the job will determine its success. Thus, some initial imbalance in favour of work must be calculated before entering the "adventure".

26% of the questioned women considered "**gender discrimination**" as an obstacle. That is, barriers based on prejudices and stereotypes coming from the business environment. At first sight, that appears a low percentage. However, only 18% of the questioned women saw no obstacle whatsoever in being a woman. Or, in another percentage, 82% felt a disadvantage of being a woman!

Possible solution:

Well, the obvious is to re-educate society. But this does not happen in a few years, or through bills and legislation. Gender equality at all costs is rather contra-productive: If a man is better qualified than a woman, he should get the job (and not a woman for being a woman and thus, filling a prescribed quota!).

2.4 ICT-SPECIFIC BARRIERS

Sector-specific barriers boil down to gender-specificities:

"Stereotypes and pre-conceptions towards women's roles or abilities" and

"Long office/working hours"

Technical professions and as such, ICT professions or professions

supported by ICT are still considered a "male" domain. This is evident when looking at the Internet, into chat groups, blogs etc. Only very recently, girls start setting up their on-line tools as well. However, the on-line communities, be it Open Source Software or Open content is to a large extent man-dominated. Here again, change in society and the societal environment is going to happen, but not immediately.

The "**long office hours**", on the other hand, are affecting the work-life-balance of women and thus, must be considered before starting a business in this sector. Whereby it is not intelligible why after an initial period, work hours should not become "normal", that is, for entrepreneurs (which might be, indeed, beyond the hours agreed upon by the social partnerships for employees!).

Another obstacle has been observed in Spain, where the **communication with ICT engineers** caused some discomfort. This phenomenon is met in every profession with a high degree of specialisation: somebody outside this "circle" has problems relating to them and thus, to communicate. However, **intercultural skills** are amongst the "forte" of women. It is just to find a way to start: You are an expert in this, I am in that. At this point our ways cross and we need to come to an understanding. **Women are usually reluctant to put forward their strength** (another psychological barrier), probably the results of century-long preaching of modesty! But to stand up to men (who very often put forward strengths they do not or not sufficiently have), some **self-promotion** is healthy and - necessary!

When carrying out the survey on barriers and obstacles encountered, women were asked to give their - subjective - recommendations of the "does" and "don'ts". Not at all surprisingly, unambiguous recommendations were the result:

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2.5 "MUSTS" FOR SUCCESS

Nine main qualities as success factors could be distilled from all answers. They reflect the formerly identified barrier categories (psychological, practical, gender-specific) and are considered crucial to run a chance to succeed as an entrepreneur.

The "MUST" for success (without priority ranking):

- Believe in what you do
- Learn quickly from mistakes
- Be self-confidence, but remain open to expert advice and networking advice
- Adapt your plans to the market or look for alliances
- Calculate time for PR and social networking, it is important
- Discuss your ideas with others in order to think "outside the box"
- Draft a sensible and dynamic financial plan for the first two years before start
- Show perseverance in overcoming obstacles and barriers
- Display high commitment: 19% of women work 41-50 hrs a week, 13% even >50 hours; consider it when you have to reconcile work and family

On the other hand, there are some categorical "don'ts" that must be observed to avoid disappointment and failure. Again, they can be categorised into psychological/subjective ones, and practical/objective ones.

NEVER EVER...

- think you cannot do it. If you want to be big, think big
- loose faith in your own strength
- let anyone underestimate you for being a woman
- think to sell below value
- let anyone oppress you in male territories
- close any doors that are opened out of false pride
- mimic male behaviour
- try to do everything yourself, but
- put too much trust in others while ignoring own intuition
- set up a business without business plans and contacts
- set up a business without risk assessment
- take high financial risks without fallback solutions
- forget about up-grading skills

2.7 YOUR PERSONAL SWOT ANALYSIS

SWOT stands for Strengths, Weaknesses, Opportunities and Threats. It is a recognised method of identifying risks and benefits of any business endeavour. The below grid gives you indications at **how to start from a business idea**:

Strengths (your personal ones)	Weaknesses (your personal ones)
<p>Objective:</p> <ul style="list-style-type: none"> - Education: in the area of my business idea - Experience: in the sector of my business idea - Financial capacity: some personal capital available - Networking: lots of contacts <p>Subjective:</p> <ul style="list-style-type: none"> - Self-confidence: Yes! - Managerial skills: "natural" or acquired - Soft skills such as intercultural skills, supportive skills, team spirit, open-mindedness etc. 	<p>Objective:</p> <ul style="list-style-type: none"> - Education: in a different area than the envisaged business idea - Experience: in a different sector than the one of your business idea Financial capacity: none - Networking: not many contacts <p>Subjective:</p> <ul style="list-style-type: none"> - Self-confidence: To your own experience rather limited - Managerial skills: none or not enough Soft skills: Any? Which? Useful for the work?
Opportunities (external)	Threats (external)
<ul style="list-style-type: none"> - Market Knowledge: I know the market and my target clients; the national/local market is favourable to my business idea - Country: My country has specific benefits for start-ups and/or women; overall politics favourable to entrepreneurship - Timing: The "Zeitgeist" is positively in favour of women 	<ul style="list-style-type: none"> - Business environment: gender biased (depends on sector, traditional goods etc.) - Economy: Is the global economy booming or in recess? - Market: Is the market likely to change towards a less favourable situation? Are my competitors quicker than I? Or better?

Once you filled in your personal grid, you can easily see your risks: The right-hand side is the critical one. When too many weaknesses or threats are identified, and are outweighing the strengths and opportunities, you should either re-consider your business idea, or improve your capabilities to minimize the risks. The **strengths and weaknesses** are relatively easy to remedy as they are your personal assets and risks. In getting more information, enlarging your network, subscribe to training or coaching, you can reduce the weaknesses and add to your strengths. More critical are the **opportunities and threats** as they are independent from you. These outside factors need a clear analysis before starting any business. Assessing the threats is usually called "**risk assessment**" and is a crucial part of the business plan. Actually, once you have a clear overview through your SWOT analysis, you will have a much easier task in writing your **business plan**.

Also when running a business, it is useful to undergo this exercise from time to time, in order to be alert of changes in the external business circumstances and in having time to react to changes. **Flexibility** is one of the key issues in business.



2.8 THE "10 COMMANDMENTS OF ENTREPRENEURSHIP"

Out of the formerly identified barriers and solutions, these "10 commandments" were drafted to give a step by step guidance for setting up a business, in general, and in the ICT sector in particular. The commandments are numbered, but eventually, it is necessary to consider them all at more or less the same time.

Commandment 1 Check your business idea

Once you've got a business idea, naturally you think it's gorgeous. This is the time to "objectivate" things. Here starts your intimate relationship with the Internet. As mentioned above: ***The Internet is your best friend.***

1. Do an initial market research: Does your business idea exist already? Use local search engines in your mother tongue first, then "google" internationally. Compare existing products/services with your idea. Do you still think it's gorgeous? Well, then try the next step:

2. Ask your friends, family, mentors, teachers etc.: An outside opinion even from a "layman" is very valuable, indeed. But there are two "caveats":

➤ ***Not every well-meant appraisal is sincere***

➤ ***Not every negative critics is bad***

Keep this in mind, and if you still find your idea innovative and great, then

3. Go to local/regional/national representations of commerce (chambers, associations etc.), present your ideas and get as much documentation as possible. This is very useful to check out your potential competitors, but also clients.

Commandment 2 Check your skills & experience

To say it bluntly: A university degree is no guarantee for business success. Even a Master in Business Administration lacks practice. On the other hand, if you know your sector well, if you have gained experience for example while training on the job, you may have some important insights that others don't. To reassure yourself, try one or the other benchmarking or self-assessment test.

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These were devised by pedagogic and entrepreneurial experts and can give you a **first indication** on where you stand.

Commandment 3	Write your business plan
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No the real work starts! **Never ever** consider starting a business without a business plan (unless you want to get broke before you started). For business plan writing, there are many courses, on-line and off-line that can support you. However, some highly priced are not necessarily the best. Ask around in your network who has experience. Hands-on guidance is best for a first trial!

Here are the main features you must consider:

1. Define your **main activity** clearly: What do you plan to do? Consulting, servicing, producing, selling, trading, really or virtually?
2. Do you need special **premises** or can you start in your "garage"? The answer has an impact on the financial plan.
3. What are your **target clients**? Have a clear view WHO they are, but even more importantly, have a clear view on HOW TO REACH THEM!
4. Do you start as a "**lonesome rider**" or do you envisage **partnership**? The decision has implications on your freedom on decisions (limited by partnership) and your liability (often also limited by partnership!). But it might be a good idea to a) have a broader field of expertise and b) for start-up financing (split costs or even, investment from the partner).
5. Draft a **financial plan**: This is sensitive territory that needs deliberations in a most sensible way. The crucial question is: Who needs to live from it? Most people who want to set up a business are no accountants. A balance sheet is a mystery to them. They mix up income/revenue and profit. They underestimate expenses and overestimate revenue. In short, they will soon have a problem. Therefore, we will go a bit more into detail:

1 Calculate your **setting-up costs** (once expenses): These include but are not limited to: business registration for running your business lawfully (includes the allocation of your VAT number!); in most European countries a

lawyers/notary's fee for registration; if you decide on incorporation, company assets; premises costs (even when working from home, you need to determine a % of use for business purpose); furniture and technical equipment: the latter should include quick Internet access, office software, communication devices, etc. Some of the communication costs and software up-grading costs will become running costs; a logo/business name is necessary to provide professionalism, business cards should rather be professionally printed than "home made".

2 Calculate your **running costs** (recurrent expenses): The below list gives you some indication:

Rent	Electricity	Telecommunications
Taxes on PCs, printers	Office supply/mailing	Software up-grade
Subscriptions to news	Membership fees (often obligatory)	Insurance(s)
Bank fees / loan	Business car costs	Accountant/tax advisor
VAT (you might recover it but first you need to pay it)	Business tax	New hardware (~every 3 years)

And **personnel costs**. If you are a "one-woman-show" you need to cover your personal expenses. Thus, you need to create a salary for you that covers these, plus obligatory social security costs and health insurance costs. Plus some occasional extras like holidays. You should consult a **tax advisor** BEFORE setting up the business as to what can be deducted from (business and personal) taxes and what not. If you **employ** a person, be aware of the side costs that are often as high as the person's net salary.

If all these expenses are paid and some money from the revenue is still left, then, and only then, you created **profit**.

6. **Risk Assessment:** We looked at it already above, when making the SWOT analysis. You can minimize your risk in making a market study for your business idea but you should have a procedure in place to observe the market and react to changes. Let me give you an example that is actually meant as a joke, but that has an important business message:

The 6 year old son asks the father (well, it is an old joke) "What is a stock exchange?" The father thinks how to explain the unexplainable and finds rescue in a metaphor: "Imagine we start farming chicken. First we have 2, then 4, soon 30, the chicken are happy and breed and soon we have the biggest chicken farm in the country. Now imagine that it starts raining. And it rains and it rains, and the water rises and rises, and the chicken cannot swim. So one after the other drowns until no chicken is left and we lost everything." "And?" asks the son. "We should have bought ducks in time!"

The message for risk assessment is clear: Observe the market (macro-economic level), the behaviour of your clients and competitors (micro-economic level), so that you can react in time. News alerts and networking helps you not spending too much time on it but keep you abreast of potential changes.

Provide for **contingencies:** Apart from insurances for major catastrophes, you need to foresee some contingency plans if the business does not take up as quickly as you thought. Contingency planning is closely linked to the financial plan: Be VERY conservative in estimating your income in the first year!

7. **PR & Marketing considerations:** Promotion and marketing is crucial to convey the right message to the rights target group at the right time. Professional PR is cost-intensive. The hiring of a professional PR agency is in most cases beyond the start-up's means. However, PR strategy depends on the sector, business culture and target group. There is no global panacea. But the new technologies offer you new possibilities that should be used:

- Search engine priority ranking (paying and non-paying)
- On-line communities: Write blogs, add to discussion for a
- Use your network and partners to send your message in their Newsletters (to avoid being accused of spamming).

Commandment 4	Financial Capacity
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Once you have identified the financial needs, check your financial capacity:

1. For **setting up** a business, you need **up-front money**: this maybe your money (that you saved, invested, inherited); loans from your family or friends; bank loans (usually demand a high degree of security that you may not have); seed money (from business angels); start-up loans from public institutions.

The decision on financing is crucial: Any debt appears at your balance sheet and might influence potential business partners; self-financing leaves you without debts but deprives you of contingency money if needed; if interest rates are low, you may indeed want to convince a bank or go for beneficial start-up loans. But always keep an option as **fall-back position**.

2. **Running cost financing**: If everything goes right, income generated through the business should do the trick. But you may not want to bother every month "if" or "if not". One solution is to get clients to pay up-front and **advance** (usually a percentage of the total costs) or to pay you a monthly lump sum as **retainer fee**. It depends largely on your business which of the two options is more feasible.

Commandment 5	Implementation
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Until now, the commandments were mainly theoretic. Now comes the practical part, the business implementation. The following elements need consideration:

1. **Business name**: Apart from the more philosophical question on how to convey your business message with the name, some practical issues must be respected: You cannot call it the same or similar to a competitor or a registered trademark; to enhance recognition, opt for the same web address as the name (if possible); if you plan to expand your business to other countries, check the meaning of the name: for example, a car model called "NOVA" is not a good idea for a Spanish-speaking market (no va = does not go).

2. **Legal form/legal issues**: The legal form depends on you entering into a partnership or not. The implications are country-specific and the expert advice

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is necessary to avoid, for example, unlimited liability, burdensome paperwork, high taxes etc. Expert advice can also help to becoming aware of legal issues you need to observe (contracts, selling conditions etc.).

3. **Location:** Issues to consider are: open your own premises, work from home or rent a space in an incubator or cluster? When opting for your own, new premises, investigate if there are regions that specialise in products/services of your kind and where you can benefit from either a snowball effect or tax benefits. The advantage of an incubator or a cluster is that you do not need to do all by yourself: you share the infrastructure and you start in the centre of an already existing network, with potential competitors but also with potential clients or suppliers.

4. **ICT solutions:** If you plan a content management system (CMS) or customer relationship management (CRM) system, you might implement it from the beginning. It is (still) often a problem to change or enlarge databases and other tools afterwards, or at least it costs a lot of time and money. Check on the Internet which solution(s) are best for a small enterprise before you license one. When opting for Open Source, consider the price of adapting and servicing it!

Commandment 6	Find your "best friends"
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Apart from your omni-present and almost omniscient advisor, the Internet, you may need some custom-made expert advice from time to time.

"Lawyer, banker, tax advisor"

That is the triangle of persons that you should meet and cherish (even when you do not need them, or better: particularly then). A continuous relationship to these advisors will save you trouble in times where trouble is near. The lawyer avoids legal pitfalls that you may not even think about, the tax advisor helps you to get some money for yourself (and not only the State), and the banker - he might come in handy when the cash flow does not correspond to the income calculation on paper.

Commandment 7 Networking, promotion, marketing

Networking is becoming more and more important in nowadays business society. It is not only socialising with a glass of champagne in hand, it is caring for people in similar situations, exchanging experiences, gaining access to more experienced people, sharing business information, acquiring new business contacts and "being part of it". In short: **Promoting** yourself and your business.

This can be done at events, but also virtually, via business groups on the Internet (one example is: www.xing.com). And it works!

The old-fashioned mouth-to-ear propaganda is still working well, admittance to business groups is most often by invitation of one or more members only. That provides a certain level of professionalism but allows at the same time easy access for those genuinely interested.

Start your marketing at networking events!

It is the best way to keep social contacts and - it is perfect to permanently **benchmark yourself!**

Commandment 8 Work-Life Balance

One of the gender-specific difficulties of running one's own business is the **reconciliation of family and work**. Entrepreneurship requires a considerable amount of time. Results from the on-line Benchmarking tool show that women entrepreneurs work more than the average employee. That means that self-management and time management is of particular importance. A way to avoid too much pressure and to stay "oneself" is to subscribe to a Work-Life-Balance course. In between phases of work and family, work-life balance also takes your person into consideration (a feature women often forget because of "lack of time" and that in the end may lead to stress and frustration). Learn to relax - in the time foreseen for relaxing!

Commandment 9	Cultivate your Soft Skills
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You will not receive a diploma for the way you handle your clients, your employees or your partners. But the success of your business will depend to a great extent on these skills. Until recently largely underrated (with the exception of the "teamwork player"), soft skills are recognized for their importance in a business environment. You should from time to time re-assess your soft skills and try to improve them, where necessary. Here some examples of soft skills:

Managing oneself	Managing others/leadership	Managing time
Organizing	Solving problems	Teaching/mentoring
Researching/learning	Communicating (oral/written	Collaborating/teamwork
Self-motivation	Responsibility	Dependability
Intercultural skills	Creativity	Influencing/convincing
Flexibility/Spontaneity	Critical assessment	Taking risks

Commandment 10	Keep it running...
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Unfortunately, very few entrepreneurs are lucky enough that after a certain time they can lean back and let others work (Bill Gates is one example). But even if your ambitions are that high, it will need some time to keep your business going. That means that some additional "commandments" are necessary to make sure that your initial business success will continue.

1 Keep track of the market and its development:

When the bubble burst, it is too late. The permanent "risk assessment is one of the secrets of keeping in business

2 Try to improve your capacities & experience:

The "lifelong learning" is not only a phrase for politicians. In order to remain competitive, permanent learning (and the willingness to do so) is necessary. Some time for learning efforts should be integrated into the work-life balance plan as many women entrepreneurs complained that they have not sufficient time for it.

3 Enlarge your business portfolio:

Look out for increasing your offer, following the demand. The best product/service will be of no use once the market is saturated. Look out for partners: they can support you efficiently.

4 Consolidate your financial planning and cash flow:

Every entrepreneur will sooner or later face this nuisance: theoretically there should be money but practically there is none. The reason is simple: You pay suppliers but your clients do not pay in time. It is now time to think about other possibilities of income, like participating in projects (if this is within your business focus). There are interesting national/EU schemes, have a look at: www.e-multimedia.org/factory/index.html with a free first assessment of your business/project ideas.

5 Look out for new challenges: The most exciting business can become a bore if nothing changes. This may be your perception only, but if you get bored you become less convincing. So start a sideline, a new project, or investigate possibilities to becoming a mentor, of holding lectures on your experience etc. This will benefit you as much as your customers.



...and now the final commandment: DARE IT!

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