

What is your business goal?

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Many people have different ideas of success. The first important thing to do is to determine what is it you hope to achieve with this business:

- Is your goal to make enough money to support your habit? Are you just looking to make enough money per month to pay for wood, classes, etc.?

- Do you have a specific purchase goal that you are trying to reach (you want to make enough money to buy wood working tools, a new car, etc.)?

- Do you want to continue to work during the day, but wood working at night – any money you make would be welcome?

- Do you want to be self-supporting with this business? Do you want to devote yourself to the business full-time?

There is no right or wrong answer – just what works best for your life. Having an idea of what you hope to achieve will help you determine how much time you are willing to devote to the business.

There are two important things to consider when developing a business goal: establishing a specific time frame and quantifying the goal. For instance, here's a sample goal:

I'd like to create a home-based wood working business. I'm hoping to be able to quit my job and work exclusively at home.

The problem with this goal is that it's missing the time and quantity element. It's hard to determine success with this goal – at what point would you stop work? How will you know when you are successful?

A better example might be:

I'd like to create a home-based woodworking business. Initially, I'll be able to devote 15 hours a week (in the evenings and weekends) to the business. My goal is to have a profit of \$15,000 within two years. When I've reached that point, I will quit my job and devote myself to the wood working business full-time. I will reevaluate my goal at that point.

This is a good basic goal for establishing the direction you want to pursue. At some point you'll develop a formal business plan with goals and objectives. Usually those goals are more detailed, but we'll discuss that in a future chapter. This is more of a working goal to help you make the decision of whether this is the business to start.

In addition to a clearly defined goal, there is some personal strength that helps create a successful home-based craft business:

The ability to compartmentalize – You need to be able to separate home tasks and business tasks; not only will you need to have the ability to manage your time (we'll discuss that next), but you also need to have the ability to plan for separation in life and business; separate banking accounts, credit card accounts, separate schedules, etc. If you are a person that resists organizing bills and banking ventures, you may require some help developing a business plan for your business. We will discuss developing a business plan later in the book.

Time management skills – the ability to determine what needs to be done, when it needs to be achieved and the ability to develop a work schedule that you adhere to is essential. Many people approach a home based business with the thought of being part of the "pajama brigade" -- working at home in sweats or in your bathrobe. While working at home provides great flexibility, you still need to establish a work schedule and stick to it. You will need to be able to establish time where you aren't interrupted or pulled away to accomplish your "life tasks". You may even have to advise friends that during a certain time, you aren't available for phone calls or drop in visits. We'll discuss time management skills in greater length further in the chapter.

Organization skills – Crafters are by nature creative and artistic. Many times people attribute their skills as either "left brain" or "right brain" – either "business like" or "creative/artistic". The reality is that a successful business requires a little bit of both sides of the brain. There is a lot of paper work required to run a business, a lot of organization of materials and the creative process is equally important. You need to be able to balance both of these skills equally.

Customer service skills – Ultimately, your goal is to have customers that can't wait to buy your wood products. And with customers, comes some challenges. If you are crafting a wood product for a customer, your idea of sky blue may vary dramatically from the customer's. The ability to work with others is an essential part of a successful business, whether it means responding quickly to their requests or questions, or sometimes just the ability to make conversation. As you market your wood products, you'll find an important part of the process is return customers and referrals from satisfied customers. Never underestimate the power of word of mouth. We'll talk more about marketing and building a client base in future chapters.

If you feel that you have these skills in addition to your wood working skills, then starting a woodworking business might be ideal for you. If you've decided that you want to continue, let's look at the first steps in starting your business.