



What It Means to Start Your Own Practice

By Angie Lee

Starting a business is like starting a new family. As everyone wants to have a happy family, people will usually plan ahead before taking on this challenging role; some may even attend courses to prepare themselves.

So, what do you need to know to be successful in starting a business? Let us examine four areas.

A. It all starts with you

To make your business work, you must have what it takes.

Like any venture, starting a business does not begin with the business itself. It begins with YOU and what you bring to the party. You need to know yourself.

Look at the successful people around you. You will notice that they share similar traits – not talent or luck, but self-motivation, enthusiasm and drive.

These are the “success traits” – the personal qualities that help a person to succeed. While these attributes do not make you an entrepreneur, they equip you for success in whatever you do.

Do you have the right personal qualities?

- Self-motivation
- Perseverance
- Discipline
- Determination
- Desire
- Drive
- Focus
- Self-reliance
- Organisational skills
- Responsibility
- Self-confidence
- Competitiveness
- Adaptability
- Commitment

Take a close look at “Perseverance”, which is a willingness to persist even when times get really tough. Successful people have the ability to pick themselves up and start all over again whenever things do not work out the way they wanted.

Starting a business is a major commitment. If you hate risk and are afraid of long hours, hard work, and commitment to doing whatever it takes to win, you do not have what it takes to start a business.

Now that you know what personal qualities are considered success traits, you will do well to acquire them.

B. Planning for success

Nobody plans to fail; we often fail to plan.

Most start-ups do not fail because the *business* idea is bad. Many first-time entrepreneurs fail to actually *plan the business* before sinking cash into the start-up.

No matter how great a business idea is, it cannot succeed without detailed planning. Take the time to work through every angle of your business idea, and put it down in writing. Not only will you better grasp how far your business can go, but you will also reduce the risks and prepare yourself to make the best decisions.

Last but not least, planning should start with the end in mind, as described in Steven Covey's book *The Seven Habits of Highly Effective People* – Habit 2: “Begin with the End in Mind”.

Photo: Dreamstime

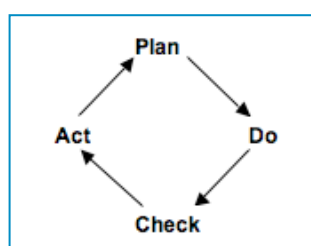
To-do list for starting a business

- Understand the market you want to enter: study market trends, market needs, market size, target customers and competitors.
- Plan for long term success: set clear personal and company goals, marketing plan, long term planning for risk, failure, succession and the future.
- Write down your business plan: it should comprise the executive summary, vision/mission, market analysis, organisational structure, sales and marketing plan, operational plan, financial projections, growth and exit strategies.
- Work out your numbers: these include start-up costs, break-even point, sales targets, balance sheet, income statement and cash flow statement.
- Identify channels to obtain financial support: some avenues are savings, loans, investors and government assistance.
- Choose the right business structure: the options are sole proprietorship, partnership, limited liability partnership, and private limited company.
- Apply for the relevant licences and permits: these are based on industry or activity.
- Locating business premises: choose from government-managed (Housing Development Board/JTC Corporation/Singapore Land Authority), commercial, and hospitals, depending on proximity to your customers, and your company's budget.
- Set up your bank account and accounting system: choose a bank which you have easy access to and opt for an accounting system that is easy to use.

After completing the planning process, you are ready to start the journey of setting up your own practice as planned. But that is not the end. As the saying goes, *if you don't know where you are or where you have been, it's impossible to know where you are going.*

Every aspect of a business should be reviewed periodically for sustainable growth, such as doing a financial health check to examine the pulse of the business's development. Plans are *not* static and *changes* are required to refine the actions needed to stay on course and meet the business objectives.

The whole cycle will **repeat**, as shown below:



C. Building the team

Hiring the right people

Good people are among the greatest assets a business can have. Hire the right people and they can be the catalysts that turn an ordinary operation into a great one.

However, there is a tendency to hire friends who don't fit your business needs, or "clones" – people with the same abilities as you, rather than complementary skills. How do you ensure that you get the right people?

One must know exactly what the job requires, and what skills and other work-related qualities the "right" worker should have. Next, fit the worker to the job.

Choosing professionals carefully

As you cannot do everything yourself, you will need the services of professionals. Find knowledgeable professionals with experience working with young companies.

Work with firms that are successful, and can provide you with support services at different stages of your business growth.

D. Ensuring statutory compliance

To stay focused on building the business with peace of mind, every entrepreneur must understand the statutory obligations of owning a business, and ensure accurate and timely reporting.

Some statutory reporting deadlines are:

- **Central Provident Fund:** 14th of each following month.
- **GST:** 30 days from the end of the prescribed accounting period.
- **Personal tax:** April 15 every year.
- **Annual General Meeting (AGM):** within six months of financial year-end or 15 months from last AGM.
- **Corporate tax:** November 30 every year (together with tax computation and the financial statements). **SMA**



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