

Small Business Owners Weigh in on the Realities of Starting a Business

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We've all heard the stories. Person with an idea leaves a full-time job behind to start a business.

Struggles ensue.

After a period of time, the business is successful. Or it isn't.

What are some keys to small business success? What do small business owners know now that they wish they knew when they began?

We talked to a few to find out, and I am sharing a bit of what I learned when I went out on my own six years ago. I decided to try working as a reporter and producer on a full-time freelance basis.

I knew about writing and producing, but I had a lot to learn about running a business.

Own a small Business? We've got 16 tools to help it run more smoothly.

Deciding What Kind of Small Business to To Open

There are 33.2 million small businesses in the United States, which the U.S. Small Business Administration Office of Advocacy 2022 Small Business Profile defines as businesses with fewer than 500 employees.

Deciding what kind of business to open can sometimes be a challenge. There are all kinds of possibilities. Do you follow your passion and try to find a way to make money at it? Do you open a franchise of something that already exists? Do you do something else entirely?



When Steve Dunn started his own business, he decided he wanted to continue to be a mediator but drop the litigation part of his old job. Photo courtesy of Steve Dunn

Consider Your Strengths

Steve Dunn is a mediator based in Charlotte, North Carolina. For 21 years, he was both a litigator and a mediator at a law firm. He left the firm in 2019 to go it alone as a mediator.

Dunn knew mediation was what he liked about his law firm job, so finding a way to do that full time was his goal.

“I had a moment where I realized how much I really hated the litigation aspect of my job. A light bulb went off and I realized I didn’t have to do this,” he said. “It was a moment of clarity about how unsatisfied I was with what I was doing.”

Consider Your Resources

Realistically, what can you afford, time-wise and monetarily? If you already have a full-time job and are looking to start a side gig that could turn into something bigger later on, you probably don’t want to go out, get a loan and rent office space.

But if you’re ready to go all in on a business, it’s important to take a good look at your finances, and create a business plan.

You Don’t Have to Reinvent the Wheel

Opening a franchise was the best option for Jennifer and Heath Marcus of Mad Science of Hampton Roads in Virginia. They opened their location in 2008 after Heath left a military job and Jennifer wanted to reenter the workforce after staying at home with three small children.

“We were ready for a new challenge and a new adventure,” she said. “But we were nervous about not having a steady paycheck and a lack of financial security, which is super common.”

They started looking at all kinds of franchises and even met with a franchise attorney who suggested they look for an established brand with franchising experience that did not have a location in their area. They came across Mad Science.

Where Will You Do Business?

What kind of space do you need for your business? Many businesses don’t require a ton of extra space, like starting a food business from your home or an at-home laundry business.

So, is it something you can do from your living room or a home office? Or do you need to rent or buy property?

Location, Location, Location

The Blackburns needed to find a place for their pottery studio that had enough space, was easy to access, had enough parking, and was within their budget.

The result was a 1,100-square-foot storefront in a strip plaza with room for 35 people inside.

“We opened on faith. To be 100% honest with you, we opened with a lot of, ‘let’s do it and see if it works,’” she said. “If it doesn’t we could tweak it.”

The current mall location became available later, and Kolor-N-Kiln moved to a much bigger 5,700 square foot space.

While Marcus knew her business was primarily going to be instructors going to various locations, they decided to get an office space.

“You can absolutely run Mad Science out of your house, but having three little kids, we just wanted to go to work somewhere,” she said. “We wanted to make it really professional.”

Don't know what kind of business to open? Here are 49 of the best home business ideas for 2023.

How Will You Fund Your Business?

It's not cheap to open a new business, no matter what it is. There are startup costs.

Even as a writer, I realized I needed big things like business insurance and smaller things like a good computer with my own software licenses and paper and printer ink to get things going.

So how are you funding your business? Here are some choices.

Get a Loan

For the Marcuses, they put all their eggs in the Mad Science basket and borrowed.

“[My husband] left his government job and worked full time with Mad Science,” Jennifer Marcus said. “I did not have an income because I was a stay-at-home mom and I worked part time in the business. We couldn't live off that income so we took out loans.”

Even after covering expenses and making a profit from the beginning, a change was necessary, Jennifer said. The Marcuses were running up their credit cards.

That's when she started working for Mad Science full time while her husband took a job outside the business.

Tap Into Your Own Funds

Jeanine Blackburn is the CEO and co-owner with her daughter Alyson Blackburn of Kolor-N-Kiln paint-your-own pottery studio in a mall in Pittsburgh, PA.

They opened their doors in June 2013 after Jeanine Blackburn was downsized from a corporate job and Alyson Blackburn was graduating from college.

A stock deal that came with being downsized from her job helped fund Kolor-N-Kiln.

“When we opened, I was nervous. I was excited. I was anxious. I just spent all of this money and was wondering what would happen if nobody shows up,” Blackburn said. “How do I get paid?”

Luckily, people showed up.

“On grand opening day, we were jam-packed.”



Jeanine Blackburn is the CEO and co-owner of Kolor-N-Kiln, a paint-your-own pottery studio in a mall in Pittsburgh, Pennsylvania. “You don’t get to take a day off not thinking about the business,” she said when talking about one of the realities of owning your own business. Photo courtesy of Jeanine Blackburn

Consider other Financing Options

There are many ways to obtain small business funding.

Crowdfunding

Consider asking for help with the help of crowdfunding sites like Indiegogo and Kickstarter.

Friends and Family

You can ask family members to help with start-up capital, but be warned: If this business doesn’t make it, you could destroy personal relationships.

Small Business Grants

Small business grants come from a variety of sources including government agencies, nonprofits and for-profit companies.

Government agency grants tend to have the most narrow eligibility requirements, as they often focus on businesses in the science, technology or energy industries that will bring direct growth to the community.

Need more ideas to get business funding? Here are our tips to help you get financing to start a small business.

Know When to Hire

As a business owner just getting started, you're your own marketing and sales department, IT department, scheduling department, accounting and invoicing department and much more.

Most small businesses, roughly 32.5 million, have either no employees or between one and 19 employees, according to the SBA.

You're Just One Person

At first, Dunn said he thought it would be fun to do everything himself. He even learned how to do his own web page.

"It was like a new challenge. I kind of embraced the idea that I could do everything just exactly the way that I wanted to do it," he said, adding he soon realized how much the assistants at his law firm used to do for him, like scheduling and invoicing.

That's about the time Miles Mediation & Arbitration approached Dunn about joining their team as a contractor, not an employee. For a percentage of revenue, they now handle those kinds of things, provide office space, and do the website and some marketing, leaving Dunn to do the mediation he enjoys.

Marcus, however, knew from the beginning employees were necessary.

"There were other franchise owners who did everything themselves for the first year or two, and we knew that was not going to work for us," she said. "We wanted to have weekends with our kids."

I still do all of the administrative tasks myself, and I need to make sure I need to set aside time for them.

Be Prepared for Downturns

The SBA's Small Business Profile says between March 2020 and March 2021, 1.1 million businesses opened, while 965,995 closed. Keep in mind, that was during the peak of the COVID-19 pandemic.

All of the business owners we talked with were up and running successfully before COVID-19 became part of our lives in March 2020. But, as we all know, the pandemic forced everyone to change and pivot.

Have a Backup Plan (or Two)

Preparing for the worst is something Blackburn says all business owners should do. While nobody wants to think about a doomsday scenario for your business, she says the fact she has always planned for the worst things that could happen helped her weather the pandemic and anything else that might come along.

“When you're opening a business, you need to know your backup plan and a pivot plan,” she said. “If the business is not going anywhere, when is it time to bail out? You have to have an entrance plan and an exit plan.”

She said the plan doesn't need to include everything, but it should lay out the triggers of when it might be time to say goodbye.

“Is it when I'm broke and owe everybody and am still borrowing money to stay afloat? That's not success.”



Jen Marcus, co-owner of Mad Science of Hampton Roads, realized her limits was when she was working until 9 p.m. She realized it's OK to need rest and to need time off.

Give Yourself Grace

No matter if you handle everything yourself or hire people, all the business owners we talked with said knowing your limits and making sure you have time for yourself is important.

Make Time for Yourself

Marcus said she beat herself up for many years, thinking she wasn't working hard enough.

“I was learning how to be a working mom and I was learning how to be a business owner and that was a double whammy,” Marcus said. “I was working toward building something that might eventually produce a steady paycheck so it felt even more key that I was giving it all my time.”

After a period working late into the night and being exhausted, reality hit.

“I looked at myself in the mirror, and said, ‘Jen, don’t beat yourself up. You don’t need to work at nine o’clock at night. It’s okay to go to bed,’” she said. “I wish I could have learned sooner to put my own rest first. You need time off.”

Enjoy the Ride

Everyone we talked with said the efforts they have put into their businesses have been worth it.

“In a couple of years, I would like to step completely out of it and let it be a company [my daughter] runs. It’s her legacy,” Blackburn says. “She can grow it and do whatever she wants to do with it. It’s like a movie where the man and woman ride off into the sunset. I’m looking for my husband and I to ride off into the sunset. I want to hand it over to my daughter 100%.”

For Dunn, the ability to control his calendar is a huge bonus.

“I can decide when I am available and when I am not. I have never had that. I can schedule a vacation.”

It took a while, but Marcus said she finally found balance.

“It’s okay to work a half day and go get a massage or have lunch with a friend if you’re a business owner. You’re the boss,” Marcus said with a laugh.

For me, I realized I really can work from anywhere and nobody needs to know where I am. As long as I have a phone, a computer, and internet I’m good.

Tiffani Sherman is a Florida-based freelance reporter with more than 25 years of experience writing about finance, health, travel and other topics.