

# Vietnam Veterans of America Guide to



# Veterans' Entrepreneurship

## **Vietnam Veterans of America**

### **Veterans Guide to Entrepreneurship**

Nearly everyone has said, at one time or another, "I sure wish I had my own small business!" There is a perception about being self-employed that implies independence, good control of one's own time, an above average income, and – best of all, the feeling of being responsible only to yourself. The media has furthered this common image and echoed praise for this spirit of entrepreneurship, calling it the engine of a new America.

But self-employment is not for just anyone; it is not for the lazy, the incompetent, and the unprincipled. And most of all it is not for the unprepared. While the necessary preparation is a fairly challenging process, it begins with two simple assumptions:

**The primary purpose of a business is to earn profits for its owners.**

**The risk of loss can be minimized and the potential for profit maximized by the use of a structured planning process.**



**You have to be your own investigator, wading through lots of information to find the information you need to know to make an intelligent business decision based on hard facts and careful consideration of every aspect of your new business.**

## **Ten Steps To Success**

### **A Roadmap For the Potential Entrepreneur**

The following is intended as a guide to assist you in investigating self-employment as a career option. The questions are designed to act both as a checklist and to provide structure to your decisional process.

#### **Step 1: *Assess your potential as an entrepreneur.***

- ✓ **Are you able to tolerate risk?**
  - Are you willing to take a flyer on a venture?
  - Or, are you looking to build a business slowly?
  - Are your family members, significant others able to tolerate risk?
  
- ✓ **What do you bring to the table?**
  - Experience in the field?
  - Savings or equity in a house?
  - Specialized skills?
  - Ready-made customer base?
  - Family financial support?
  
- ✓ **Where will you get income until business becomes established?**

Few businesses, even successful businesses, provide income to an owner in the first year or 18 months.

  - Have you realistically calculated what income you need for a month? For a year?
  - Do you have retirement income?
  - Do you have a second income?
  - Do you have savings to meet expenses?
  - Can you sacrifice your present living style until your business is able to support you?
  
- ✓ **What is your past work experience?**
  - Do you have transferable experience in the field? Is there a way to acquire experience?
  - Would it be useful to work for someone now in the field to learn the business?
  
- ✓ **How do your personal attributes compare to those of successful entrepreneurs?**

#### **Step 2: *Identify the business you want to start/be in.***

- ✓ **Is there a demonstrated need for your product or service?**
  - Have you identified potential customers?
  - Are there similar businesses in similar locations that are successful in the field?

- Can big business meet the need for your product or service for fewer dollars from the consumer?
- ✓ **What are the costs of starting the business?**
  - Develop a realistic estimate.
  - Include all start up costs
- ✓ **Would you be better off buying an existing business or a franchise?**
  - Ongoing businesses can sometimes be a better value than living through the growing pains of a startup. Sometimes, retiring business owners accept payment over time from revenues of the business, which makes funding possible. It is important to have a prospective business valued by a professional and a firm contract drawn up.
  - Franchise ownership is a form of partnership with a supplier of goods and materials. Start up is less risky because of the experience of the previous owners. There is, however, less freedom of choice and usually an assigned territory.

**Step 3: *Determine the market and the competition.***

- ✓ **Who is your customer?**
  - **If your customer is an individual, what are his or her:**
    - Gender
    - Income
    - Age
    - Race
    - Zip Code
    - Buying patterns
  - If your customer is another business or industry:**
    - Who is its current supplier?
    - Why would they switch to you?
    - How can you compete with an on-going business?
- ✓ **Are there other businesses in existence like the one you want to start?**
  - Have you visited similar local businesses?
  - Have you visited businesses outside of the local area, where, because you are not a competitor, business owners might share their experience and the “dos and don’ts” of getting started?

#### **Step 4: *Research location.***

✓ **Rent can be expensive.**

- Can you start your business from your home? (This is often a low-cost alternative to renting space).
- Are there business incubators available in your area? (Incubators often provide guidance as well as low-cost space – and, there are other start-up business owners present for support).
- Can you share space or make use of a shared rent/staff situation, such as an executive office suite that offers furnished and unfurnished office, secretarial services, and conference rooms on a short-term basis?
- Have you realistically compared the cost of renovating inexpensive space with the alternative of renting space that is already tailored to your needs? (More expensive space can be cheaper in the long run after you consider the costs of renovation and the time it takes).
- Have you considered the amount of space you need as opposed to how much you would like?

**Other considerations about location-**

- Have you researched zoning and other occupancy issues of a prospective space?
- Have you forgotten to negotiate for parking?
- What are the traffic patterns in the morning? In the evening? During rush hour?
- Are you being seduced into the purchase/lease of expensive furnishings that add to cost and do little to generate income?

#### **Step 5: *Develop a preliminary business plan/feasibility study.***

- ✓ Examine business plans of businesses similar to yours.
- ✓ Access detailed outlines of business plans from the Internet, library or local small business resource center.
- ✓ Gather all the necessary information.
- ✓ The purpose of the preliminary business planning process is to determine the feasibility of the venture. Is there solid evidence supporting this business idea?

## **Outline of a business plan**

Title Page

### **Part I: Executive Summary**

- Introduction
- ✓ Statement of purpose
- ✓ Description of the business
- ✓ Resumes and roles of principal employees

### **Part II: Marketing Plan**

- ✓ Marketing
- ✓ Evaluation of the competition
- ✓ Advertising

### **Part III: Financial Documents**

- ✓ List of start-up expenditures
- ✓ Balance sheet
- ✓ Breakeven analysis
- ✓ Pro-forma income projections (profit and loss statements) for three years
- ✓ Cash flow projections
- ✓ Explanation of assumptions on which projections were determined
- ✓ Sources of funding

### **Step 6: *Assess funding sources.***

- ✓ Equity from family, friends, self
- ✓ Conventional loan
- ✓ SBA guaranteed funding
- ✓ Local Development agency funding
- ✓ Special funding programs for minienterprises, enterprise and hub zones
- ✓ Potential strategic partners

### **Step 7: *Help available.***

- ✓ SBA
- ✓ SCORE
- ✓ VBRC
- ✓ VBOC
- ✓ Bank
- ✓ Community college
- ✓ SBDC
- ✓ Internet

**Step 8: Finalize business plan (but it's never really final).**

- ✓ Check out available business planning software. Look for software that will help you work through the financial portion of the planning process.
- ✓ Enroll in a specialized business-planning course, such as Fast Trac™ or Nexstep™ or take a small business management course from a local adult education provider.
- ✓ Utilize library and Internet resources.
- ✓ Ask for help from a local lender, preferably the one you will choose to meet your banking and credit needs.

**Step 9: Implementation.**

- ✓ Negotiate a lease or purchase
- ✓ Acquire the necessary
  - Licenses
  - Inspections
  - Permits
- ✓ Hire the minimum number of employees
  - Find people with the skills you do not possess
  - Avoid hiring unnecessary skills that can be found on a part-time basis such as accounting, payroll, secretarial, etc.

**Step 10: Continuous assessment and adjustment.**

A Business Plan is a work in process. It must be compared to actual results and appropriate adjustments made as you go along.

- ✓ Establish and maintain a bookkeeping system and review your results monthly/diligently.
- ✓ Explore accounting services that specialize in small businesses.
  - Services can calculate withholding, workman's comp, taxes
  - Expertise of financial advisors can prevent costly mistakes and surprises

**And, a special note to service-disabled veteran-owned businesses**

PL 106-50 and PL 108-83 both provide for a 3% procurement goal for all government agencies and prime contractors regarding service-disabled veteran-owned businesses. The enterprise must be 51% owned or controlled by the service-disabled veteran. If you are a potential government contractor – that is, if you have goods or services for sale the government acquires from contractors – you should check out the provisions of these laws. You can obtain more information at [www.vetbiz.gov](http://www.vetbiz.gov), [www.sba.gov/vets](http://www.sba.gov/vets), and at [www.veteranscorp.org](http://www.veteranscorp.org)

## Entrepreneurship Self-Assessment Profile Guide

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Instructions: The 50 questions have been grouped into three categories: personal background, behavior patterns, and lifestyle. Each question addresses specific areas that relate to entrepreneurs; these areas are noted in the parenthesis following each question. The answers, which you see here, are what studies show to be the responses commonly given by small business owners. You will want to compare your answers from the survey to what is shown here for similarities and conflicts. After you have done this, please answer the questions at the end of this profile guide.

Q #		Rarely or No	Mostly or Yes
	<b>Personal Background:</b>		
5	Has someone in your family shared the experience of starting a business with you? (family training)		X
7	Do you get sick often? (attitude, energy, health)	X	
9	Have you ever been fired from a job? (displacement experience)		X
12	Did you like school? (education)		X
13	Were you a very good student? (average is common)	X	
14	Did you run with a group in high school? (independence)	X	
15	Did you participate in school activities or sports? (need to achieve)		X
19	Were you the firstborn child? (responsibility)		X
20	Was your father mostly present during your early life at home? (early responsibility)	X	
21	Were you expected to do odd jobs at home before 10 years of age? (early experience)		X
	<b>Behavior Patterns:</b>		
1	Do you worry about what others think of you? (self-confidence, locus of control)	X	
3	Do you take risks for the thrill of it? (risk-taking, internal locus of control)		X
4	Do you find it easy to get others to do something for you?		X

	(leadership)		
6	Do you believe in organizing your tasks before getting started? (management, goal setting)		X
8	Do you enjoy doing something just to prove you can? (achievement oriented)		X
10	Do you find yourself constantly thinking up new ideas? (creative, innovative)		X
16	Do you like to take care of details? (impatience, risk oriented)	X	
17	Do you believe there should be security in a job? (internal locus of control)	X	
18	Will you deliberately seek a direct confrontation to get needed results? (determination, assertiveness)		X
22	Do you get bored easily? (impatience, energy)		X
23	Are you sometimes arrogant about your accomplishments? (self-confidence, independence)		X
24	Can you concentrate for extended periods of time on one subject? (perseverance, determination)		X
25	Do you on occasion need pep talks from others to keep you going? (Self-starter, self-control)	X	
26	Do you find unexpected energy resources as you tackle things you like? (energy, resourcefulness)		X
27	Does personal satisfaction mean more to you than having money to spend on yourself? (egotism)		X
29	Have you ever deliberately exceeded your authority at work? (self-confidence, assertiveness)		X
30	Do you try to find the benefits of a bad situation? (optimism, flexibility)		X
31	Do you blame others when something goes wrong? (personal ability, problem solving)	X	
32	Do you enjoy tackling a task without knowing all the potential problems? (resourcefulness, risk taking)		X
33	Do you persist when others tell you it can't be done? (optimism)		X
34	Do you take rejection personally? (flexibility, self-confidence)	X	
35	Do you believe that you generally have a lot of good luck that explains your successes? (internal locus of control)	X	
37	Do you enjoy being able to make your own decisions on the job? (independence, responsibility)		X
38	Do you wake up happy most days? (optimism)		X
39	Can you accept failure without admitting defeat? (determination, optimism)		X
41	Do you believe that entrepreneurs take a huge risk? (self-confidence, internal control)	X	

42	Do you feel successful entrepreneurs must have an advanced college degree? (resourcefulness, initiative)	X	
43	Do you strive to use past mistakes as a learning process? (initiative, optimism)		X
45	Do you find that answers to problems come to you out of nowhere? (foresight, perceptiveness, persistence)		X
46	Do you enjoy finding the answer to a frustrating problem? (tolerance of ambiguity, initiative)		X
	<b>Life-styles</b>		
2	Do you read books? (time not available)	X	
11	Do you prefer to let a friend decide on your social activities? (control, responsibility)	X	
28	Do you enjoy socializing regularly? (goal oriented, time management)	X	
36	Are you likely to work long hours to accomplish a goal? (persistence, determination)		X
40	Do you have a savings account and other personal investments? (profit oriented)		X
44	Are you more people-oriented than goal oriented? (need to achieve)	X	
47	Do you prefer to be a loner in your final decision? (independence, self-confidence)		X
48	Do your conversations discuss people more than events or ideas? (idea oriented, creativity)	X	
49	Do you feel good about yourself in spite of criticism of others? (tolerance of ambiguity, self-confidence)		X
50	Do you sleep as little as possible? (time management, energy)		X

**Please answer these questions:**

1. What personal weaknesses did you discover?
  
2. Can you be an entrepreneur with these weaknesses?
  
3. What can you do to improve your areas of weakness?

4. What personal strengths did you discover?
  
5. What can you do to build upon those strengths?

## **Web Resources**

### **Small Business Sites**

- Veterans Business Network - <http://www.veteransbusinessnetwork.com/>
- Veterans Enterprise - <http://www.veteransenterprise.com/>
- Wall Street Journal Site for Small Business – [www.startupjournal.com](http://www.startupjournal.com)
- National Dialogue on entrepreneurship [www.publicforuminstitute.org/nde](http://www.publicforuminstitute.org/nde)
- Ewing Marion Kauffman Foundation – [www.emkf.org](http://www.emkf.org)
- EntreWorld – [www.entreworld.org](http://www.entreworld.org)
- Free Demographic Information: [www.easidemographics.com](http://www.easidemographics.com)
- Veterans Business Resource Center St. Louis – [www.vetbiz.com](http://www.vetbiz.com)

### **Federal Opportunities**

- [FirstGov - FirstGov™ is the web portal to United States Government websites](http://www.firstgov.gov) - <http://www.firstgov.gov>
- Acquisition Reform Network (ARNet) <http://www.arnet.gov/>
- FedWorld - a comprehensive indexing of government resources on the Internet <http://www.fedworld.gov/>
- Federal Business Opportunities <http://www.eps.gov>
- Federal Acquisition Jumpstation <http://nais.nasa.gov/fedproc/home.html>
- Federal Acquisition Virtual Library <http://www.arnet.gov/Library/>

- Grants.Gov - find and apply for competitive grant opportunities from all Federal grant-making agencies  
<http://www.grants.gov/>
- Federal Register Online  
[http://www.access.gpo.gov/su\\_docs/aces/aces140.html](http://www.access.gpo.gov/su_docs/aces/aces140.html)
- FedStats - One Stop Shopping Federal Statistics  
[www.fedstats.gov](http://www.fedstats.gov)
- Information Technology Management Reform Act (NIH - OIRM)  
<http://www.oirm.nih.gov/itmra/>
- Office of Governmentwide Policy  
<http://www.policyworks.gov/>
- Stat-USA integrates different federal data sources into one site  
<http://www.stat-usa.gov/>
- U.S. Business Advisor - Gateway to the Federal Government  
<http://www.business.gov/>

### The White House/Office of Management and Budget

- White House  
<http://www.whitehouse.gov/>
- Office of Federal Procurement Policy (OFPP)  
<http://www.arnet.gov/References/References.html#OFPP>
- Commerce Business Daily - CBDNet  
<http://cbdnet.access.gpo.gov/index.html>

### Department of Agriculture

- Office of Small and Disadvantaged Business Utilization  
<http://www.usda.gov/da/smallbus/sbonline.htm>
- USDA Procurement  
<http://www.usda.gov/da/procure.html>

### Department of Commerce

- Office of Small and Disadvantaged Business Utilization  
<http://www.doc.gov/osdbu/>
- Minority Business Development Agency  
<http://www.mbda.gov>

### Department of Defense

- DoD OSDBU  
<http://www.acq.osd.mil/sadbu/>
- Defense Acquisition University  
<http://www.acq.osd.mil/dau/>

- Defense Advanced Research Projects Agency (Small Business Support Center)  
<http://www.darpa.mil/sbir>
- Defense Technical Information Center Acquisition Information Home Page  
<http://www.dtic.mil/hovlane/>
- Defense Information Technology Contracting Organization National Capital Region  
<http://www.disa.mil/line/ncrco.html>
- Army, Navy, Air Force Acquisition Reform Nets  
<http://www.acq.osd.mil/ar/>
- Air Force OSDBU  
<http://www.selltoairforce.org>
- Air Force Acquisition Home Page  
<http://www.safaq.hq.af.mil/>
- Air Force Contracting Home Page  
<http://www.safaq.hq.af.mil/contracting/>
- Navy Electronic Commerce Online  
<http://www.abm.rda.hq.navy.mil/>
- Navy Acquisition Reform  
<http://www.acq-ref.navy.mil/>
- Central Contractor Registration (CCR)  
[www.ccr2000.com/](http://www.ccr2000.com/)

#### Department of Education

- Contracts Information  
<http://www.ed.gov/offices/OCFO/contracts.html>
- Doing Business with the Department of Education  
<http://www.ed.gov/offices/OCFO/contracts/booklet1.html>
- Grants and Contracts Information  
<http://www.ed.gov/offices/OCFO/gindex.html>

#### Department of Energy

- Office of Small and Disadvantaged Business Utilization - Business Communications Center  
<http://www.pr.doe.gov/prbus.html>
- Office of Procurement and Assistance Management  
<http://www.pr.doe.gov/default.htm>
- DOE-Wide Information Management Acquisition Program (DIMAP)  
<http://www-it.hr.doe.gov/dimap/>
- Field and Contractor Home Pages and Doing Business Pages  
<http://www.pr.doe.gov/prpages.html>

## Department of Health and Human Services

- Office of Small and Disadvantaged Business Utilization  
<http://www.hhs.gov/osdbu/>
- Office of Acquisition Management  
<http://www.hhs.gov/ogam/oam/>

## Department of Housing and Urban Development

- Office of Small and Disadvantaged Business Utilization  
<http://www.hud.gov/cts/ctssmbus.html>
- HUD Contracting  
<http://www.hud.gov/cts/ctshome.html>

## Department of Interior

- Office of Small and Disadvantaged Business Utilization  
<http://www.doi.gov/osdbu/>
- Acquisition, Financial Assistance, and Property Management Home Page  
<http://www.ios.doi.gov/pam/pamhome.html>
- Bureau and Office Acquisition Home Pages  
<http://www.ios.doi.gov/pam/acqsites.html>

## Department of Internal Revenue Service

- Tax Information for Businesses -  
<http://www.irs.gov/businesses/index.html>

## Department of Justice

- Office of Small and Disadvantaged Business Utilization  
<http://www.usdoj.gov/jmd/osdbu/>
- DOJ Acquisition Home Page  
<http://www.usdoj.gov/07business/index.html>

## Department of Labor

- Office of Small and Disadvantaged Business Utilization  
<http://www.dol.gov/dol/osbp/>
- Veterans' Employment and Training Service  
[www.dol.gov/dol/vets/](http://www.dol.gov/dol/vets/)
- VETS-100 Federal Contractor Program  
<http://vets100.cudenver.edu/>

- Bureau of Labor Statistics  
<http://stats.bls.gov/>
- Department of Labor Posters web site  
<http://www.dol.gov/elaws/posters.htm>

#### Department of State

- Office of Small and Disadvantaged Business Utilization  
<http://www.statebuy.gov/osdbu1.htm>
- Office of the Procurement Executive Acquisition Home Page  
<http://www.statebuy.gov/home.htm>
- Business Opportunities - Solicitations  
<http://www.statebuy.gov/busops.htm>

#### Department of Transportation

- Office of Small and Disadvantaged Business Utilization  
<http://osdbuweb.dot.gov/main.html-ssi>
- Acquisition and Grant Management Home Page  
<http://www.dot.gov/ost/m60/index.html>
- Doing Business With the Department of Transportation  
<http://www.dot.gov/business.html>
- Procurement Offices  
<http://www.dot.gov/business/dotlinks.htm>

#### Department of the Treasury

- Office of Small and Disadvantaged Business Utilization  
<http://www.ustreas.gov/sba/>
- Financial Management Service Procurement Opportunities  
<http://www.fms.treas.gov/procure.html>
- Bureau of Engraving and Printing Office of Procurement  
<http://www.bep.treas.gov/procurement.htm>
- Customs Service Contracts & Procurement  
<http://www.customs.ustreas.gov/contract/contract.htm>

#### Department of Veterans Affairs

- Center for Veterans Enterprise  
<http://www.vetbiz.va.gov>
- Office of Small and Disadvantaged Business Utilization  
<http://www.va.gov/osdbu>
- OSDBU Business Web Links  
<http://www.va.gov/osdbu/links.htm>
- Forecast of Business Opportunities  
<http://www.va.gov/osdbu/frames2.htm>

- Office of Acquisition and Materiel Management (OA&MM) Home Page  
<http://www.va.gov/oa&mm/>
- Current Business Opportunities with the Dept. of Veterans Affairs  
<http://www.va.gov/oa&mm/busopp/sols.htm>
- VA Commerce Business Daily Notices  
<http://www.va.gov/oa&mm/busopp/cbdcurent.htm>
- VA Office of Information and Technology  
<http://www.va.gov/oirm>

### National Aeronautics and Space Administration

- NASA OSDBU <http://www.hq.nasa.gov/office/codek/>
- NASA Office of Procurement  
<http://www.hq.nasa.gov/office/procurement/index.html>
- Links to NASA Center Procurement Sites  
<http://procure.nasa.gov/cgi-bin/NAIS/nasaproc.cgi>

### Environmental Protection Agency

- Doing Business with EPA  
<http://www.epa.gov/oam/>
- EPA Acquisition Policy Information (active contracts)  
<http://www.epa.gov/oam/ptod/index.htm>
- Headquarters Procurement Operations Division  
<http://www.epa.gov/oam/hpod/>
- Superfund/RCRA Procurement Operations Division  
<http://www.epa.gov/oam/srpod/>

### Small Business Administration

- Office of Veterans Business Development
  - <http://www.sba.gov/VETS/>
- SBA Home Page
  - <http://www.sba.gov>
- Federal Small Business Resources
  - <http://www.sbaonline.gov/yourgovt/osdbu.html>
- SBA "Library"
  - <http://www.sba.gov/library/listingsroom.html>

For listings and directories of:

- 8(a) Contractors
- Approved Waivers
- Business Information Centers (BICs)
- Certificate of Competency Representatives (CoC's)
- Certificate and Preferred Lenders (CoC's)

- Commercial Market Representative (CMRs)
- Small Business Investment Companies (SBICs)
- Local SBA Offices
- Micro loan Lender Participants
- Minority Enterprise Development Staff
- SBA National Advisory Council (NAC)
- Offices of Small & Disadvantaged Business Utilization (OSDBU)
- One Stop Capital Shops (OSCSs)
- Procurement Center Representatives (PCR's)
- SBIC Licensees
- Service Corps of Retired Executives (SCORE)
- Size Standards and SIC Codes
- Small Business Development Center (SBDCs)
- Small Business Subcontracting Directory
- Tribal Business Information Centers (TBICs)
- U.S. Export Assistance Centers

### General Services Administration

- Office of Enterprise Development  
<http://hydra.gsa.gov/oed>
- Doing Business with GSA  
<http://hydra.gsa.gov/oed/business.pdf>
- GSA Contracting Opportunities  
[http://w3.gsa.gov/Web/I/Ion/Con\\_Opp.NSF](http://w3.gsa.gov/Web/I/Ion/Con_Opp.NSF)
- Federal Acquisition Institute  
<http://www.gsa.gov/staff/v/training.htm>
- Federal Supply Service (including schedules)  
<http://www.fss.gsa.gov/>

### U.S. Postal Service

- U.S. Postal Service Home Page  
<http://www.usps.com/>
- Selling to the US Postal Service  
<http://www.usps.gov/business/>

### United States Congress

- U.S. Senate Committee on Veterans' Affairs  
<http://www.senate.gov/~veterans/>
- U.S. Senate Committee on Small Business  
<http://www.senate.gov/~sbc/>

- U.S. House of Representatives Committee on Veterans' Affairs  
<http://veterans.house.gov/>
- U.S. House of Representatives Committee on Small Business  
<http://www.house.gov/smbiz/>
- Thomas - U.S. Library of Congress Legislative Research  
<http://www.loc.gov/>
- US Government Printing Office Procurement Services  
<http://www.access.gpo.gov/procurement/index.html>

*“Never again shall one generation of veterans abandon another”*

**Vietnam Veterans of America (VVA)** is a not-for-profit veterans service organization chartered by Congress whose mission is to improve the benefits, health, well-being, employment prospects and public support for veterans from all branches of the military. VVA provides veterans with a voice in the corridors of Congress and among those government agencies that regulate and distribute veterans’ benefits and services. Further, VVA also provides individual veterans with the resources, services and support to maximize the opportunities made available to them by law.

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