What Is an Entrepreneur?

ENTREPRENEURS ARE INDIVIDUALS WHO ARE WILLING TO:

- Take a risk
- Start a business
- Gather resources
- Produce a good or service
- Seek a profit or other rewards

ENTREPRENEURS EITHER

INNOVATE
- Improve or alter an existing good or service or create a new one.

OR

REPLICATE
- Provide goods and services similar to those already in existence.

Either

Entrepreneurs

- Innovate
- Replicate
- Take a risk
- Start a business
- Gather resources
- Produce a good or service
- Seek a profit or other rewards

Improve or alter an existing good or service or create a new one.

Provide goods and services similar to those already in existence.

BUSINESSES

BUSINESS TYPES

- Sole Proprietorship: Business owned by one person
  - Advantages: Easy to form, personal control over business decisions
  - Disadvantages: Difficult to raise funding, unlimited liability for debts

- Partnership: Business owned by two or more people
  - Advantages: More skills and knowledge, lessens shared liability
  - Disadvantages: Potential for conflict, lessens liability for debts

- Corporation: Legal entity owned by shareholders
  - Advantages: Liability limited to investment in stock, easy to raise capital
  - Disadvantages: Difficulties of valuation of parts, more complex regulation

- Other

HOW ARE PERSONAL FINANCES AND SMALL BUSINESS FINANCES CONNECTED?

- 67% used personal loans to help
- 64% experienced financial challenges
- 39% took out additional debt
- 87% relied on personal credit scores

ECONOMIC IMPACT OF SMALL BUSINESS

- 30.2 MILLION small businesses
- 8 MILLION minority-owned businesses
- 58.9 MILLION small business employees

ARE YOU READY TO START A BUSINESS? HERE ARE SOME IMPORTANT STEPS!

- Research the market for your product.
- Write a business plan.
- Identify funding sources.
- Select the right business structure.
- Learn more about these and other key steps to starting a business from the Small Business Administration.

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