

SCORE

Entrepreneur Risk Assessment

For Starting Your Own Business

Below is an entrepreneur risk assessment which will help you think about the task of building a successful new business. The assessment questions will help you begin the process of deciding whether starting your own business is right for you. The steps are:

- Identify your idea for a business.
- Analyze your motives for wanting to start a new business.
- Identify your personal characteristics/traits.
- Evaluate the market for your product or service.
- Determine your financial needs.
- Prepare a business plan.
- Assemble a team of experts to assist you.
- Implement the business plan.
- Never stop learning and asking questions.

Please mark in the button beside your answer choice. At the end of the assessment, you can check the answer page to calculate your score. This assessment can be further discussed with a SCORE counselor.

1. What type of business do you want to start?

- A) *I haven't made my final decision yet.*
- B) *Whatever has the greatest chance to succeed and provide a good income.*
- C) *Retail Business.*
- D) *Wholesale Business.*
- E) *Service Business.*
- F) *Manufacturing Business.*
- G) *Construction Business.*
- H) *Agricultural Business.*

2. Why do you want to go into business?

- A) *I need a job.*
- B) *I can't stand working for anyone else.*
- C) *To make a lot of money.*
- D) *To give me an outlet for lots of unused energy.*
- E) *For personal satisfaction and achievement.*

3. Why do you think you can succeed in starting a new business?

- A) *I have the necessary experience/education in this line of business.*
- B) *I think I can make a lot of money in this type of business.*
- C) *I'm pretty energetic and intelligent and could succeed in any type of business.*
- D) *I have a new idea/approach that nobody has tried before.*
- E) *There is a need for this type of business in my community.*
- F) *Plenty of other people have started businesses and succeeded, and I think I can.*

4. My business will be successful if:

- A) *I can just get a loan to get started.*
- B) *I can make an immediate profit.*
- C) *I can find a cheap location.*
- D) *I can satisfy a need.*
- E) *I can create a (new) need.*

5. How many hours a week are you willing to devote to your business ?

- A) *Less than 40 hours.*
- B) *40 hours.*
- C) *40-50 hours.*
- D) *50-60 hours.*
- E) *Over 60 hours.*

6. Are you in good health ?

- A) *Yes.*
- B) *No.*

7. How are other businesses, like the one you want to start, doing in your community?

- A) *Not very well.*
- B) *About average.*
- C) *Very well.*
- D) *I'm not aware of how they are doing.*
- E) *There are no businesses around here like the one I want to start.*

For each of the remaining questions, indicate whether you agree, partially disagree, or disagree with the statements presented below.

8. A really good idea sells itself.

- A) Agree.
- B) Partially disagree.
- C) Disagree.

9. I think I should pay myself more as the founder of my business than I made working at my old job.

- A) Agree.
- B) Partially disagree.
- C) Disagree.

10. I am generally an optimistic person, and I am optimistic about my chances to succeed in business.

- A) Agree.
- B) Partially disagree.
- C) Disagree.

11. I think I should be free to run my business as I see fit. Investors and/lenders should respect this and leave me alone, free from their interference.

- A) Agree.
- B) Partially disagree.
- C) Disagree.

12. When solving problems, I look for the best solution and forget about the rest.

- A) Agree.
- B) Partially disagree.
- C) Disagree.

13. When I decide there is something I want, I usually find a way to get it. If I don't find a way, I figure out why.

- A) Agree.
- B) Partially disagree.
- C) Disagree.

14. I never plan what I am going to do tomorrow. Something always comes up that changes things, so why should I waste my time ?

- A) Agree.
- B) Partially disagree.
- C) Disagree.

15. If I were going to bet, I'd bet on the "long shot" with the highest potential payoff.

- A) Agree.
- B) Partially disagree.
- C) Disagree.

16. I like spending time with my employees or fellow workers after the day is over.

- A) Agree.
- B) Partially disagree.
- C) Disagree.

17. I enjoy setting my own standards and goals and I work hard to achieve them.

- A) Agree.
- B) Partially disagree.
- C) Disagree.

18. I am basically an easy going person in my relationships with others. I don't push my opinions or demands on anyone.

- A) Agree.
- B) Partially disagree.
- C) Disagree.

19. I don't like ambiguity, and I take action to find out what is going on.

- A) Agree.
- B) Partially disagree.
- C) Disagree.

20. I work best when someone gets me going and provides some help along the way.

- A) Agree.
- B) Partially disagree.
- C) Disagree.

21. I am going to hire friends or people I know to work for me. I think that's best because I know I can trust them not to give me trouble.

- A) Agree.
- B) Partially disagree.
- C) Disagree.

22. I feel it is unrealistic to set lifetime goals because you never know what opportunities may arise in the future.

- A) Agree.
- B) Partially disagree.
- C) Disagree.

23. When I know what I am talking about, I can get others to believe me.

- A) Agree.
- B) Partially disagree.
- C) Disagree.

24. The most effective way to solve a problem is to consider a lot of different alternatives.

- A) Agree.
- B) Partially disagree.
- C) Disagree.

25. Making a lot of money is largely a matter of getting the right breaks.

- A) Agree.
- B) Partially disagree.
- C) Disagree.

26. I enjoy playing sports or games with people who are a little better than I am.

- A) Agree.
- B) Partially disagree.
- C) Disagree.

27. I like to impress people by showing them how well I can do certain things.

- A) Agree.
- B) Partially disagree.
- C) Disagree.

28. I find that other people often waste my valuable time.

- A) Agree.
- B) Partially disagree.
- C) Disagree.

29. I don't mind talking openly about myself with other people.

- A) Agree.
- B) Partially disagree.
- C) Disagree.

30. Part of being successful in business is reserving enough time for my family.

- A) Agree.
- B) Partially disagree.
- C) Disagree.

31. If I were faced with failure, I would shift to something else rather than seeing things through to the bitter end.

- A) Agree.
- B) Partially disagree.
- C) Disagree.

32. If someone has legitimate authority, I don't mind following his or her orders.

- A) Agree.
- B) Partially disagree.
- C) Disagree.

33. When I face a problem or task with which I am unfamiliar, I am willing to listen to advice.

- A) *Agree.*
- B) *Partially disagree.*
- C) *Disagree.*

34. I enjoy planning things more than I do actually carrying out the plans.

- A) *Agree.*
- B) *Partially disagree.*
- C) *Disagree.*

35. I enjoy competing and doing things better than someone else.

- A) *Agree.*
- B) *Partially disagree.*
- C) *Disagree.*

(END)

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Entrepreneur Risk Assessment Evaluation

- If your score is greater than or equal to 36: Congratulations! You seem to possess most of the personal characteristics necessary to succeed in business.
- If your score is greater than or equal to 30, but less than 36: Based on your answers you seem to possess the minimum characteristics that past research implies are important in business success.
- If your score is less than 30: Though you may have some of the personal characteristics necessary to start your own business, there are some you may lack. This assessment is based upon the typical entrepreneurial characteristics according to past research and they are generalizations. You can get honest and frank feedback from a SCORE counselor about your entrepreneurial assessment results.

1. C = 3, D = 3, E = 3, F = 3, G = 3, H = 3	19. A = 1
2. B = 2, E = 2	20. C = 1
3. A = 2, D = 1, E = 1	21. C = 1
4. D = 1, E = 1	22. C = 1
5. D = 1, E = 2	23. A = 1, B = 1
6. A = 2	24. A = 1
7. C = 2, E = 1	25. C = 1
8. C = 1	26. A = 1, B = 1
9. C = 1	27. A = 1, B = 1
10. A = 1	28. A = 1, B = 1
11. C = 1	29. C = 1
12. C = 1	30. C = 1
13. A = 1	31. A = 1, B = 1
14. C = 1	32. C = 1
15. C = 1	33. A = 1
16. B = 1, C = 1	34. C = 1
17. A = 1	35. A = 1
18. C = 1	