



Central theme for planning your start-up

A step by step guide for self-employment: Anyone taking up self-employment may well be overwhelmed by all the issues they have to consider. This overview shows you the most important milestones that will lead you to your company.

Step 1: The decision

Are you the entrepreneur type?

A series of simple test questions will help you to answer this question with greater certainty:

- Is self-employment really the right path for you?
- Are you qualified for the job?
- Do you have experience in the sector?
- Do you have commercial skills?
- Do you have your family's backing?
- Will you be able to handle the burdens of the launch phase and later?

Get advice and offset weaknesses.

Attend a start-up seminar by your chamber or your professional association. Then look for advice from a consultant at the chamber or association, or from a freelance management consultant or other expert. Find out:

- Where do you need advice?
- Who can help you further, depending on the question at hand?
- What should you consider when entering into a consultancy agreement?
- Find out about government assistance for advisory services.

Have you made your decision? Then continue ...

Step 2: Planning

Develop your business idea further.

Think about what you want to offer on the market. This means you will have to get to know your potential customers, their needs, their tendencies and their buying behaviour. Try to find something that no other competitor has. Take a good look at the competition situation, especially at the location where you want to set up shop.

Do you want to become self-employed, but have not yet come up with a good business idea? Then you might consider a franchise company which you can manage as a licensee. Or you can take over an existing business. There is demand for company successors in every sector and for companies of all sizes.

Draw up your business plan.

- Explain your business idea and/or your project.
- Present the founder(s).
- Describe your product or service.
- Describe your customers.
- Describe your competitors.
- Describe your location.
- Which suppliers do you want to use?
- Explain your HR planning.



- What price do you want to charge for your product or service?
- Which distribution partners will you use?
- What communication or advertising measures do you want to take?
- What legal structure have you chosen?
- What are the risks and opportunities of your project?
- How high is your equity requirement? How can you cover this equity requirement?

Don't forget personal insurance and your family's financial security.

There are various ways in which self-employed people can take out insurance for old age, illness and death. It is important that you do not wait too long when selecting the right insurance and precautions and you should already look for advice during the start-up phase.

The concept is clear. Now it needs to be financed.

Step 3: The financial plan

Calculate how much start capital you will need.

How much capital do you need to establish the company and for the early start-up phase?
Make a list of all short-term and long-term cost items.

Calculate your earnings.

Think about whether setting up a self-employed existence will pay off.
Is it worth it?

Identify all possible sources of finance.

How much money do you have at your disposal? Who could lend you money privately? Who would invest in your company? Check the offers by banks and the many assistance programmes by the federal government, the federal states and the European Union.

Once you have secured financing, get your company ready to go.

Step 4: The company

Take care of all the necessary formalities.

Consider the requirements of public authorities, chambers, professional associations, etc. Find out about the special pre-conditions and certificates, official permits or licences that are needed for certain projects.

Remember your tax obligations.

From the very beginning, keep in mind that you will have to pay taxes.

Remember to make provisions for company risks.

Take out sufficient and suitable insurance for your company.
Do not ignore possible risks and hazards, but take the right measures to protect your company.

Continue to seek advice even after your company is up and running.

After launching your company, you will be faced with new tasks. Continue to seek advice, especially when it comes to financial matters. If in doubt, seek the assistance of a management consultant.