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# Resources Available to Aspiring Business Entrepreneurs

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**RESOURCES AVAILABLE TO ASPIRING BUSINESS ENTREPRENEURS**

A Departmental Honors Project

For

The Department of Business Administration  
Project Advisor Dr. Keith Barnes

By

**Kristy Ventling**

May 12 1994

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## INTRODUCTION

Virtually all American business entities had their origins with the entrepreneurial drive of an individual. Businesses in the United States start and fail at an amazingly high and increasing rate. Each year over 500,000 businesses of one sort or another are established. By the end of the first year, more than 40 percent of these businesses will be shut down. Within five years, more than 80 percent - that is 400,000 - will have failed (Gerber, 1986). Though the failure rate of start-up businesses is alarmingly high, ever increasing numbers of people clamor to achieve their dream: their own business venture. Of the more than fifteen million legitimate business firms in America today, more than twelve million are considered to be "small" businesses and of these the majority are also sole proprietorships. Discovering entrepreneurial prospects is an important part of the growth of America, and also has significance as a sociological phenomenon and an economic reality in America's success as a whole. Discovering the nature, extent, accessibility, and utility of the resources available to start-up businesses is an important aspect contributing to the success of aspiring entrepreneurs. Such a large proportion of our economy is represented in the small business sector that discovering and identifying these resources, their quality, their accessibility and usefulness, could prove to be the determining factor in the success or failure of a newly created and established business venture.

This project will attempt to uncover the resources that are available to all types of aspiring entrepreneurs, whether they be sole proprietors, partnerships or corporations. The means of assistance that exist are sometimes not as easily identified as others or may not come to mind immediately. Many local, state, and federal government agencies aim at aiding entrepreneurs, as do business consultants, trade associations, literary works, education classes, online computer networks, and seminars. Often, some of the not-so-widely-known services are overlooked or neglected when they could be utilized by the user in endless ways. By not only identifying these resources but also by providing means of contact, it is my hope that this paper will aid business people in every field. This inspiration is founded on my own hopes to eventually pursue the field of entrepreneurship. Identifying such useful resources and familiarizing myself with the opportunities associated with start-up businesses will hopefully benefit not only myself but others as well.

## SECTION I. THE ENTREPRENEUR

"What do successful entrepreneurs do?" This is a questions that is asked time and time again. Rephrased, how do they think, what actions do they initiate, what characteristics do they possess, and how do they go about starting and building a business. Many researchers have investigated these questions and attempted to build a model that represents the entrepreneurial mindframe and personality style.

Entrepreneurs are the men and women who make up self-started businesses. The dictionary definition of an entrepreneur is: "one who organizes and manages a business undertaking, assuming risk, for the sake of profit" (Pickle and Abrahamson, 1990, p.5). Pickle and Abrahamson also believe that entrepreneurs are the founding and cornerstone of the American free enterprise system. They play a key role in developing new products and ideas resulting in many new opportunities. Further, entrepreneurs accumulate the funds needed to start the business, give it direction and organization in the direction of goal achievement, and often take on the responsibilities of managing the business operation in order to provide the services or goods to customers.

One researcher, Jeffry Timmons (1994) suggests that understanding the attitudes, behaviors, successes, management techniques, experience and know-how of entrepreneurs contributes to ultimate success, however the individual result is really what counts. Timmons expands on the definition of the entrepreneur to include building and creating things of value from scratch. In other words, he suggests that it is a process of developing and taking advantage of an opportunity and pursuing it regardless of the current position of resources. This process involves defining, creating, and distributing value and benefits to individuals, groups, organizations, and society (Timmons, 1994).

Timmons goes on to describe entrepreneurship as an act of creativity. This act entails calling upon personal energy by starting and building a business or organization, not just sitting back and watching or evaluating one. A vision and a passion is usually needed in the field of entrepreneurship along with commitment, and the ability to transmit this vision to others, such as stockholders, customers, suppliers, investors, partners, etc. Further, it also requires the willingness to take risks, calculate personal and financial risks, and than being able to do influence and manipulate the odds (Timmons, 1994).

Many studies have been conducted to identify the personal qualities successful entrepreneurs need (Kuratko and Hodgetts, 1989, p. 66). One extensive study made the following conclusions:

"Be aggressive, be competitive, be goal-oriented, be confident, be egocentric, make decisions, be an achiever very early in life, be a loner in your final decision, put family and friends second to business, be an opportunist, do not be security-oriented, be persistent, have determination, be an optimist (to an extreme), have desire to achieve, be hyperactive mentally, be a dreamer, be a calculated risk-taker, want power, learn from previous mistakes, be a perfectionist and be intuitive."

Successful entrepreneurs frequently share many common attitudes and behaviors. Often, entrepreneurs that succeed possess not only a creative and original ambition but also maintain strong general management skills, business know-how, and sufficient contacts. Successful entrepreneurs have testified that there are many common attitudes and behaviors that those among them possess. The three principal reasons many attribute their success to include:

1. the ability to respond positively to challenges and learn from mistakes,
2. taking personal initiative, and respond positively to challenges and learn from mistakes,
3. great perseverance and determination (Timmons, 1994, p. 190).

While it cannot be denied that there are some inborn characteristics such as energy, raw talent and intelligence that an entrepreneur either has or does not have, evidence exists that some entrepreneurial attitudes and behaviors can be acquired, developed, and improved through experience and study (Timmons, 1994). Although the acquisition of these qualities can not be obtained by everyone at the same pace, dedication and commitment through painstaking work can make it happen.

Further, there are also many "themes" that have developed pertaining to what successful entrepreneurs do and how they perform. Timmons attempts to describe and explain six of these themes that many successful entrepreneurs have credited with in greater detail. Although there are many common traits that exist among many successful entrepreneurs, it must be realized that there is not a certain set of characteristics that an entrepreneur must possess (Timmons, 1994).

### **Commitment and Determination**

The combination of these two elements is seen as more important than any other factor

(Timmons, 1994). With the presence of commitment and determination, an entrepreneur can often overcome the most incredible circumstances and problems and also make up for other areas where weaknesses exist.

President Calvin Coolidge stated:

"Nothing in the world can take the place of persistence. Talent will not; nothing is more common than unsuccessful men with talent. Genius will not; unrecorded genius is almost a proverb. Education will not; the world is full of educated derelicts. Persistence and determination alone are omnipotent. The slogan 'Press on' has solved and always will solve the problems of the human race" (Timmons, 1994 p. 192).

Total commitment to the entrepreneurial venture is required in almost every opportunity. Entrepreneurs in almost every circumstance live with a great deal of constant pressure through the start-up phases on to the staying alive period and the prospectus of growth. A new business requires the entrepreneur to give it top priority in his/her time, emotions, and loyalty. Therefore, along with commitment an dedication often comes personal sacrifice.

Entrepreneurs who succeed in establishing new ventures desire to conquer obstacles, solve problems, and see a job through to the end. They are disciplined and persistent in all the tasks they undertake. They do not find difficult situations intimidating; they just see impossible tasks as being a little more time consuming. However, they are neither indirect or foolish in their mission to attack a problem or overcome a barrier that can cause their business to suffer. If a task in all reality is unsolvable, the entrepreneur will realize this and move on sooner than others. Most researchers agree, while entrepreneurs are incredibly persistent, they are also realistic in identifying what they can and can not do and where help is available in solving a task (Timmons, 1994).

### **Leadership**

Very specific experience, pertaining to the field the new venture will focus on, is a trait that successful entrepreneurs frequently maintain, which includes possessing a great deal of knowledge concerning the technology and the marketplace in which they will compete. They will also have strong general management skills - in such areas as marketing, finance, accounting and other business fields - and a proven track record. They're also self-initiators with high standards and a internal focus of control. They are also very patient with a very clear vision of how to manage in

the long-term. The entrepreneur is a teacher as well as a learner, a doer and a visionary (Timmons, 1994).

Successful entrepreneurs also have the ability to exert influence without demonstrating the over-use of power. They are very good at dealing with conflicts and resolving them. They know when to rely on logic and when to embark on persuasion. Through the process of establishing a successful venture, the entrepreneur learns to deal with many different aims - those pertaining to the customer, the supplier, the financial backer, the creditor, as well as partners and other insiders. Success is obtained through mediation and negotiations rather than by establishing a dictatorship.

Entrepreneurs who experience success are supportive and nurturing, not interpersonally competitive (Timmons, 1994). Entrepreneurs should treat others as they wish to be treated in return. When a strong need exists to control and influence others by gaining power over them and the entrepreneur is therefore characterized as one with such need he or she has a very real thirst for putting associates down which then often leads to the venture getting into trouble or ultimately failing. A dictatorial, adversarial, and controlling style makes it very difficult to attract people and keep people that are results and achievement-oriented by maintaining a strong sense of responsibility.

Successful entrepreneurs are also not overly-independent and try to hoard all of the success for themselves. They realize that it is very hard to build a business by working all alone and instead build a hard-working, effective team. They are willing to share responsibility when required and give credit where credit is due (Timmons, 1994). Entrepreneurism often relies upon the team-concept because it is virtually impossible for any enterprise to be a one-man show. This requires the successful entrepreneur to be able to build a collective body that can work together efficiently as well as know how to challenge each team-member so that his or her strengths are fully utilized and their interest in the venture does not slide. This requires each employee having a personal interest in the success or failure due to its reflection on their own abilities.

### **Obsession with Opportunity**

Successful entrepreneurs are obsessed with the prospect of opportunity (Timmons, 1994). They are oriented around the goal of pursuing an opportunity in order to accumulate money or resources. They thrive on and totally immerse themselves in opportunity, however they realize that ideas are everywhere and therefore they have to be discriminating. They are also very



familiar to the furthest extent possible with their customer base, their suppliers, and their competition. The obsession an entrepreneur maintains guides how they deal with important issues and problems.

### **Tolerance of Risk, Ambiguity and Uncertainty**

High levels of risk, ambiguity and uncertainty are basically "givens" in the field of entrepreneurship. This implies that entrepreneurs must be able to handle and tolerate such factors and be able to manage paradoxes and contradictions.

Not only is money at stake when an entrepreneur decides to undertake a venture, their reputation is also on the line. Successful entrepreneurs do not gamble, their risks are very calculated. They are willing to take their risks after considering all the alternatives and examining ways to turn the odds more in their favor.

Entrepreneurs also must be able to tolerate ambiguity and uncertainty as well as remain poised and comfortable when conflict presents itself. (Timmons, 1994). If someone at a large organization was asked how sure they were about receiving a paycheck this month, next month, in six months, or next year, they would probably feel quite certain that the check was on its way. Start-up entrepreneurs face the possibility that there may not be any revenues next period and further cannot guarantee when there will be any significant gains and how much they would be. To stretch this scenario even further, lack of organization structure is very much a way of life for entrepreneurs. Stress is introduced in every part of the business through constant changes which in turn introduce ambiguity. Jobs are never static and rarely defined, customers and co-workers are new, while problems and set-backs are inevitable. Successful entrepreneurs know how to maximize the good performances and minimize the negative reactions associated with frustrations and endless work. And finally, there is never enough time (Timmons, 1994).

### **Creativity, self-reliance, and the Ability to Adapt**

The high levels of uncertainty that are characteristic of entrepreneurship requires new ventures to be highly adaptive and very fluid organizations. The ability to respond quickly and effectively is a prerequisite to the field of entrepreneurship (Timmons, 1994).

Successful entrepreneurs have faith in themselves and in their abilities. They know they can make things work and that their achievements as well as their set backs are within their control with the

ability to manipulate the outcome. Entrepreneurs are able to visualize the details that are associated with business and are never satisfied with the status quo. They are relentless initiators.

Historically, the entrepreneur has been viewed as independent, self-reliant, and innovative. More modern research has refined these characteristics and focused more heavily on self-reliance. Through a great deal of research, it has basically been agreed upon by many researchers that entrepreneurs take and seek initiative. They put themselves in the position where they are responsible for the outcome of an operation. They like to participate in situations where their personal attributions can be measured.

Successful entrepreneurs are also able to adapt easily and are very resilient. They continuously desire to know how they are performing through feedback in order to improve their performance. By seeking this feedback they are able to learn from their mistakes and respond to the unexpected in a more experienced manner. For these reasons, entrepreneurs are often very good listeners as well as quick learners.

Failure is not a fear within the successful entrepreneurs realm, rather they are more concerned with what it takes to succeed (Timmons, 1994). Further, they are able to use failures objectively as a process of learning which allows them to understand their own roles as well as the roles of others. The trial-and-error process, therefore, becomes an integral part of the entrepreneurial/learning process.

### **Motivation to Excel**

The need to excel is plentiful within the spirit of a successful entrepreneur (Timmons). Entrepreneurs are self-initiators who are very driven to compete against their own self-set standards and to accomplish challenging goals.

Entrepreneurs are driven through their own personal motivation and the excitement they obtain from building businesses where achievement is the motivator. They feel as though their accomplishments give them the power they need.

High-set, attainable goals are very prevalent among entrepreneurs in order for them to channel their energy and be selective in the opportunities they choose to pursue. Defined priorities and measurements or performance are factors that contribute to successful establishment of realizable

goals. As if in a game, keeping score is important and therefore money plays the role of the scorecard, rather than the objective of the game overall.

Successful entrepreneurs maintain the highest or personal standards of integrity and reliability. They do what they say they will do and they are in the game for the duration. The personal attributes are what build small business relationships that are able to endure and succeed. A study including 130 members of the Small Company Management Program at Harvard Business School concluded that these personal attributes were the most important factors in their long-term success (Timmons, 1994, p.196).

Entrepreneurs who are able to achieve success are also able to identify their strengths and weaknesses as well as those of their partners and the participants among the competition. They are very realistic about what they can and can not do and do not try and fool themselves by thinking otherwise.

All of these traits are often accompanied by other priceless entrepreneurial characteristics such as perspective and a sense of humor. (Timmons, 1994). The ability to keep a stable and sound sense of perspective and to know their own self in and out enable the entrepreneur to keep an ease on tensions and laugh when it is needed in order to get a potential problematic situation back on track.

### **Other Characteristics of the Entrepreneur**

The list of characteristics of entrepreneurs and their documentation continues to grow day-by-day. However, the following list provided by Kuratko and Hodgetts (1989), although assuredly incomplete, does provide some valuable insight into the profile of the successful entrepreneur.

1. Confidence
2. Perseverance, determination
3. Energy, diligence
4. Resourcefulness
5. Ability to take calculated risks
6. Dynamism, leadership
7. Optimism
8. Need to achieve
9. Versatility; knowledge of product market, machinery, technology
10. Creativity
22. Responsibility
23. Foresight
24. Accuracy, thoroughness
25. Cooperativeness
26. Profit-orientation
27. Ability to learn from mistakes
28. Sense of power
29. Pleasant personality
30. Egotism
31. Courage
32. Imagination

- |   |                              |
|---|------------------------------|
| 11. Ability to influence others                 | 33. Perceptiveness           |
| 12. Ability to get along well with people       | 34. Toleration for ambiguity |
| 13. Initiative                                  | 35. Aggressiveness           |
| 14. Flexibility                                 | 36. Capacity for enjoyment   |
| 15. Intelligence                                | 37. Efficacy                 |
| 16. Orientation to clear goals                  | 38. Commitment               |
| 17. Positive response to challenges             | 39. Ability to trust workers |
| 18. Independence                                | 40. Sensitivity to others    |
| 19. Responsiveness to suggestions and criticism | 41. Honesty, integrity       |
| 20. time competence, efficiency                 | 42. Maturity, balance        |
| 21. Ability to make decisions quickly           |                              |

### **Large Organizations vs. Entrepreneurships**

After conducting a great deal of research pertaining to the inherent characteristics of entrepreneurs, the questions inevitably arose, "Do individuals in large organizations also possess and utilize some of the same characteristics as entrepreneurs?" For me, this sparked a whole new area of application and had implications that existed outside the entrepreneurship realm.

Many large organizations exist that emphasize the entrepreneurship atmosphere. Intrapreneurship, rather, as defined by Marc Dollinger (1995) is "the development, within a large corporation or internal markets and relatively small autonomous or semiautonomous business units, producing products, services, or technologies that employ the firm's resources in a unique way." Intrapreneurship allows managers of large corporations to take initiative and gives them the freedom to try new ideas. All in all, it is entrepreneurship within an already established company, the difference being that the financial risks are largely held by others.

Examples of enterprises that may embark upon an intrapreneurship type structure may include financial planners, franchises, chain-stores, organizational departments, and very flexible and open organizations (Nielsen, Peters & Hisrich, 1985). Financial planners stress the individual freedom that is given to each agent and that they are basically their own boss. In this type of situation then, the person is free to set their own hours, does not have to report in every day, does not have someone looking over their shoulder all the time, is in control of the amount of money they earn, and has a lot of freedom to pursue leads as they see fit. Therefore, many of the characteristics of entrepreneurs could probably be found within agents that succeed within the financial planning industry.

Franchises and chain stores are also types of organization wherein there would be a lot of room for individual-type entrepreneur characteristics to come into play. Although these operations take some of the risk out of starting up a new business, they also leave a lot of room for individuality. The business is in the hands of the franchisee or owner and therefore it can be run very much like an entrepreneurship meaning that many of the entrepreneurship-style characteristics are likely to prevail in successful situations.

Also, departments within large organizations may also have room for entrepreneur-type managers (Dollinger, 1995). Some companies give their departmental managers a great deal of freedom to make decisions and run the operations as they see fit which in turn presents large corporations the potential to adapt to the increasingly changing, hostile, and heterogeneous environment that businesses have to cope with today. This opens the door to many entrepreneurial-types, although some of the personal risk is not present. The person's job may ultimately be on the line, but if a project fails, it is not the person's investment or capital that is lost, it is the organizations.

### **Applications**

All of the previously-stated characteristics found in many successful entrepreneurs can be used not only to identify and recognize characteristics that may be useful or of value, but can also be utilized to identify what types of information resources are needed and could be the most helpful in succeeding at entrepreneurship. The following sections discuss and evaluate resources that are available to entrepreneurs and the types of organizational structures that can be developed. Depending on the personality traits of the individual entrepreneur, the characteristics and richness of the information that could be the most helpful within these resources could vary in degree of importance.

The first factor that arises when discussing the concept of information is the amount. How much information is appropriate for the situation (Daft, 1986). Information amount is "the volume of data about organizational activities that is gathered and interpreted by organization participants" (Daft, 1986, p. 306). The information amount is important in regard to the personality type of the entrepreneur. If the individual maintains traits that may include accuracy, efficiency, thoroughness, and detail-orientation, he or she will most likely demand a greater amount of information than someone who may be flexible, creative, and very time-conscious. The amount of information is important because there are so many situations that exist involving uncertainty within an entrepreneurship. The greater the uncertainty, the greater the amount of information

that is needed. Factors that increase the level of uncertainty are non routine technology, an unstable environment, interdependent tasks, and large size (Daft, 1986). If the case that presents itself is non routine technology, trade associations, and trade, patent, and intellectual property information may be the resources that are of the greatest need. However, if it is a situation pertaining to an unstable environment, literature and private and governmental organizations may be able to offer the most assistance. In terms of interdependent tasks, professional people resources such as attorneys, bankers, business consultants, etc., and social networks will probably be able to offer the most relevant aid. Finally, if it is the large size of an enterprise that is the root of the uncertainty such as the lack of effectiveness due to the overwhelming size, almost any resource available will probably be able to help in one way or another within some realm of the organization in order to solve the overall problem by targeting smaller ones and then building up.

Another important characteristic of information is richness. Richness concerns the information-carrying capacity of data (Daft and Lengel, 1984). Some data is highly informative for its users while other data provides little knowledge. The richness of information directly pertains to the media through which it is communicated and therefore some media are richer than others. The information source that is richest of information transfer is face-to-face communication. In terms of the following sections. The professional people resources would be the richest information sources. Individuals that might be able to benefit the most from this interpersonal communication are those who are cooperative, have pleasant personalities, maintain the ability to influence others, are capable of getting optimists, and demonstrate a sensitivity to others.

Information can also have different degrees of aggregation - the big picture versus the most intimate details (Daft, 1986). Some entrepreneurs prefer a general summary of a situation rather than the "long story." Personality traits of such individuals may include courage, creativity, resourcefulness, and flexibility because they all represent behaviors that overlook the story that is told between the lines. In this case, resources such as professionals and private organizations would be of the most help whereas with the detail-oriented individual, education courses, computer information systems and literature may be additional resources.

Time is also an element of information that should be considered. Entrepreneurs who are very oriented around their time schedules could most likely be able to use the resources that are referred to according to the amount of information that is needed (Daft, 1986).

## SECTION II. VARIOUS FORMS OF ORGANIZATIONS

When an organization is trudging through the establishment stages, the question arises, "Should the firm be set up as a proprietorship, a partnership, or a corporation?" Anyone who is thinking of starting a business faces this question. A firm that is initially established as one type may later determine it beneficial to become another, such as a proprietorship transforming into a corporation (Broom, Longenecker, and Moore, 1983). Sole proprietorships comprise approximately 80 percent of all businesses, 13.2 million out of a total of 19 million, while partnerships and corporations are divided up equally among the remaining 20 percent, 1.8 million partnerships and 4 million corporations. However, based on business conducted according to dollar sales, 80 percent of all business is attributed to corporations, 13 percent to sole proprietorships, and 7 percent to partnerships, although 55 percent or all employees work for small businesses (Brighan, 1992). There are many factors that must be considered when trying to determine which type of ownership to follow, Clifford Baumbach (1988) offers a few of the most significant:

1. A need for additional funds may sometimes be met better by forming a partnership or corporation than by borrowing. However, this means sharing profits as well as risks and losses.
2. A need for certain managerial abilities or experience may be met by taking in one or more partners possessing the requisite qualities. However, the additional abilities are secured at the expense of sharing authority and placing some restrictions on one's independence.
3. The choice of organization form to use may be influenced by the desire to achieve such objectives as limiting liability, distributing the risks involved, and taking advantage of tax structure. Federal and state income tax laws, for example, may make one form of organization superior to others for some small businesses. And sometimes one form of organization is given advantages by particular laws or regulations, such as those limiting the power of a corporation to engage in certain activities open to proprietorship and partnership (Baumbach, 1988, p. 520).

The final decision regarding which type of organization to adopt will most likely be based on a compromise of weighing the various alternatives.

## **The Proprietorship**

The simplest and most popular form of organization is the proprietorship. The sole proprietorship is "a business owned and operated by one person." The individual operating a proprietorship has control over all business assets, while giving careful consideration to the claims of the creditors. The owner receives all profits from business operations, however all losses, risks and debts of the business are also his or her responsibility. This type of business can be established by simply starting up operations. No legal form of documentation is required. This does not imply that there are no legal obligations whatsoever, but merely means that no legal documents are necessary to create a proprietorship. Because of these factors, the proprietary business is the simplest and cheapest way to start a business. In this situation, the owner is not subject to interference from partners, shareholders, directors, and officers.

The proprietorship also has some major drawbacks in comparison to the other forms of business. As mentioned, there are no limits on the owner's personal liability. Also, proprietors are not considered employees and therefore cannot receive some of the tax-free benefits usually provided by corporations.

The termination of the business is dependent upon the life of the proprietor since basically the individual is the business. In the event of death of the principal, the proprietorship often faces numerous problems dealing with relationships between the business and its creditors and employees. If the owner of the proprietorship was incapacitated for any reason for any significant length of time, the business could be ruined. This suggests that there should always be a person named as a power of attorney in the case of proprietorship.

## **The Partnership**

A partnership is created when two or more persons establish a business with joint ownership. In legal terms, a general partnership is a situation where the partners also share in the management or control of the business. No registration or filing fees are required, as is the case in a proprietorship, unless the business is conducted under a trade or assumed name; otherwise, a partnership can be adopted by a simple handshake. Perhaps the greatest advantage of a partnership over a proprietorship is that there is a greater amount of capital available by combining the assets of the partners and money is usually easier to borrow because the partners share the debt. Also, the abilities of the partners may strengthen and make the business possible whereas neither partner could survive alone.



Regardless of how much money a partner contributed to the business, each partner is equally responsible for all debts incurred by the business. Further, any one partner can bind the entire partnership regardless of how the other partner(s) feel about such action, even if the initiator is in the minority.

The termination of the business due to the death or withdrawal of any one of the partners and the inability of a partner to sell off his or her interest in the partnership without the consent of all of the other partners are both disadvantages of a partnership. Both of these scenarios can be avoided, however, if the appropriate provisions are included in the original written agreement.

According to Clifford Baumbach, a partnership, regardless of who is involved in the agreement, should include a number of specifications which include the following:

1. Duration of the partnership.
2. Administrative responsibilities and authority of each of the partners.
3. Withdrawals and salaries of the partners.
4. Provision for the arbitration of policy disputes among the partners.
5. Provision for the withdrawal of partners or the admission of additional partners.
6. Amount of capital invested by each partner.
7. Division of profit or loss. (Regardless of the amount of capital invested, general partners must share profit or loss equally unless there is an agreement among the partners to the contrary)
8. Distribution of assets in the event of dissolution. (as in the case of profits or losses, this distribution must be on an equal basis unless otherwise agreed upon in writing.)
9. Settlements in the event of death or disability of a partner. This might include a buy-sell agreement funded with business life insurance in amounts equal to the interest of each partner(s) would be assured of full title to the business, and the deceased partner's estate would be assured of receiving the full value of his or her share of the business. In the absence of such an agreement, the business might well be forced into liquidation to satisfy demands of the deceased partner's estate (Baumbach, 1988, p. 493).

### **The Limited Partnership**

A limited partnership allows for the disadvantages of unlimited personal liability for the debts of a partnership to be avoided. This type of partnership has one or more partners whose loss is limited to their initial investment in the business, however such an arrangement must have at least one general partner. A limited partner cannot use his or her name in the company name unless the name of the firm specifies that he or she is only a limited partner and such a partner can not be

involved in the management of the business in any way. In contrast to a general partnership, the agreement that is made involving a limited partnership must be publicly recorded (Baumback, 1988).

### The Corporation

"An association of stockholders created under law and regarded as a legal entity or artificial person by the courts is termed a corporation" (Baumback, 1988, p.494). Because a corporation is considered to be a legal entity, it does not involve reference to any individuals who share in its ownership and direct its activities which means such a creation is very impersonal.

There are many laws that the government has provided that outline what provisions must be included in a company's charter in order for authorization of the business entity to be granted. Such requirements generally include registering the corporate name and the articles of incorporation, paying a filing fee, and paying an organization tax, which is usually determined by the amount of the firm's capital.

There are many advantages that a corporation has over a partnership or a proprietorship. Some of these include a continuous and perpetual life, easy transfer of ownership, and limited liability of stockholders. The corporation is also able to raise capital more easily because capital can be obtained from many more sources more easily and because of the legal limited liability of corporate stockholders.

A corporation, like all of the other forms of businesses, also has disadvantages. All of its activities are limited to those things specified in its charter. Also, the geographics are that the corporation is able to operate and is limited to the state that granted it charter until permission is granted from other states which requires additional fees and the observation of legal requirements. The corporation must also go to extensive lengths to satisfy all of the tax laws and report requirements, which means extensive paperwork. Perhaps, the biggest disadvantage of the corporation is that dividends can not be deducted in order to arrive at the company's net income which means that individual shareholders must pay income tax on the dividends that they receive. This means that profits from a corporation are taxed twice, once at corporate tax rates and again at personal tax rates after the profits have been distributed.

## **S Corporation**

The corporate income taxes are a disadvantage of forming a corporation. One solution to this is forming an S Corporation, which is "an arrangement which allows stockholders to be taxed as partners and thus avoid the corporate income tax" (Broom, Longenecker, and Moore, 1983, p. 177). The name of this type of corporation is derived from Subchapter S of the Internal Revenue Code, which allows corporations to retain limited liability while it is taxed as a partnership. Throughout the corporate years, the S Corporation arrangement allows corporate losses to filter through to the stockholders, who can use the losses to offset other types of income on their tax returns.

There are also numerous restrictions that exist when creating an S Corporation. For example, the number of stockholders is initially limited to 10 and 15 after 5 years. Various other restrictions also exist that an attorney should be consulted about at the time of organization. However, the potential advantages of the S Corporation justify it as being a serious consideration (Broom, Longenecker, and Moore, 1983).

### SECTION III. GOVERNMENT AGENCIES AND PROGRAMS

The decision to start a new business is a very difficult one to make that must be given a tremendous amount of thought and planning because it is a decision that will require a great deal of time, effort, money, and energy; often implying a long-term or a lifetime commitment. Once this decision has been reached however, the work that such an endeavor entails can be overwhelming. Often, individuals seek outside assistance from their state government or any federal programs that may exist. The problems arise in trying to locate and contact such agencies, and basically in knowing exactly what resources are available to a person in such a situation.

#### State Agencies

On the state level, there are many administrative agencies and institutions that have been developed in order to assist newly created businesses. Some of these various centers included small business development centers, small business assistance programs, small business institutes, financing and loan programs, minority business assistance programs, procurement assistance programs, licensing assistance programs, incubators and research and technology parks, small business educational programs, legislative assistance, small business development consultants, and other sources of assistance. In order to locate the particular center within an individual state, a reference book would be the most helpful. One such type of reference book is the Small Business Sourcebook, 1993. This is an excellent source to find out what forms of assistance are available within a particular state. Other types of reference books are most likely also available at a university or local library.

In the State Listings section of such a reference book, most likely there will be an index for each individual state. Once the state of particular interest has been located, it is very easy to find the institutions that could offer the most help for any individual or situation. The addresses and a small description of what that agency does follows the listing. It is almost as easy as looking up a phone number in a telephone directory.

Given that each individual state takes a great deal of interest in the livelihood of its citizens and therefore itself, the state agencies' primary goal is to see their state flourish through the success of small businesses. This implies that these agencies may demonstrate a little more interest in

start-up businesses within their own state compared to out-of-state programs. Therefore, business people should always rely upon their most probable form of assistance and work down from there, placing state agencies at the top of the list.

### **Federal Agencies**

There are also sources of information, procurement assistance, and other sources of assistance available through departments and agencies of the U.S. federal government. These departments range in size, areas of interest, and capabilities. In order to tap all available resources, one should consider each agency within its proper capacity and consider what an individual agency could possibly do to make the start-up phase of business a little easier. The Small Business Sourcebook offers the following descriptions of agencies available to assist business owners (Small Business Sourcebook, 1993).

*The U.S. Small Business Administration's (SBA) primary duties are to aid, counsel, assist and protect the interest of small businesses. This agency is probably able to offer the most assistance to small businesses out of all the federal governmental agencies. It ensures that small business concerns receive a fair portion of government purchases, contracts, and subcontracts, as well as fair portions of the sales of government property. The SBA grants loans to small businesses, to state and local development companies, and to the victims of floods, other catastrophes, or certain types of economic problems. The administration also licenses, regulates and grants loans to small business investment companies. A small business must meet SBA size standard to be eligible for its loans, procurement assistance, and other services. Interested small businesses should contact the nearest SBA field offices for current standards since they vary by industry and are subject to change. The SBA administers a variety of loan programs for eligible small business concerns that cannot borrow money on reasonable terms from conventional lenders without government assistance. In addition to these regular business loans, the SBA also offers a variety of special loan programs, including local development company loans that are offered to groups of local citizens. The SBA does a wide range of activities revolving around funding, counseling, licensing, and regulating. These activities can be further explained by advocates located at each of the ten SBA regional offices or the wide variety of pamphlets and booklets about SBA programs and services may be helpful.*

In 1972, the Small Business Administration initiated the Small Business Institute program to make the consulting resources of universities available to small-business firms. SBI teams consisting of graduate and upper-division college students and faculty members, work with owners of small

firms in analyzing their business problems and formulating solutions. Primarily the users of such SBI consulting services are applicants for SBA loans, however these services are not restricted to such firms.

Small business managers can also obtain free management advice from a group called the Service Corp of Retired Executives (SCORE), although it is not classified as a government agency, by submitting a request to any Small Business Administration field office. SCORE is an organization of retired business executives who will consult on current problems with small-business managers. Operating the sponsorship of the SBA, this group provides an opportunity for retired executives to be useful again to society while it helps the small-business managers solve their problems creating a mutually beneficial relationship. This group may also encourage businesses to utilize the services of management consultant by demonstrating the worth of such (Broom, Longenecker, and Moore, 1983).

*The Agency for International Development (AID)* ensures U.S. small firms, minority-owned firms, and women-owned firms of receiving equal opportunity and consideration for assistance through the financing of goods and services. The office also has a certain amount of money available for socially and economically disadvantaged firms. Also, this agency does a great deal of negotiating and serves as a liaison with many U.S. businesses, academic, private and voluntary organization regarding financed assistance. The Guide to Doing Business with the Agency for International Development describes all the steps necessary for dealing with this agency as well as the Congressional Presentation published by AID details the economic assistance projects it approves for initiation or continuation.

*The Bureau of Census* is responsible for gathering a wide variety of statistics about the people and the economy of the United States. It is the primary source in the federal government for information relating to businesses regarding manufacturers, retail trade, wholesale trade, construction trade and services. Data pertaining to the number of establishments, production, value added by manufacture, shipments, receipts, employees, payrolls and other general business statistics are published periodically by the Bureau.

*The Environmental Protection Agency's (EPA) Office of Small and Disadvantaged Business Utilization* provides a convenient way for small businesses to access the EPA. It provides a link between small business and the EPA in order to facilitate communication, it helps small businesses understand and comply with EPA regulations, it investigates and resolves any disputes small businesses have with the EPA and it works in conjunction with the EPA staff to increase their

knowledge of small businesses in the development and enforcement of regulations. This agency also provides information regarding small and disadvantaged businesses, minority-owned businesses, and women-owned businesses.

*The Executive Office of the President* establishes the rules and guidelines on how to do business with the federal government, specifically for small and disadvantaged, minority-owned, and women-owned businesses.

*The Export-Import Bank of the United States* helps finance the export sales of U.S. goods and services. Programs primarily for small businesses have been established which include pre-export guarantees to assist small and medium-sized businesses in obtaining working capital for export-related activities such as inventory purchases or the development of an export marketing program; a new-to-export insurance policy that provides risk protection on exports received for companies just beginning to export or with limited exports, and the Medium-Term Intermediary Loan Program which allows U.S. banks to offer medium-term, fixed rate export loans to small businesses with the lowest interest rates permitted under export guidelines. Non financial assistance is also available to small businesses through the operation of the Small Business Advisory Services with the Eximbank Hotline.

*The Federal Communications Commission* through the Consumer Assistance and Small Business Division provides information and assistance to the public on action and telecommunications services regulated by the FCC. It also operates in order to encourage participation from, and to provide special assistance to, minority and small businesses interested in becoming entrepreneurs in the telecommunications industry.

*The Federal Trade Commission* works to preserve a free marketplace by acting as the advocate of consumers and by resisting efforts of any one group to profit at the expense of the general public.

*The General Services Administration* (GSA) is the primary purchasing agent for general use federal goods and services. The GSA's Office of Small and Disadvantaged Business Utilization coordinates the implementations of the administration's small business, disadvantaged business and labor surplus programs.

*The International Trade Administration's* (ITA) domestic and overseas programs are designed to stimulate the expansion of U.S. exports. Major programs include export counseling and

assistance; promotion of U.S. products abroad; coordination and conduct of overseas trade missions; support for the Export Trading Company establishment; and management of federal participation in international expositions held in the United States. The ITA's information services, market research, and overseas promotion programs provide opportunities to introduce products abroad at small costs. The ITA, with its variety of low-cost marketing aids, also may assist small firms in locating overseas outlets for their products, namely agents, distributors, licensees, buyers, and suppliers.

*The Interstate Commerce Commission* attempts to purchase goods and services from small, minority-owned, and women-owned businesses. These purchases usually involve office products, computer supplies, and like goods. The commission maintain bidders' lists as well as accepts catalogs of products from small businesses.

*Minority Business Development Agency* is the only federal agency specifically created to establish policies and programs to develop the U.S. minority business community. The goal of this agency is to increase the opportunities for racial and ethnic minorities to participate in the free enterprise system through the formation and development of competitive minority-owned and managed firms, placing emphasis on private sector involvement and entrepreneurial self-reliance. In order to do this the agency coordinates the federal government's plans, programs, and operations that affect or may contribute to the establishment, preservation, and strengthening of minority businesses.

*The National Aeronautics and Space Administration (NASA)* assists small businesses through the operation of its Office of Small and Disadvantaged Business Utilization Division. The center's services include individual counseling sessions for business owners seeking advice on how to best pursue contracting opportunities at NASA. NASA's Technology Utilization Program provides information and other assistance to small business owners seeking to apply the results of NASA research and development projects to new commercial products of processes.

*The National Credit Union Administration's* and *the National Science Foundation's* Offices of Small and Disadvantaged Business Utilization offers small businesses information and guidance on procurement procedures, how to place on a bidder's mailing list, and identification of both prime and subcontracted opportunities.

*The Office of Personal Management's* and *the Railway Retirement Board's* Offices of Small and Disadvantaged Business Utilization offer small businesses information on procedures or



procurement, how to be placed on a bidder's mailing list, and identification of both prime and subcontracting opportunities.

*The Patent and Trademark Office* looks over applications for patents and trademarks and decides whether or not an invention can be patented or if a trademark should be registered. Patents and trademarks are very important to small businesses because they represent legal property rights and therefore can be helpful in competing with larger or more established businesses. This Patent and Trademark Office maintains a public Search Room which is available to the public for use by individuals who wish to identify new products, find solutions to problems, or check patents in a field of technology.

*The Security and Exchange Commission (SEC)* protects investors and ensures that capital markets operate in a fair and orderly manner. Nevertheless, the SEC operates according to the belief that its regulations should not have the effect of inadvertently impairing capital formation by small businesses. Therefore the SEC has taken a number of steps to make sure that capital-raising by small businesses is carried through effectively and that regulatory burdens arising from the federal securities laws are reduced. The SEC is continuously examining other ways to further aid in accomplishing these goals.

*The Tennessee Valley Authority (TVA)* maintains a Minority Economic and Small Business Development office to assist small businesses, minority businesses, and women-owned businesses in gaining a better understanding of the TVA's purchasing procedures. It coordinates the small business/minority business program within the TVA and helps potential suppliers know of the procurement opportunities that exist. Minority and small business officers are available to discuss the TVA's programs as well.

*The U.S. Department of Agriculture's (USDA) Office of Small and Disadvantaged Business Utilization* offers information and other services to minority-owned, women-owned and small and disadvantaged businesses to assist them in increasing and maintaining their participation in the department's procurement and other program opportunities. This office strives to offer services that provide assistance in increasing the overall viability and competitiveness of businesses as part of maintaining an economically strong national industrial and commercial base. Emphasis is given to assisting firms that can contribute to revitalizing the nation's rural communities, improving the private agricultural sector's foreign trade competitiveness, and increasing the federal government's productivity.

*The U.S. Department of Commerce's Office of Business Liaison* seeks to develop and promote a cooperative working relationship and to assure effective communication between the department and the business community, including small businesses. The office serves as the focal point for all of the department's agencies to contact the business community. It informs the business community of department and administration officials about business community interests and issues. The office also promotes business involvement in policymaking and program development as well as provides business assistance to individuals and firms that need help dealing with the federal government.

*The U.S. Department of Defense's (DOD) Office of Small and Disadvantaged Business Utilization* has small business specialists at each of their procurement and contract administration offices to assist small and disadvantaged businesses, women-owned businesses, minority-owned businesses and labor surplus area firms to market their products and services with the DOD. These specialists can provide information and guidance on defense procurement procedures, placement on the solicitation mailing lists, and identification of both prime and subcontract opportunities.

*The U.S. Department of Education* accepts proposals for services such as management consultation, program evaluation or surveys, computer-based projects, student testing materials, motion picture production and related photography and other professional services. The federal funds may also be used by schools, state agencies and other recipients for the purchase of audiovisual and other types of equipment. The department also provides various publications to assist small businesses, one of which is [A Guide to U.S. Department of Education Programs](#).

*The Department of Energy (DOE)* purchases a wide range of equipment, supplies and support services. Small business/disadvantaged business specialists are located at offices throughout the United States to assist small business owners. DOE, along with the National Bureau of Standards, also administers the Energy-Related Inventions Program. This is a comprehensive program for research and development of all potential energy sources and technologies.

*The U.S. Department of Health and Human Services (HHS)* strives to stimulate competition among potential contractors and to make awards on a competitive basis to the fullest degree consistent with quality, efficiency, and economy. Small businesses, disadvantaged businesses, women-owned businesses, and labor-surplus are concerns are reviewed in order to award contracts. Assistance is available from the HHS's Office of Small and Disadvantaged Business Utilization and from the small business specialists at each HHS regional office.

*The U.S. Department of Housing and Urban Development (HUD) buys supplies and services to repair and provide housing management services for the properties it acquires, as well as to meet its logistical, administrative, and programming requirements. Private contractors are awarded contracts based on bids that they submit to appropriate HUD offices or area managers. HUD encourages and aids in the participation of small business firms, minority business firms, and firms located in labor-surplus areas as well as encourages small business participation in its research and demonstrative programs.*

*The U.S. Department of the Interior and the U.S. Department of Justice's Small and Disadvantaged Business Utilization programs provide counseling and advice to small, women-owned, labor-surplus area, and minority-owned businesses an opportunity that exist within the department. The programs help the offices of the departments in their efforts to increase contracting opportunities for such businesses. The Departments also host annual small business procurement fairs and conferences which provide contacts between the departments' acquisition officials and small businesses.*

*The U.S. Department of Labor's Office of Small and Disadvantaged Business Utilization aids, counsels, assists, and protects the interest of small businesses. It ensures that small business concerns receive a fair portion of the department's purchases, contracts, and subcontracts, as well as acts as a liaison for small businesses.*

*The U.S. Department of State actively seeks qualified small businesses, minority-owned businesses, and women-owned businesses for participation in contract work generated in the course of day-to-day operation. The State Department publishes a Guide to Doing Business with the Department of State, which aims to familiarize small, minority and women-owned businesses with the department's procurement programs as well as give an overview of the types of products and service the department deals with.*

*The U.S. Department of Transportation's (DOT) Office of Small and Disadvantaged Business Utilization provides policy direction for minority, women-owned, and small and disadvantaged businesses in federal financial assistance and direct procurement. It also conducts programs that encourage, promote and assist disadvantaged businesses in securing contracts, subcontracts, and projects generated by these activities. The office schedules presentations for firms to present their capabilities to the procurement and program staff and monitors all procurement activities. All proposed procurements are reviewed for participation of small business and when possible, specific procurements are set aside exclusively for small business competition.*

*The U.S. Department of the Treasury's* mission includes formulating and administering financial tax, and fiscal policies; servicing as the financial director for the U.S. government, enforcing various federal laws, and overseeing coins and currency. The department's mission includes a commitment to increase contract award for disadvantaged businesses and the Small Business Program has established the department's Office of Small and Disadvantaged Business Utilization to serve the interests of small, minority, disadvantaged, and women-owned businesses.

*The U.S. Information Agency's, the U.S. Postal Service's and the U.S. Nuclear Regulatory Commission's* Offices of Small and Disadvantaged Business Utilization offer small businesses information and guidance on procurement procedures, how to be placed on a bidder's mailing list, and identification of both prime and subcontracting opportunities.

*The U.S. Veterans Administrations* established the Department of Veterans Affairs' Office of Small and Disadvantaged Business Utilization, which develops policies and procedures governing small business and related programs. The Administration contracts for medical supplies, architectural engineering design and construction services. The Department also provides various publication that assists firms that wish to do business with Veteran Affairs. The Commerce Business Daily is a publication that lists government procurement invitations, subcontracting leads, and foreign business opportunities. Also, the Forecast of Contracting Opportunities 1992 offers the small business entrepreneur an easy reference to what the Department is purchasing and where the product or service is being purchased.

## **SECTION IV. PRIVATE PROFESSIONAL RESOURCES**

There are many resources available to entrepreneurs in the form of services. Many professionals are available and some are solely concerned with legal ramifications of starting and owning a business. Although the costs of such assistance can be rather high, it should be considered an investment in the future of the business. Such professionals include attorneys, bankers, and lenders, accountants and consultants.

### **Attorneys**

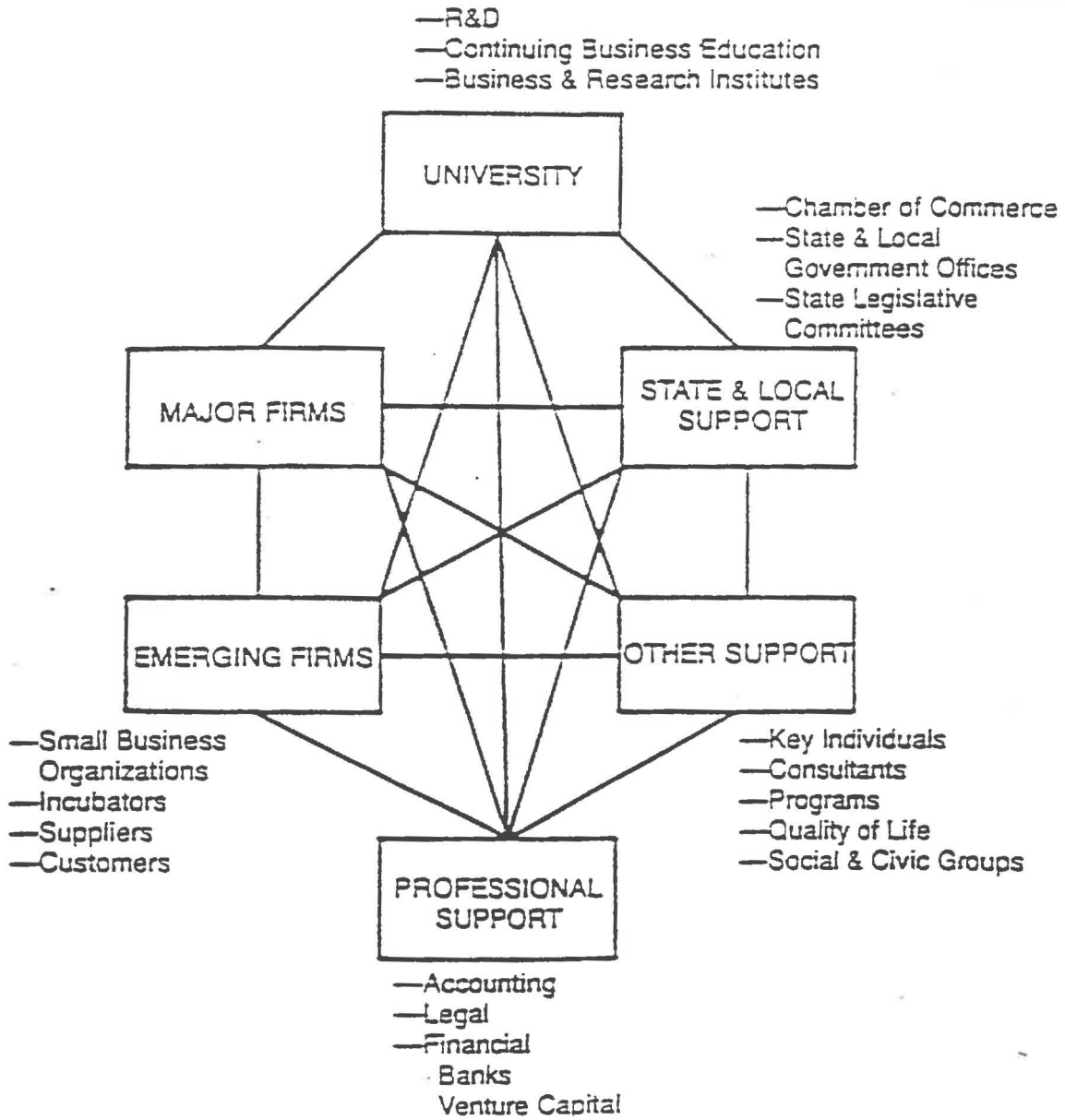
Attorneys can offer almost all companies some services that are important to the survival and success of the business (Timmons, 1994). However, the services rendered by these attorneys does not replace the need for entrepreneurs themselves to be extensively knowledgeable of the law. While lawyers are plentiful in supply, quality within the profession may not be as abundant. It is important for business persons to find a good lawyer focused in the separate sub-areas of the law, and in order to do so the individual must know enough about the law to be able to make sound judgments. Also, very rarely do prudent businessmen and women allow lawyers to make their decisions for them, so they must have a good sense of the law especially in regard to problem-solving and decision-making.

How an attorney can be utilized by entrepreneurs depends on the needs of the business and the particular stage of the venture. The following are topics that Jeffrey Timmons (1994) has identified as being the most likely topics with which entrepreneurs need assistance.

### **Incorporation**

Many important issues arise, such as the liabilities of the founders, officers and directors and the type of organization to adopt for a new venture, through the operations of a business. Tax laws, as well as other laws and circumstances, are always changing and this must also be taken into account.

**Figure 1.**  
**The Entrepreneurial Social Network**



(Smilor and Gill, Jr., 1986, p. 29)

## **Franchising and Licensing**

The issues that could arise concerning future rights, obligations, and what happens when either a franchisee or lessee or a franchiser or lessor fails to perform or follow through on an agreement are endless. Such circumstances require specialized legal advice and the assistance of a professional.

## **Contracts and Agreements**

Contracts, licenses, leases, and other types of agreements are all areas that firms need assistance with. Non complete employment agreements and specifications governing the vesting rights of shareholders are further needs of a business where legal aid is necessary.

## **Formal Litigation, Liability Protection, Etc.**

In today's lawsuit-happy world, sooner or later a business is apt to find itself as a defendant requiring legal counsel. Failure to do so could result in the loss of the case and financial ruin for the business, as well as whatever damage the reputation of the business may reap.

## **Real Estate and Insurance**

All businesses at one time or another are involved in real estate transactions (whether it be the first-time purchase, rental or lease of the business location or further expansion or downsizing down the road) which requires the services of an attorney. A lawyer can also be of assistance in determining what types of insurance plan are most suited for the purposes of the business.

## **Copyrights, Trademarks, and Patents**

Protection of intellectual property is becoming an issue of critical importance. Although pursuing a project without protection under the law may be beneficial in the short-term, in the long-term the results could be disastrous. Pursuing the protection of such property could be the make it or break it point of a business venture.

### **Employee Plans**

Benefit and stock ownership plans have become so complicated that it is very difficult to administer them effectively without the help of a lawyer. Also, these types of plans have many pitfalls that are avoidable with proper consultation.

### **Tax Planning and Review**

Entrepreneurs who seek opportunities to make money and do not try to hide it are usually better off in the long-run due to the legal ramifications of such activity. A lawyer can provide the necessary advice in devising such a plan and pursuing such activities.

### **Federal, State, and Other Regulations and Reports**

Due to the increasing bureaucratic nature of our society, the amount of reports and documents that must be filed in order to comply with all government regulations is mind boggling. The consequences of failing to do so can be most severe and, therefore, proper compliance is in the best interest of the business by all measures.

### **Mergers and Acquisitions**

Buying or selling a company may entail many legal logistics and requires specialized know-how. A deal can be lost or costly obligations can be incurred by failing to consult the necessary legal advisors before engaging in such transactions.

### **Bankruptcy and Liability**

In time of bankruptcy, people usually do not have the will or the knowledge to deal with all of the legalities such activities requires. For example, certain deposits to pay various federal and state taxes must be made in order for the business to use the cash involved in a bankruptcy. Most entrepreneurs do not realize the obligations they still maintain in such a situation, and that bankruptcy does not simply mean that they are simply released from all debts and liabilities.



### **Personal Needs or Other Matters**

As entrepreneurs become more successful and acquire more net worth, the advice of lawyers can be helpful in estate, tax, and financial planning as well as property, assets, and other matters.

### **Implications of Legal Advice**

An entrepreneur, or any person seeking legal advice, must be highly selective in order to assure receiving what is paid for. In order to be effective, an attorney must have the experience and expertise to deal with the specific issues a new venture may face. Lawyers are not business people and therefore do not make decisions with a business-like frame of mind. Rather they are more accustomed to providing fail-proof alternatives and protection.

Most attorneys receive compensation according to an hourly rate. Some work is done on the basis of retainers where flat fees are paid. As a firm grows, the more it should expect to pay for legal services.

### **Bankers and Other Lenders**

When decisions on how to finance certain needs arise, Jeffrey Timmons (1994) also believes the services of a banker or lender can be very helpful. When such a need does present itself, an entrepreneur would be wise to pick a particular advisor or lender rather than a specific bank or institution, although the latter is also important. Some advisors are harder to work with than others, and therefore create more of a problem than need be. Also, some maintain a better reputation for their willingness to work with entrepreneurs in satisfying their needs.

A good starting point for an entrepreneur is to know how the lender can be of assistance, such as money for equipment, facilities, inventory, etc. A strong business plan is very important in working with a lender and, of course, developing the business anyway. Since the banker is then a "partner", inviting him or her to see exactly what the money is being used for and the operations for the company in general is important.

In selecting a certain banker or lender, there are general business advisory services and venture capitalists available. After some research and evaluation of certain consultants' recommendations, the right lender and the right institution can most likely be found. Today the banking and financial

services industry is so competitive that there are many choices which provides the opportunity to shop around (Timmons, 1994).

### **Accountants**

The accounting profession has evolved into one that offers a variety of services, meaning that their potential for business ventures has enormous potential (Timmons, 1994). Accountants who are experienced in counseling companies can provide audits, taxation, and other valuable services. He or she can also be invaluable in helping think through strategy, in helping to find and raise debt and equity capital, in mergers and acquisitions, in locating directors, and in helping to balance business decisions with important needs goals.

In selecting accountants, the first step is to determine whether the services of a small, local, regional, or "Big Six" firm would be the most effective. In reaching such a decision, factors such as the levels of service offered and the attention provided to the company, the current and future needs weighed against the capabilities of the firm, the cost of the services rendered by each, and the chemistry with the main actors as a group must be given careful consideration.

### **Consultation and Business Associations**

The small business entrepreneur also has other sources of assistance to rely on other than that of the government. These include civic groups such as the Chambers of Commerce and public libraries, trade associations, suppliers and equipment manufacturers, professional management consultants, other business organizations, and entrepreneurial networks which can be used to fill in the knowledge gaps not met by the management team. The costs of such assistance can be substantial in some instances, especially when high levels of specialty services are involved, however it may just be the determining point of the success or failure of the business. On the other hand, some of these sources, such as suppliers and equipment manufacturers and public libraries, do not have any costs involved with their services.

### **Civic Organizations**

There are many civic organizations that exist within every community that aim at assisting small-businesses or prospective entrepreneurs. Such an organization is the local Chambers of Commerce. Many Chambers not only have information about their individual community, they often have start-up kits for persons considering starting a business in the area. These kits are

usually available for a small fee, but the value of this information is relatively priceless when assessing the success or failure of the business.

Public libraries also have information for aspiring business persons pertaining to local organizations that may prove useful or be able to offer assistance, schedules of city meetings, collections of business periodicals and trade journals as well as any other relevant information that may be useful such as favorable city/county/state business climates including taxation policies, ease of acquiring necessary licenses and permits, zoning restrictions, etc. This type of information may also be obtained from a City Hall, Justice of the Peace, or Court House.

### Trade Associations

Trade associations are organizations that represent a particular type of business or industry, such as a hardware association, a restaurant association, or a builders' association. Membership in such associations is voluntary where the main purpose is to further the interests of the members and the fees for membership are minor. Trade associations often develop statistical data and marketing research programs as well as offer many services (Pickle and Abrahamson, 1990).

Nearly every type of business has a trade association of one kind or another. In contrast to the Chambers of Commerce and other civic organizations, a trade association operates in a particular type of business or industry. They are usually organized according to membership and are financed by dues paid by the members. Once in a while, a requirement for membership may be that the applicant must have been working in the particular industry for a certain amount of time, usually two years.

Most organizations that restrict membership lend whatever financial assistance they can to beginners, and a few existing members have information available pertaining to getting off to the right start. In addition, nearly all of these organizations accept subscriptions to their official publications, although the price is usually higher for non members than for members.

Due to the fact that trade associations are concerned with the needs and problems of member firms, their services are usually more focused on established firms rather than ones just getting off the ground. However, Clifford Baumbach (1988) suggests that the prospective small business person can benefit from the combined experience of the older firms in the industry as many of the membership services typically offered by trade associations include:

1. Promoting better accounting and record-keeping methods
2. Sponsoring industry-wide meeting and developing leadership within the industry
3. Operating a liaison service between federal agencies, the Congress, the industry, and its individual members; some trade associations also provide liaison service for their members with state and local governments
4. Providing publicity and public relations programs for the industry
5. Fostering industry-wide technical research
6. Maintaining a labor relations service within the industry designed to prevent work stoppages and promote industrial harmony
7. Issuing special information bulletins to their members; these bulletins report on current affairs affecting the industry, on government legislation and similar matters
8. Gathering statistics for the industry
9. Publishing specialized data concerning their industries; many of these relate to such activities as promoting sales, educating the public to possible uses of the industry's products, or attracting qualified individuals into employment with the industry.
10. Offering training courses to employees of member companies
11. Supplying other services to the industry such as credit-reporting services, savings on the purchase of insurance, and varied economic studies
12. Furnishing the industry with specialized technical advice that few small members, individually, would be able to afford (Baumback, 1988, p.30)
13. Holding regional meetings and conferences in order to provide members with added assistance

A list of selected small business-related trade associations provided by Hal Pickle and Royce Abrahamson is included in Appendix 1.

Kenneth W. Olm and Geroge C. Eddy provide a detailed description of the services a tropical trade-associated organization can provide for its members (Olm and Eddy, 1985). These services include information on congressional development, a forum where members can express views to legislators, information on state and federal legislative activities, testimony before legislative committees, recommendations to legislators, and other lobbying, draft legislation, information to legislators on members' views and concerns, data on a variety of subject of great interest to the membership, assistance for members with customs, tariffs, and the like and conferences and educational seminars for the members.

Any organization, industry, or association that is not listed may be provided by the American Society of Association Executives, located in Washington, D.C. The telephone number is (202) 626-2723 (Pickle and Abrahamson, 1990).

Another resource that also may be of assistance is the Encyclopedia of Associations, 1995. This three-volume encyclopedia includes association descriptions, names, addresses and phone numbers. A quick check of the yellow pages can also provide a number of types of trade associations within a particular location.

### Trade and other Publications

The independent entrepreneur may have difficulty starting on anything but a small scale. However, acquiring familiarity with the trade publications in his/her industry before the initial start-up begins can be of the utmost help and importance.

In the opinion of Clifford Baumbach, trade publications offer one of the best ways economically for small businesses to stay informed as to the new developments in their industry (Baumbach, 1988). This includes the official publications of trade and professional associations that are usually available to both member and nonmembers.. Association publications and commercial trade and business periodicals are available at many libraries. At the very least, small business owners should subscribe to at least one good trade journal in their field and to one good general new periodical or newspaper that reports on significant business developments and topics affecting their relevant trade or industry.

A few existing trade publication directories that may be of assistance include:

Ulrich's International Periodicals Directory. Thirty-third edition. New Jersey, NY: The Bowker International Serials Database, 1994-1995.

The Serials Directory - An International Reference Book. Eighth edition. Birmingham, Alabama: Ebsco Publishing, 1994.

Gale Directory of Publications and Broadcast Media. One hundred twenty-seventh edition. Detroit, Michigan: Gale Research inc., 1995.

### Suppliers and Equipment Manufacturers

Often, many manufacturers of equipment offer complimentary services to their customers and prospective users of their products in order to build and maintain good working relationships. Some have even established special divisions the sole purpose of which is to aid and inform small business owners. These manufacturers offer a wide range of services. For example, store layout

and modernization assistance is available from companies producing floor coverings, display materials and equipment, and modern storefronts.

Small business owners also have the opportunity to purchase from functional or agent middlemen. These suppliers do not take title to the goods they buy and sell they are merely agents for the buyer and seller. These middlemen are often not in the position to offer merchandising plans, however they are highly respected as technical advisors concerning the uses of the products with which they deal (Baumback, 1988).

### **Professional Management Consultants**

Management consultants are becoming increasingly utilized by small business owners as the services they can render are becoming more apparent and consultants are tailoring their services to meet the needs of small firms more and more each day (Timmons, 1994). Although these services are often retained on a continual basis in the case of large firms, it is usually not financially practical for smaller firms to do so. Instead, the special abilities of consultants are relied upon intermittently and for short durations when the need arises. Most small firms need specialized assistance when some serious difficulty arises or when periodic checkups are needed in order to detect hidden problems that could potentially be avoided if discovered in time.

When management consultants are used, it is very important for cooperation to be established in every way, both during and pending their employment. Once the troubles or weaknesses have been diagnosed and recommendations for improvement have been made, it is very important to follow through on these suggestions; they will be of no value and the investment made in the services will be wasted unless the entire process is carried through.

Although management consultants can be very expensive, they can represent an excellent investment (Baumback, 1988). A small business experiencing problems with potential disastrous ramifications would have no problem justifying the expense of a consultant when compared to the expenses associated with bankruptcy or loss of profits far in excess of the consultant's fee. An individual or a small consulting firm could charge \$350 or more per day for their services. However, they only may be needed for a short time in order to identify and diagnose the existing problems and could just be the saving factor of the business.

It was estimated that there were between 50,000 and 60,000 private management consultants located throughout the country in 1989 while another 2,000 are added to the list each year.

Although these numbers may seem overwhelming, it is possible to limit the available choices according to degrees of specialty. While some consultants profess to maintain a wide range of expertise, others feel the most comfortable working in particular areas of business (Timmons, 1994).

Management consultants can be located by talking with business associates and friends, accountants, bankers, and trade associations. Firms that have a particular consultant may be willing to share their experiences and opinions and be able to offer valuable recommendations or warnings. By conferring with the member of these outlets, it is possible to evaluate the consultant's work before even making initial contact. Before any consultant is hired, the prospective user can and should request a list of firms for whom similar projects have been completed by this consultant as well as information pertaining to the length of time engaged in business, training experience, and financial status.

Many common criticisms of management consultants exist and should be considered before the actual hiring of a consultant takes place. Kent, Sexton and Vesper (1982) provide some general criticisms of consultants that should be examined and kept in mind:

One criticism of management consultants is that even the most reputable ones claim a background of skill and experiences they do not possess. Although this criticism may occasionally be valid, it does not warrant suspicion of able and ethical consulting firms. It merely calls for careful analysis in the selection of a consultant.

Another criticism is that management consultants do not need to be licensed by the state in order to practice and are not subject to being ejected from the profession if unethical activities transpire as doctors and lawyers are.

A final criticism is that there is not a lot of information concerning the abilities of management consultants due to the problem of locating and contacting satisfied customers. However, growth of consulting services makes it apparent that consultants have many satisfied clients and can undoubtedly assist firms overcome their troubles.

In the past, small businesses have been very hard to organize due to the strong sense of individualism. In 1937, the first successful organization was established to serve as a voice for small businesses which labor unions had previously handled in the past; the National Small Business Association came into existence. Six years later, the National Federation of Independent

Business also was created. Although these groups have some operational differences, they basically have the same purpose in mind; to inform their members of what is going on in Washington and to relay the messages of the small business community to the legislative policy makers.

### Entrepreneurial Network

Entrepreneurship is a dynamic process and therefore requires links, or relationships with other individuals and institutions. The stronger this web of relationships is, the more likely the entrepreneur is to have access to opportunities, which in the long-run may increase the chances of success. Figure 1 illustrates some of the potential links and relationships that can promote and sustain a new business (Smilor and Gill, Jr., 1986).

A university provides business and research centers, continuing business education (especially in management and marketing skills), and also an outlet to conduct research and development that helps entrepreneurs. Major, established firms provide smaller firms with credibility and often times create spin off opportunities because of strong, working relationships. Emerging firms can also find support and critical help in peer organizations as well as in establishing important links with suppliers and customers. Through State and local governments provide incentives, direct aid, and access to contracts, while responding to the creative pressures of emerging business interest groups. Other support networks take a variety of forms: key individuals, consultants, workshops, and business education programs, social and civic groups, and collective efforts in order to improve any elements pertinent to the success of the business.



## SECTION V. ENTREPRENEURSHIP EDUCATION

It has often been debated as to whether the entrepreneurial mind-frame is one that is present at birth or one that must be developed through education. This makes the issue of education an important one. Hornaday and Tiecken found that many successful entrepreneurs felt that special education was not significantly important prior to the current generation of young people. Now, However, due to the growth and expansion of high technology and rigorous competition, education is especially important for entrepreneurs. A study conducted by William Hoad and Peter Rosko discovered that inadequacies in education and experience were associated with business failures that are a result of deficiencies on the part of the entrepreneur (Broom, Longenecker, and Moore, 1983). Of 36 entrepreneurs who failed, 11 lacked education, 11 lacked experience, and 11 lacked both. Only three of the failing entrepreneurs possessed the appropriate combination of training and experience. Incompetence, a cause of many failures, frequently is a result of inadequate educational preparation. A college education along with graduate work in the business field is basically the ideal academic preparation. Although an education is very important, it is no substitute for first hand experience, however. Lack of experience in the industry, lack of managerial experience, and lack of experience in production, marketing and finance are all common causes of failure. Individuals who are considering starting a business in a particular field are best off to first gain experience in the industry with years of employment in a similar business. Ideally this experience will enable the prospective entrepreneur to come into contact with all of the activities and problems that are necessary and unavoidable in operating a start-up business.

### **Education for Small Business Management**

Donald Sexton and Raymond Smilor stress that there is a growing awareness that operating an entrepreneurship is very different from managing a large corporation. The large corporation usually employs a person with special qualifications and abilities in each individual department. It has a treasurer or controller, a secretary, a sales manager, a production manager, along with a number of other specialists as well as a chief executive officer who gathers the work and information of these workers and relates it to the president - who is usually in consultation with the board of directors. By contrast, the operator of a small business must take on the roles of all of these people, and at times this is not an easy task.

Hence, courses in small business operation are being offered by an increasing number of colleges and universities across the country (Sexton and Smilor, 1986). The interest being demonstrated by colleges and universities in education and training for small business can be supported by the many conferences, institutes, and seminars sponsored by these academic institutions in recent years.

Donald Sexton and Raymond Smilor (1986) identified the primary trends in entrepreneurship education to be:

- \* Increasing number of schools with entrepreneurship courses.
- \* Engineering as well as business schools starting courses.
- \* Varied teaching approaches being used.
- \* Series, concentrations, and majors being initiated.
- \* Endowed chairs being added.
- \* Centers being started.
- \* Few research projects being conducted (Sexton and Smilor, 1986, p.379).

Today most of these trends seem to be continuing. In 1975, entrepreneurship courses were offered in 104 colleges or universities across the United States. By 1980, the number had increased to 163, and by 1985 an additional ninety schools had begun to offer entrepreneurship courses. Currently, entrepreneurship education is one of the hottest topics at American business and engineering schools. The number of schools teaching new-venture or other courses of the like had grown to more than 300 by the end of the 1980s (Kuratko and Hodgetts, 1989). An excellent source and entrepreneurship is Peterson's Guide for Business, Education, Health & Law, 1995.

U.S. News & World Report conducts annual studies of the best graduate programs throughout the country. In 1994, the graduate schools offering the best MBA programs in entrepreneurship from one through five respectively were: Babson College, University of Pennsylvania, Harvard University, Stanford University, and the University of California at Los Angeles.

### Courses

Most schools start with an introductory entrepreneurship course which consists of venture design projects, case studies, readings, and lectures by guest speakers and the instructor. Some students continue on to a second course such as a "project only" course where those students who started a project in the first course are able to continue working on the project. Such second-course

experiences can even lead to the actual start-up of a business. Other entrepreneurship courses may include:

- \* Venture Finance
- \* Venture Marketing
- \* Entrepreneurial Management
- \* Innovation Management
- \* Product Design and Development
- \* Feasibility Analysis
- \* Economics of Entrepreneurship
- \* Psychology of Entrepreneurs
- \* Entrepreneurial History
- \* Internal Corporate Entrepreneurship
- \* Venture Accounting and Taxation
- \* Academic Fields of Entrepreneurship
- \* Venture Law
- \* Real Estate Ventures
- \* Ideation and invention
- \* Concept Development and Trial
- \* Innovation Management
- \* Internal Entrepreneurship
- \* New Venture Marketing Strategies
- \* Economics of Entrepreneurship
- \* Tycoon History (Kent, Sexton, and Vesper, 1982, p.338)

### **Course Composition**

Within courses, some interesting approaches to entrepreneurship education programs include:

- \* Use of personal computers in venture planning
- \* Development of product prototypes, not just paper designs, as part of the course
- \* Using feasibility studies as class projects
- \* Using videotapes of entrepreneurs
- \* Using live, as opposed to written entrepreneurship cases
- \* Using a live entrepreneurial case for the final examination
- \* Having students cross-evaluate each other's venture plans
- \* Having students keep diaries of their venture study activities
- \* Trying a series of different entrepreneurship texts to see which works the best
- \* Scholarships specifically for students of entrepreneurship (Sexton and Smilor, 1986, p. 383).

## Class Composition

Determining the students who should be enrolled in an entrepreneurship class is a task that has many viable courses of action. Among the possibilities include:

- \* Combining undergraduate and graduate students in the same classes
- \* Combining non-entrepreneurship students and entrepreneurship students in the same classes
- \* Opening or offering entrepreneurship classes to students with majors other than business or engineering
- \* Offering entrepreneurship in a liberal arts college (Sexton and Smilor), 1986, p.384)

Entrepreneurship courses are typically very popular among students, which sometimes makes it difficult for professors who do not like to refuse students entrance to a course to say "no" in order to avoid over-populated classes. However, this also permits instructors to be highly selective of the students they do allow to take the course. At the University of Washington students self-select because they must use valued course priority privileges to obtain entry.

## Extracurricular Entrepreneurship Activities

Student entrepreneurship clubs have become a growing fad at many schools (Sexton and Smilor, 1986). Some schools who reported having such clubs include Arizona State, Case-Western, Clarkson, Oregon, Stanford, Texas A&M, Virginia, Washington, Wichita State, and Willamette. These clubs focus on such things as involving students working to help entrepreneurs develop business plans, conduct market research, and the like. They also host conferences and symposia or one-day conferences for prospective entrepreneurs or people interested in small business. Other schools also host activities such as an operating speaker series to complement entrepreneurship courses and publish periodic newsletters specifically focused on the activities of entrepreneurship.

## Seminars and Conferences

A small, education center for entrepreneurs is located in Londonderry, Vermont, and is headed by two men:

1. Brian Smith, head of the business department at Franklin Pierce College, founder of a New England-based electronic medical instruments company, and a former employee of

IBM.

2. James S. Howard, founder of the country Business Brokers in Brattleboro, Vermont, and a former public relations executive on Madison Avenue (Mancuso, 1993, p. 220).

The seminar program these two men offer is oriented to couples, with small classes very appropriate for such a charming setting. The fee is \$260 per couple for a weekend and couples are recruited for the most part through newspaper articles. More information can be obtained by writing to:

The Country Business Brokers  
12 Linden Street  
Brattleboro, VT 05301  
(802) 254-4504

The School of Entrepreneurs  
Tarrytown, NY

In 1976, Robert Schwartz, opened a conference center twenty miles north of New York City. After counseling with academicians, entrepreneurs, and a host of others, he introduced what was to be the first school for entrepreneurs. Since the time of its opening, approximately 500 students have graduated from the school. The school has been written up in Psychology Today, TWA's Ambassador Magazine, and a host of other prominent magazines and journals. Schwartz not only emphasizes how to make money values and the importance of a business plan, he also relays a significant message about how to get a person's overall life together, which is part of the inspirational effect of the school.

The program consists of games, tests, and the development of a business plan. It's highlight is the presentation of a specific business plan to well-known venture capitalists. For more information on this interesting and innovative technique of teaching entrepreneurship write (Mancuso, 1993):

Bob Schwartz  
The School for Entrepreneurs  
Tarrytown House  
East Sunnyside Lane  
Tarrytown, NY 10591  
(212) WE 3-1232  
(914) LY 1-8200

Seminars, not only ones focused upon entrepreneurship, but also one's aimed at improving the over-all person, are a great way for aspiring entrepreneurs to gain the edge over others attempting to succeed in such a high risk field. Lists of local conferences can be obtained from newspapers, libraries, Chambers of Commerce, and radio stations (Mancuso, 1993).

### **Small Business Administration Business Management Courses**

The Small Business Administration in conjunction with educational institutions, chambers of commerce, and trade associations co-sponsor business management classes emphasizing planning, organization, and control of a business. These courses are usually conducted in the evening and run approximately six to eight weeks. Conferences dealing with subjects such as working capita, business forecasting, and marketing are also held on a regular basis.

In addition, the SBA also holds Pre-Business Workshops covering finance, marketing assistance, business site selection, and types of business organizations for prospective business owners. Conferences and clinics focusing on particular problems of small firms in specific categories of the industry are held as needed on a 1-1 basis.

Small Business Goes to College: College and University Courses in Small Business and Entrepreneurship is a booklet that outlines the development of small business management college courses and offers samples of courses held at some 200 colleges and universities. This brochure is available for \$3.25 by writing to:

The Superintendent of Documents  
Government Printing Office  
Washington, D.C. 20402  
(202) 783-3238

Additional information on SBA Business Management Courses can be obtained by contacting:

The Office of Management Information and Training Management Assistance  
Small Business Administration  
1522 K Street, N.W.  
Room 636  
Washington, D.C. 20416  
(202) 724-1703

Another school for entrepreneurs is headed by William J. McCrea, the chairman of the Entrepreneurship Institute. This school offers weekend training seminars entitled "How to Create and Manage Your Own Business" and is constantly moving from city to city. For a schedule or further information, call or write:

Jan William Zapnizk  
The Entrepreneurship Institute  
3592 Corporate Drive  
Suite 100  
Columbus, OH 43229  
(614) 894-1153

Dr. Leon Danco of the University Services Institute in Cleveland, Ohio conducts a variety of interesting business seminars that are focused on the family (Mancuso, 1993). Dr. Danco is an authority on the father-son team and on issues of families within small business and can be reached by writing or calling:

University Services Institute  
5862 Mayfield Road  
Box 24197  
Cleveland, OH 44124  
(216) 442-0800

Also, there is now assistance available in accessing the U.S. government as a buyer of goods and services. The Small Business Administration has appointed an individual to its newly created position of Small Business Advocacy. The purpose of this post is to support entrepreneurial causes. He is also able to offer information pertaining to where the SBA is conducting seminars and when as well as facilitate any positive suggestions on ways to improve the U.S. governments role in advocating intrapreneurship (Mancuso, 1993, pgs. 223-224).

Chief of Advocacy  
Small Business Administration  
1441 L Street, N.W.  
Washington, D.C. 20416

### College Assistance for Small Business

In 1973, the National Science Foundation (NSF) established University Business Development Centers (UBDCs). The centers' purpose is to conduct research on the innovation process and

develop techniques and philosophies pertaining to technological entrepreneurship, innovation, product and new venture development, and provide management and technical aid to new businesses that are technology-oriented (Mancuso, 225). For a list of the names and addresses of the nine centers, see Appendix 2a.

### **Small Business Development Centers**

The Small Business Development Center (SBDC) Program is sponsored by the Small Business Administration and works in cooperation with Federal, State and local governments, with universities, and with the private sector in order to provide management techniques and assistance to small businesses. Each SBDC office has a full-time director and staff with 23 SBDCs currently in operation in 22 states and the District of Columbia.

SBDC assistance is available to anyone interested in entrepreneurship with the addresses of the 23 SBDC centers listed in Appendix 2b (Mancuso, 1993, pgs. 226-227).



## SECTION VI. EXISTING LITERATURE ON ENTREPRENEURSHIP

The field of entrepreneurship is one that authors have been attempting to conquer for many years. The availability of books, periodicals, and journals pertaining to the subject is endless. However, for the purposes of this paper, it is important to look at those publications that relate to the resources that are available to prospective entrepreneurs in order to avoid the possibility of "reinventing the wheel" per se.

Oddly enough, although there is such a vast collection of material on the topic of start-up businesses, there was not a single book that was solely dedicated to Entrepreneurial Assistance. Many books and texts attempted to cover the entire issue of entrepreneurship from start to finish, and in doing so only skimmed the surface of the subject if it was even touched on at all. Some examples of these books include:

The New Business Incubator by Raymond W. Smilor and Michael D. Gill, Jr. Lexington Massachusetts: Lexington Books, 1986

Small Business Management by H.N. Broom, Justin G. Longenecker, and Carlos W. Moore. Sixth edition. Cincinnati, Ohio: South-Western Publishing Co., 1983.

How to Start Finance and Manage Your Own Small Business by Joseph Mancuso. New York: Random House Electronic Publishing, 1993.

Entrepreneurship: A Contemporary Approach by Donald F. Kratko and Richard M. Hodgetts. New York: The Dryden Press, 1989.

The Art and Science of Entrepreneurship by Donald L. Sexton and Raymond W. Smilor. Cambridge, Massachusetts: Ballinger Publishing Co., 1986.

How to Organize and Operate a Small Business by Clifford M. Baumbach. Eighth edition. Englewood Cliffs, NJ: Prentice Hall, 1988.

New Venture Creation: Entrepreneurship for the 21st Century by Jeffrey A. Timmons. Fourth edition. Burr Ridge, Illinois: Irwin, 1994.

Encyclopedia of Entrepreneurship by Calvin A. Kent, Donald L. Sexton and Karl H. Vesper. Englewood Cliffs, NJ: Prentice Hall, Inc. 1982.

Business Plan for America: An Entrepreneur's Manifesto by Don Gervitz. New York:

Putnam, 1984.

Calculated Risk: A Guide to Entrepreneurship by W.M. Greenfield. Lexington, Massachusetts: D.C. Heath, 1986.

The Competitive Edge: Essential Business Skills for Entrepreneurs by Fran Tarkenton. New York: Plume, 1991

Entrepreneurship: The Ten Commandments for Building a Growth Company by Steven C. Brandt. Reading, Massachusetts: Addison - Wesley Pub. Cp., 1982.

The Entrepreneur's Master Planning Guide: How to Launch a Successful Business by John A. Welsh. Englewood Cliffs, NJ: Prentice Hall, Inc., 1983.

The Harvard Entrepreneurs Society's Guide to Making Money by Edward A. Gazvoda. Boston, Massachusetts: Little & Brown, Inc., 1983.

Innovation and Entrepreneurship: Practice and Principles by Peter F. Drucker. New York: Harper & Row, Inc. 1985.

Many of the above-listed books focus on different aspects of entrepreneurial work in order to be successful, but many failed to recognize the importance of outside resources. If the author does include information on available resources, it is a very short treatment. The best source for pinpointing different means of aid is perhaps the book written by Joseph Mancuso.

Other sources of information that are very helpful are reference books. Although often these books are voluminous and tend to take an exceeding amount of time to use, nevertheless they are a good outlet for knowledge on the subject of entrepreneurship. The problem with reference books is they cover every aspect of the subject which creates a very tedious task when trying to research narrowly-defined topics. Further, reference books are not as readily available as other forms of text and self-help books. Usually they can be found in libraries, but it is not permitted for these books to be taken out of the library. This creates a problem of convenience as well.

Finally, reference books are usually written in a table or list-type format. They are not intended to be used for pleasure reading, but rather only as a "look-it-up" type of publication, such as a dictionary. Examples of these reference books include:

Small Business Sourcebook. Sixth Edition. Detroit, Michigan: Gale Research, 1993.

Where to Find Business Information: A Worldwide Guide for Everyone Who Needs the

Answers to Business Questions. Second edition. New York: Wiley, 1982.

The Directory of Business Information Resources. Lakeville, Conn.: Grey House Pub., 1992.

Business Information Desk Reference: Where to Find Answers to Business Questions by Melvin N. Freed, Virgil P. Diodato, and David A. Rouse. New York: Macmillan Pub. Co., 1991.

Business Information Sources by Lorna M. Daniells. Revised Edition. Berkeley, Calif.: University of California Press, 1985.

Encyclopedia of Business Information Sources. Ninth edition. Detroit, Michigan: Gale Research, 1992.

Business Information: How to Find It, How to Use It. Second edition. Phoenix, Ariz.: Oryx Press, 1992.

In addition to books, there are also many publications available to business owners in an attempt to facilitate the questions, problems and concerns associated with operating a small or start-up business. Some of these publications include:

The Business Owner  
50 Jericho Turnpike  
Jericho, NY 11753

Venture Magazine  
35 W. 45th Street  
New York, NY 10037

Inc. Magazine  
38 Commerce Wharf  
Boston, MA 02110

Entrepreneur  
631 Wilshire Boulevard  
Santa Monica, CA 90401

Small Business Report  
550 Hartnell Street  
Monterey, CA 93940

The Professional Report  
118 Brook Street  
Scarsdale, NY 10503

In Business  
18 South 7th Street  
Emmaus, PA 18049

The Entrepreneurial Magazine  
83 Spring Street  
New York, NY 10012

Another field of literature available to entrepreneurs, or virtually anyone interested, is self-help and self-development books. This type of literature makes the possibilities of success a little more viable by attempting to strengthen the person individually in order to meet and overcome the

challenges an entrepreneur is bound to experience. A list of the all-time best selling self-development books offered by Joseph Mancuso (1993) include:

Think and Grow Rich by Napoleon Hill.

Laws of Success by Napoleon Hill.

Psycho-Cybernetics by Maxwell Maltz, M.D.

Success Through a Positive Mental Attitude by Napoleon Hill and W. Clement Stone.

The Success System that Never Fails by W. Clement Stone.

The Power of Positive Thinking by Dr. Norman Vincent Peale.

The Greatest Salesman in the World by Og Mandino.

How to Win Friends and Influence People by Dale Carnegie.

Your Greatest Power by J. Martin Kohn.

How I Raised Myself from Failure to Success in Selling by Frank Bettger (Mancuso, 1993, p. 218)

## **SECTION VII. MISCELLANEOUS RESOURCES**

There are many types of resources available that aid the aspiring entrepreneur in ways that deal with obtaining funding, protecting intellectual property, different types of buying, publicity, etc. These resources, although not as obvious or highly publicized as many of the other forms of assistance, can be vital in determining the success or failure of a start-up business.

### **Resources on Grants**

Over 26,000 foundations gave away over \$3 billion dollars in grants in 1979 while the federal government, primarily the Department of Health, Education and Welfare, gave away over \$60 billion. Unfortunately, a very small percentage of this money was given to small businesses. Although almost 95% of all grant proposals that are submitted are rejected, small businesses rarely even seek to obtain financial grants (Mancuso, 1993).

In order for a grant to be given to a profit-seeking business, a special exemption is needed, however a grant can be awarded to nonprofit organizations (such as a college or university) which can subcontract an entrepreneur for the project. Therefore, it is very much in the interest of small businesses to support local nonprofit institutions in their efforts to obtain funds. Information on organizations that give grants can be located in Appendix 3a.

### **Premium and Incentive Buying Resources**

Some companies and organizations will buy many different products to use as premiums or giveaways or incentive buying programs. A list of buyers can be found in Appendix 3b that will assist in finding out if a certain product is eligible to use in this way.

### **Manufacturer's Representative Resources**

One of the most difficult questions an entrepreneur faces is how to select a manufacturer's representative for a product line. Sources offering information that may be helpful in finding the proper sales representative for a small business include:

Albee-Campbell  
806 Penn Avenue  
Box 2087  
Sinking Springs, PA 19608

Sysmark  
Box 636, Riverdale Station  
Riverdale, NY 10471  
(914) 576-2187

Rep World is a quarterly publication that is centered on manufacturer's representatives (Mancuso, 1993).

Rep World  
578 Penn Avenue  
Sinking Springs, PA 19608

### Inventions, Trademarks, Patents, and Laboratories

Intellectual property and other types of trademarks, patents, etc. can be very important elements of an aspiring business. Identifying the resources available in protecting these rights can be the decisive factor in determining the success or failure of the business (Mancuso, 1993).

A publication published by the Inventors Club of America entitled The Inventors News offers information on protection before activities concerning patents, marketing, and manufacturing even begin. The Inventors Club of America is a non-profit organization which was established in order to help inventors who want to help and further their own interest by demonstrating ways one can develop and market ideas on his/her own (Mancuso, 1993). For more information write:

Inventors News  
Box 3799  
Springfield, MA 01101  
(413) 737-0670

"New Products and Processes Newsletter" is a publication of Newsweek Magazine, Inc., and offers a source for information on new products developed everywhere. Each issue consists of 75 to 100 new products and processes, including complete descriptions and illustrations of the products, that are available for the manufacturing and sales of licensing arrangements. Write:

New Products and Processes  
Newsweek International  
444 Madison Avenue  
New York, NY 10022

The United States Trademark Association (USTA) is a nonprofit organization committed to the protecting, developing, promoting of (Mancuso, 1993). USTA is the only association in the United States which is completely dedicated to the trademark concept which includes protecting the rights of trademark owners as well as communicating with business educators, the press, and the public in order to enhance an overall appreciation and understanding of the role trademarks play. USTA deals with all aspects of the trademark field which entails education, promotion advertising, and merchandising, publicity and use by the press, and the proper handling of trademarks. For more information contact:

The United States Trademark Association  
6 East 45th Street  
New York, NY 10017  
(212) 986-5880

How to Get A Patent is a publication detailing America's patent laws. For a copy of the booklet, write:

Consumer Information Center  
Department 126E  
Pueblo, CO 81009

Aid in obtaining copyrights is also offered through the library of Congress in Washington, D.C. The phone number is (202) 707-5000.

Inventors associations also aid people with patentable ideas by arranging meetings with inventors in order to familiarize them with the patenting process and the seeking of licenses.

Inventors Assistance League, Inc.  
345 W. Cypress Street  
Glendale, CA 91204  
(213) 246-6540

Inventors Club of America  
121 Chestnut Street  
Springfield, MA 01103  
(413) 737-0670

There are also a number of publications which specialize in matching products offered for license with licensors.

American Bulletin of Inter-  
national Technology Transfer  
International Advancement  
5455 Wilshire Boulevard  
Suite 1009  
Suite 1009  
Los Angeles, CA 90036

International New Product  
Newsletter  
Box 191  
390 Stuart Street  
Boston, MA 02117  
(617) 631-3225

New Products and Processes  
Newsweek International  
444 Madison Avenue  
New York, NY 10022  
(212) 350-2000

Technology Mart  
Thomas Publishing Co.  
One Penn plaza  
New York, NY 10001  
(212) 695-0500

Technology Transfer Times  
Benwill Publishers  
167 Corey Road  
Brookline, MA 02146  
(617) 212-5470

There is one publisher who distributes two newsletters on patents and inventions.

1. Invention Management. An informational and educational journal for individuals and companies concerned with intellectual property. This is published monthly and costs \$60 per year. It focuses on the area of patents, technology transfer, and inventions.
2. Copyright Management. This publication is also distributed monthly. It emphasizes copyrights, licensing, and trademarks (Mancuso, 1993, pgs. 242-246).

For more information on either newsletter, write:

Richard A. Onanian  
Institute for Invention & Innovation, Inc.  
85 Irving Street  
Arlington, MA 02174

One-hundred and eight federal research and development laboratories make up the Federal Laboratory Consortium (FLC). There is a "technical transfer representative" in each whose job it is to respond to the questions and concerns posed by small businesses free of charge. A directory is available from:



FLC Headquarters  
Federal Laboratory Program Manager  
National Science Foundation ISPT  
Washington, D.C. 20050  
(202) 634-7996

### **Publicity Resources**

Entrepreneurial managers can participate in free publicity release programs if their products meet eligibility requirements (Mancuso, 1993). All of the available free products releases can be obtained before advertisements are actually paid for. The necessary methods for contacting various trade journals differ according to the particular industry. To obtain specific information on how to receive publicity and to obtain a list of relevant trade journals, four publishers are available who offer directories and publicity release programs.

Ayer's Directory of Newspapers and Periodicals  
1 Bala Avenue  
Bala Cynwyd, PA 19064  
(215) 664-6203

Bacon's Publicity Checker  
322 South Michigan Avenue  
Chicago, IL 60604  
(800) 621-0561  
(312) 922-2400

Standard Periodical Directory gives a comprehensive list of periodicals, which is available in most libraries or from:

Oxbridge Communications  
150 Fifth Avenue  
New York, NY 10011  
(212) 741-0231

Ulrich's Directory of Periodicals is also another excellent available source.

R.R. Bowker Company  
1180 Avenue of the Americas  
New York, NY 10036  
(212) 754-5100

## **Organizations Serving Small Businesses**

Some organizations that aim to assist small businesses in any ways possibly include:

National Federation of Independent Business  
490 L'Enfant Plaza East, S.W.  
Washington, D./C. 20006  
(202) 594-9000

National Business Association  
1604 K Street, N.W.  
Washington, D.C. 20006  
(202) 293-8830

The Council of Small and Independent Business Association (COSIBA) is a federation of eight regional small business associations. Names and addresses of these offices can be found in Appendix 3c (Mancuso, 1993, pgs. 248-249).

## **SECTION VIII. INFORMATION SYSTEMS**

The basics of information systems are expanding to include almost every realm of the business world and worlds beyond as well. More and more businesses are relying on electronic interface with their customers and others who are vital components to the success of their business. They often have their own forum or area on a commercial online service. Exploring the various online services available provides a valuable resource for prospective as well as established businesses.

### **Internet**

The Internet is many different things to many different people. To some, it is a computer network, and yet to others, it is millions of people linked by this buzzword. Every commercial online service is now offering a method to access Internet, causing the world of mailboxes to explode. In the past, one needed to be a CompuServe subscriber in order to send E-mail to someone else on CompuServe. This is no longer the case. The Internet has joined all these services and made them openly accessible.

The Internet somewhat resembles a Wide Area Network (WAN), but it is also very different. A WAN is a single network with a very cohesive structure with probably only one group of people responsible for the entire thing. The Internet, on the other hand, is comprised of many networks that are loosely connected with no one single group maintaining responsibility for it.

The Internet is assembled by each network on the Internet being independent, but each network that communicates with the Internet uses the same language (Hoffman, 1994). For example, a company that has a Local Area Network (LAN) with access from the LAN to the Internet, maintains responsibility for its part of the LAN and some responsibility for the connection to the Internet. However, the company is not responsible for anything else that transpires.

For full use of the Internet, an Internet code is needed in order to gain access. To send E-mail to anyone anywhere, all that is needed is an online service and an Internet address of the intended recipient. These services have made it as easy as it can possibly be (Kane, 1994). A list of companies that can provide Internet connection is located in Appendix 4a.

## **E-Mail**

In some ways, E-mail is actually the heart of the Internet. It is also the one service that is almost guaranteed accessible, regardless of what service is being used to connect to the Internet. One of the greatest benefits of Internet E-Mail access is that mail can be sent to almost anyone else who is on Internet. In essence this means that someone on Prodigy can send mail to someone on CompuServe who can send mail to someone else (Kane, 1994).

## **Usenet**

Usenet is a part of Internet that contains about 6,500 newsgroups, or subject areas that people from all around the world post messages to (Kane, 1994). Some of the groups are devoted to certain subjects such as child rearing tips, scientific research topics, government issues, etc. Regardless, one could spend hours reading the newsgroups and learning new things. Usenet is also the best manual for Internet since Internet is very self documenting. If anyone develops a new service, they post it on a Usenet newsgroup.

## **FTP**

FTP, or File Transfer Protocol, allows files to be transferred from one machine to another. Tons of shareware and freeware programs are available plus entire novels and great literature works. If access to the Internet is done through another information service, FTP will be a two-step process (Kane, 1994). FTP is used to take the file to the information service's machine, and then the communications software is used to download the information to the requesting PC. Because of this, most commercial services like CompuServe and Prodigy do not offer FTP access. These services have enough problems maintaining enough storage space for their own files, let alone any additional ones.

## **Telnet**

Telnet is used to establish communications between machines at different locations. Telnet can be used through CompuServe for a fee. It is also possible to access the Library of Congress and a variety of numerous electronic stores selling everything from books to CDs. There are fewer Telnet sites than FTP sites and usually a user needs a password in order to get onto the desired machine.

Once a Telnet connection has been established, the remote computer is effectively logged onto. It is possible that this system is completely different from the computer the local system seeking access uses, so the function keys, screen appearance, and commands may not be the same across the Telnet.

### World Wide Web

World Wide Web, or WWW, is a fairly new service that provides access to Internet services. It acts as a type of front end to the more complex internals of the Internet. It is possible to use WWW to FTP or to Telnet another machine (Kane, 1994). There are some PC-based graphical tools for WWW, but they can only be used for direct Internet connections. If the Internet is being accessed from another information service, WWW can help navigate and explore the Internet much more easily. Examples of listings and newsgroups a user might find in the World Wide Web is located in Appendix 4b.

WWW is actually just a fancy Telnet. It works very much in the same way, although many more systems offer WWW access than Telnet because WWW transfers and options are controlled by the WWW user rather than the user. All the user has to do then is request a connection to a site and specify what information they would like. Unlike the Telnet, the computer has complete control over what information is available, which makes WWW much safer than Telnet.

### Gopher

Gopher is another tool designed to make the Internet easier to use and offers information on all types of subjects (Hoffman, 1994). Gopher sites are developing like crazy. Gopher provides a menu that allows Internet services to be accessed. It is different from WWW because Gopher is a set of organized menus. Because of this, Gopher is a good option to accessing the Internet from another service. Although Gopher does not receive as much press as the Web, many people access it instead of WWW because it works very well with the still-popular character based systems and offers a great deal of useful information.

### Wide Area Information Servers

Wide Area Information Servers (WAIS) provide tools for searching different databases that are available on the Internet. There are databases that are set up by Usenet newsgroups and there are other databases maintained by the government or by volunteers. WAIS allows databases that

contain the desired information to be found easily, providing an invaluable tool for researchers or other who are just curious (Kane, 1994).

### **Internet Relay Chat**

Internet Relay Chat, or IRC, is actually a version of Usenet. Like Usenet, IRC is divided into topics. However, unlike Usenet, these topics are not specifically defined. Topics can be created by anyone, and it's possible for users to boot other users out of topics. IRC is available in order to provide a way for people to communicate in groups. IRC runs through a number of different sites on the Internet. In order to use it, the site name is needed in order to Telnet there.

### **Other Popular Networks**

The Internet is not the only online service available for sending E-mail, keeping up with the latest news, downloading interesting files, and just visiting. Online information services such as CompuServe, Prodigy, and America Online are other sources of information that are available through the use of a modem. Subscribers to these services usually have to pay a monthly fee for the basic access, plus additional charges for more specialized services. There are several major information companies that provide a wide variety of services. They gather new information from other sources around the world and offer that information to their subscribers.

Most information services operate on large mainframe computer systems (Derfler and Freed, 1993). An extensive network of modems and telephone lines allows subscribers to access the main system via a local telephone call. Prodigy and CompuServe are probably the most popular services, each with over a million users. CompuServe is a division of H&R Block and Prodigy is owned by a joint venture of IBM and Sears.

### **America Online**

America Online is a large bulletin board system with over one million users (Hoffman, 1994). It is also referred to as AOL and was one of the first of the big three bulletin board systems (Prodigy, American Online and CompuServe) to have more than just a mail connection to the Internet. It introduced both Gopher client and a Usenet news client in the spring of 1994.

## **CompuServe**

CompuServe is probably the best known bulletin board system with over two million users. CompuServe was also one of the first large bulletin board systems not directly connected to the Internet to offer mail access to its users. Recently, CompuServe has embraced the Internet by giving its users features such as Usenet news.

## **Bulletin Board Systems**

Bulletin Board Systems (BBSs) are systems that allow people to dial through modems and use their services. Some BBSs are on the Internet, although most are not. BBSs often have downloadable files, discussion area, and other features that make them very popular. A user can access some BBSs for free, while others charge a monthly or hourly fee (Hoffman, 1994).

## SUMMARY

The entrepreneurial dream is one that is embedded in the minds of many Americans. However, this desire for independence is not easily accomplished and often entails a great deal of disappointment and misfortune. Considering the previously-stated high-rate of failure among start-up or entrepreneurial business, it would be very helpful for entrepreneurs in every form to identify the sources of assistance available.

The types of assistance that are available are not always obvious and easily obtainable. Nevertheless, many sources of assistance do exist and can provide a considerable amount of aid and reassurance to an individual seeking to succeed as an independent business person. Regardless of whether the prospective business to be established is a proprietorship, a partnership or a corporation, the need for outside assistance is inevitable. These resources may include government agencies on all levels; professionals such as accountants, bankers, attorneys, and consultants; literature; education programs; information systems; publications and periodicals; organizations and associations; and networks of friends and acquaintances. Identifying and detailing exactly what each can provide can save anyone involved in the world of business valuable time as well as offer a form of mental security even before the actual start-up process has begun.

It is my hope that this resource directory will reduce the problems and likelihood for failure among all those who aspire to flourish in this field. Entrepreneurism is a vital component of the success of American business and a strong contributor towards the growth of the American economy. If I can make the journey along the road leading towards entrepreneurial victory any easier or make the chances of success more probable for anyone aspiring to undertake this remarkable challenge, I will have accomplished my goal, perhaps even contributing to the well-being of society indirectly as well.



## APPENDIX 1.

### Trade Associations

A list of selected small business-related trade associations provided by Hal Pickle and Royce Abrahamson include:

American Bankers Association, Washington, D.C. (202) 663-5000  
American Council of Life Insurance, Washington, D.C. (202) 624-2000  
American Electronics Association, Santa Clara, CA (408) 987-4200  
American Farm Bureau Federation, Park Ridge, IL (312) 399-5700  
American Financial Services Association, Washington, D.C. (202) 289-0400  
American Health Care Association, Washington, D.C. (202) 833-2050  
American Hotel and Motel Association, New York, NY (212) 265-4506  
American Institute of Certified Public Accountants, New York, NY (212) 575-6200  
American Insurance Association, New York, NY (212) 669-0400  
American Retail Federation, Washington, D.C. (202) 783-7971  
American Society of Association Executives, Washington, D.C. (202) 626-2723  
American Society of Travel Agents, Washington, D.C. (202) 965-7520  
American Trucking Association, Alexandria, VA (703) 838-1800  
Associated Builders and Contractors, Washington, D.C. (202) 637-8800  
Associated General Contractors, Washington, D.C. (202) 393-2040  
Association of American Publishers, New York, NY (212) 689-8920  
Association of Data Processing Service Organizations, Arlington, VA (703) 522-5055  
Automotive Service Industry Association, Chicago, IL (312) 836-1300  
Computer & Business Equipment Manufacturers Association, Washington, D.C.  
(202) 737-8888  
Electronics Industry Association, Washington, D.C. (202) 457-4900  
Food Marketing Institute, Washington, D.C. (202) 452-8444  
Grocery Manufacturers Association, Washington, D.C. (202) 337-9400  
Health Industry Distributors Association, Washington, D.C. (202) 857-1166  
Health Industry Manufacturers Association, Washington, D.C. (202) 452-8242  
Independent Insurance Agents of America, New York, NY (202) 639-8260  
International Communications Industries Association, Fairfax, VA (703) 273-7200  
National Association of Broadcasters, Washington, D.C. (202) 429-5300  
National Association of Drug Stores, Alexandria, VA (703) 549-3001  
National Association of Convenience Stores, Alexandria, VA (703) 684-3600  
National Association of Home Builders, Washington, D.C. (202) 822-0200  
National Association of Realtors, Chicago, IL (312) 329-8200  
National Association of Truck Stop Operators, Alexandria, VA (703) 549-2100  
National Association of Wholesale Distributors, Washington, D.C. (202) 872-0885  
National Automobile Dealers Association, McLean, VA (703) 821-7000  
National Business Incubation Association, Carlisle, PA (717) 249-4508  
National Forest Products Association, Washington, D.C. (202) 463-2700

National Home Furnishings Association, Chicago, IL (312) 595-0200  
National Industrial Transportation League, Washington, D.C. (202) 842-3870  
National Lumber and Building Materials Dealers Association, Washington, D.C.  
(202) 547-2230  
National Restaurant Association, Washington, D.C. (202) 638-6100  
Printing Industries of America, Arlington, VA (703) 841-8100  
Travel Industry Association of America, Washington, D.C. (202) 293-1433  
(Pickle and Abrahamson, 1990, pgs. 679-680)

**APPENDIX 2A.**  
**Product and New Venture Development Centers**

Joseph Mancuso (1993, p. 225) provides the following list of product and new development centers aimed at providing management and technical aid to new businesses that are technology-oriented:

**Product Development:**

Dr. David Jansson, Director  
MIT Innovation Center  
Room W-91-209  
Cambridge, MA 02139  
(617) 253-6946

Dr. James J. Conti, Director  
UBDC  
Polytechnic Institute of New York  
Broad Hollow Road  
Farmingdale, NY 11735  
(516) 454-5100

Dr. Arthur Gerstenfeld, Director  
UBDC  
Department of Management  
Worcester Polytechnic Institute  
Worcester, MA 01609  
(617) 793-5000

Dr. Don S. Ousterhour, Director  
Research and Sponsored Programs  
University of Arkansas  
120 Ozard Hall  
Fayetteville, AR 72710  
(501) 575-3754

**New Venture Development:**

Dr. Raymond Radosevich, Director  
New Mexico Technological Innovative Center  
University of New Mexico  
Albuquerque, NM 97191  
(505) 277-2009

Dr. Narinder Kapany, Director  
UBDC  
University of California/Santa Cruz  
Class Room Building  
Santa Cruz, CA 95064  
(408) 429-2506

Dr. Wayne Brown, Director  
Utah Innovation Center, Inc.  
1730 Arlington Drive  
Salt Lake City, UT 84103  
(801) 581-3433 or (801) 581-6441

Dwight Baumann, Director  
Carnegie Mellon University  
Innovation Center  
Schenley Park  
Scaife Hall  
Pittsburgh, PA 15213  
(412) 621-0700 or (412) 578-2490

Mr. Paul Cartledge, Director  
Industrial Technology Research &  
Development Foundation (ITRAD)  
P.O. Box 1335  
Durant, OK 74701  
(405) 924-5094

**APPENDIX 2B.**  
**Small Business Development Centers**

The following is a list of small business development centers sponsored by the Small Business Administration which offers assistance to anyone interested in entrepreneurship.

Dr. Fred Myrick, SBDC Director  
School of Business  
University of Alabama  
1000 S. 12th St., Suite F  
Birmingham, AL 35294  
(205) 934-7260

Mr. Warren Purdy, SBDC Director  
Small Business Development Center  
University of Southern Maine  
246 Deering Avenue  
Portland, ME 04102  
(207) 780-4423

Dr. Roy Robbins, SBDC Director  
New Business Administration  
University of Arkansas  
33rd & University Avenue  
Little Rock, AR 72204  
(501) 371-5381

Mr. John Ciccarelli, SBDC Director  
School of Business Administration  
University of Massachusetts  
Amherst, MA 01003  
(413) 549-4930 ext 304

Mr. Everett R. Shaw, SBDC Director  
School of Business Administration  
University of Connecticut  
Box U-41D  
Storrs, CT 06268  
(203) 486-4135

Mr. Tim Donahue, SBDC Director  
St. Thomas College  
2115 Summit Avenue  
St. Paul, MN 55101  
(612) 647-5840

Mr. Charles G. Maass, SBDC Director  
College of Business and Economics  
University of Delaware  
005 Purnell Hall  
Newark, DE 19711  
(302) 738-8401

Mr. Bob Wilkinson, SBDC Director  
School of Business  
University of Mississippi  
660 Lakeland East Drive  
Jackson, MS 39208  
(601) 939-0001

Mr. Warren Van Hook, SBDC Director  
Howard University  
2361 Sherman Avenue, N.W.  
Washington, D.C. 20059  
(202) 636-7187

Mr. Felipe Garci-Otero, SBDC Director  
St. Louis University  
Tegeler Hall/3rd Floor  
3550 Lindell Boulevard  
St. Louis, MO 63103  
(314) 534-7232

Mr. Gregory Higgins, SBDC Director  
University of West Florida  
137 Hospital Drive, Suite H  
Ft. Walton Beach, FL 32548  
(904) 243-7624

Mr. Adolph Sanders, SBDC Director  
University of Georgia  
Brooks Hall, Room 348  
Athens, GA 30602  
(404) 542-5760

Mr. Lloyd E. Anderson, SBDC Director  
Center for Industrial Research & Services  
Engineering Annex, Room 205  
Iowa State University  
Ames, IA 50011  
(515) 294-3420  
(201) 648-5627

Mr. Jerry Owens, SBDC Director  
College of Business and Economics  
University of Kentucky  
Commerce Building, Room 415  
Lexington, KY 40506  
(606) 257-1751

Mr. W. F. Littlejohn, SBDC Director  
College of Business Administration  
University of South Carolina  
Columbia, SC 29208  
(803) 777-5118

Mr. Ed V. Owens, SBDC Director  
College of Business and Economics  
Washington State University  
Pullman, WA 99164  
(509) 335-1576

Mr. Robert Bernier, SBDC Director  
Peter Kiewit Center  
University of Nebraska  
Omaha, NE 68182  
(402) 554-2521

Ms. Adele Kaplan, SBDC Director  
Rutgers University  
Ackerson Hall/ 3rd Floor  
180 University Street  
Newark, NJ 07102

Ms. Susan Garber, SBDC Director  
The Wharton School  
University of Pennsylvania  
3201 Steinberg Hall  
Dietrich Hall/CC  
Philadelphia, PA 19104  
(215) 898-1219

Mr. Thomas Sullivan SBDC Director  
Bryant College  
Smithfield, RI 02917  
(401) 231-1200

Mr. Richard Haglund, SBDC Dir.  
Graduate School of Business  
University of Utah  
Salt Lake City, UT 84112  
(801) 581-7905

Dr. Robert Pricer, SBDC Director  
University of Wisconsin  
One South Park Street  
Madison, WI 53706  
(608) 263-7794

**APPENDIX 3A.**  
**Organizations that Give Grants**

There are many nonprofit organizations that support entrepreneur's in their efforts to obtain funds. A few of these include:

1. The Foundation Center, an information clearing house that maintains national libraries in Chicago, New York City, and Washington, D.C., as well as in libraries in 48 states, Mexico, and Puerto Rico. These libraries are free to the public.
2. The Foundation Directory, a reference work which lists 2,800 foundations that awarded \$1.8 billion in grants in 1976. The directory gives the following data on the foundations it lists: names and addresses (by state); founders' names; total assets; officials' names' purposes and activities; and the number and dollar amounts of grants awarded during the year. The directory is available at any large library.
3. The Foundation Grants Index, which lists grants of more than \$5,000 made by the 300 major foundations. It lists the names of the recipients, the purposes of the grants, and the dollar amounts awarded. A separate "Key Word & Phrase" index is useful in determining the current real interests of each foundation. This book is also available in most large libraries.
4. The Catalog of Federal Domestic Assistance and the Annual Register of Grant Support. This is the best place to start research on grants. For information on obtaining a copy, write:

Marquis Who's Who  
4300 West 62nd Street  
Indianapolis, IN 46206

5. The Register lists procedures for requesting grants; programs; names of agency officers; and the total number of applications received and awarded by programs each year (Mancuso, 1993, pgs. 241-242).

**APPENDIX 3B.**  
**Premium and Incentive Buying Resources**

The following is a list of some companies and organizations offered by Joseph Mancuso (1993) that can be contacted in order to find out if a certain product can be used as a premium or an incentive.

The Salesmen's Guide  
1140 Broadway  
New York, NY 10001  
(212) 689-2985

Premium/Incentive Business  
1515 Broadway  
New York, NY 10036  
(212) 869-1300  
Circulation: about 24,000

Incentive Marketing  
633 Third Avenue  
New York, NY 10017  
(212) 986-4800  
Circulation: about 35,000

NPSE Newsletter  
1600 Route 22  
Union, NJ 07083  
(201) 687-3828  
Circulation: about 2,000



**APPENDIX 3C.**

**The Council of Small and Independent Business Association Offices**

The Council of Small and Independent Business Association (COSIBA) is a federation of eight regional small business associations. Names and addresses of these offices are (Mancuso, 1993, pgs. 248-249):

Council of Smaller Enterprises of the  
Greater Cleveland Association  
690 Union Commerce Building  
Cleveland, OH 44115  
(216) 621-3300

National Federation of Independent  
Businesses  
150 West 20th Avenue  
San Mateo, CA 94402  
(415) 341-7441

Independent Business Association  
of Wisconsin  
415 East Washington Avenue  
Madison, WI 53703  
(608) 251-5546

National Small Business  
Association  
1225 19th Street, N.W.  
Washington, D.C. 20036  
(202) 293-8830

National Association of Small  
Business Investment Companies  
512 Washington Building  
Washington, D.C. 20005  
(202) 638-3411

Small Business Association of  
New England  
69 Hickory Drive  
Waltham, MA 02154  
(614) 840-9070

National Business League  
4324 Georgia Avenue, N.W.  
Washington, D.C. 20011  
(202) 824-5900

Smaller Manufacturer's Council  
339 Boulevard of Allies  
Pittsburgh, PA 15222  
(412) 391-1622

**APPENDIX 4A.**  
**Internet Providers**

The following is a list of companies that can provide Internet connections (Hoffman, 1994, p. 190-200).

Access Info Systems  
(707) 422-1034

ACM Network Services  
(817) 776-6876

Aiment Information Services  
(408) 257-0900

AlterNet (UUNET Technologies)  
(800) 4UUNET4

American Information Systems, Inc. (AIS)  
(708) 413-8400

APK Public Access UNI  
(216) 481-9428

ANS  
(800) 456-8267, (703) 758-7700

BARRNet  
(415) 725-1790

CICnet  
(800) 947-4754

Clark Internet Services (ClarkNet)  
(800) 735-2258

CERFNET  
(800) 876-2373, (619) 455-3900

Digital Express Group  
(800) 969-9090

Delphi Internet Services Corp.  
(800) 695-4005

InterAccess Company  
(800) 967-1580

IDS World Network  
(800) IDS 1680

Internet Express  
(800) 592-1240

INS Info Services  
(800) 546-6587

Internetworks  
(503) 233-4774

Interpath  
(800) 849-6305

Iquest Network Services  
(800) 844-UNIX

MHVNet  
(800) 998-7131

Network Access Services  
(800) 273-5600

OARnet  
(800) 627-8101

Ping  
(800) 746-4635

The Rabbit Network, Inc.  
(800) 456-0094

Portal Information Network  
(800) 433-6444

Rocky Mountain Internet, Inc.  
(800) 900-RMII

Vnet Internet Access, Inc.  
(800) 377-3282

Scruz-Net  
(800) 319-5555

Tyrell Corp.  
(800) TYRELL-1

**APPENDIX 4B.**  
**Examples of World Wide Web in Yahoo**

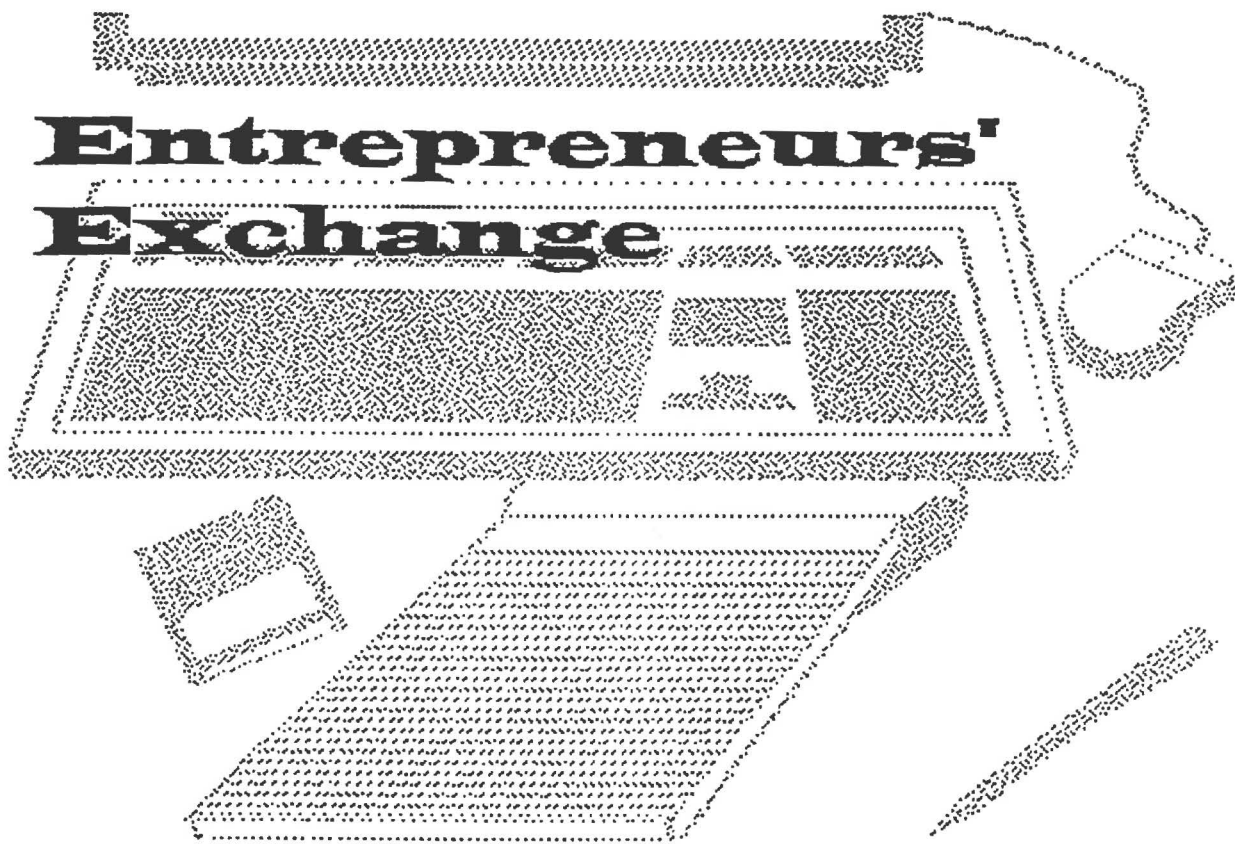
The World Wide Web has a tremendous amount of information available for entrepreneurs. The following are just a few examples of what you can find under the Entrepreneur sections.

[Yahoo \ Up \ Search \ Suggest \ Add \ Help]

**Business: Small Business Information**

- [Awards](#) (1)
- [Big Dreams](#) - The focus of this newsletter is personal development and topics related to starting a small business
- [Conferences](#) (1)
- [CONNECTNet](#) - the UCSD Program in Technology and Entrepreneurship fostering relationships between entrepreneurs and the resources they need for success, include venture capital, pr/advertising, legal and accounting firms.
- [Consultant Resources](#)
- [Cyberpreneurs Guide to the Internet](#)
- [Entrepreneurs Association](#)
- [Entrepreneurs of the Web](#) - Welcome to a place where Entrepreneurs the world over can find useful business information and offer their goods and services to other Entrepreneurs.
- [Entrepreneurs Online](#)
- [Entrepreneurs' Exchange](#) - showcases articles by entrepreneurs on any subject related to starting or operating a small business -- marketing, production, taxes, accounting, etc. The key is that must be based on the author's experience, and be of interest to other small business people.
- [Foundation For Enterprise Development](#) - A comprehensive resource on equity compensation, employee involvement and other leading business strategies.
- [Home Business Review](#) - The Educational Source For Home-Based Businesses
- [Home Business Solutions](#) - A complete catalog, containing many valuable resources for those who either have, or want to start a home based business.
- [Ideas DIGest ONLINE](#) - e-zine on the Business of Innovation and the development of Creative Ideas for market. Includes articles on ideas, innovation, inventions, patents, licensing and the like as well as expert resource directories.
- [Maui Small Business Development Center \(SBDC\)](#)
- [National Entrepreneur Opportunity Network \(NEON\)](#) - A monthly publication for Electronic Age Entrepreneurs
- [NCSU Entrepreneurs Program](#) - A innovative way to educate. Engineering Students form companies an ddesign, develop and market an original product.
- [Organizations](#) (1) [new]
- [Products](#) (1)
- [Publications](#) (4) [new]

- Small Business Administration (SBA) - to aid, counsel, assist and protect the interest of small business concerns to preserve free competitive enterprise and to maintain and strengthen the overall economy of our Nation.
- Small Business Help Center
- TEC/Pennsylvania Small Business United
- Venture Capital ()
- World M&A Network - contains hundreds of listings of companies for sale, merger candidates and corporate buyers. The Network focuses on mid-market companies, those with between \$1MM and \$100MM in annual revenues.
- Your Home Business - for Home Business Owners and for those considering starting a home business
- Index - Caer Laer Publishing [new] - Dedicated to helping home entrepreneurs discover and utilize the World Wide Web.
- Usenet - misc.entrepreneurs - Discussion on operating a business



## Entrepreneurs' Exchange

Welcome to the Internet version of PRODIGY's Entrepreneurs' Exchange!

Entrepreneurs' Exchange is a regular feature built on PRODIGY's greatest source of expertise: its Members. Now that PRODIGY is expanding to the Internet, we are welcoming submissions from all small business owners and operators.

### What is It?


The Entrepreneurs' Exchange features articles on any subject related to starting or operating a small business -- marketing, production, taxes, accounting, etc. The key is that it must be based on the author's experience, and be of interest to other small business people. The author will participate on the Your Business Bulletin Board on the PRODIGY Service during the week his or her article is live (and will receive a special "free" ID for that time). The article will include an "author's profile" that will describe the author and his or her business.

If you are a small business owner or operator, and wish to share your expertise with PRODIGY Members and 'net surfers, we welcome your participation. Please see [How to become a contributor](#).


# Business Sites On The Web!

Courtesy of CEO ACCESS

## Check out:

**NEW.**  Ideas DIGest ONLINE newsmagazine -the small business guide to succeeding with innovation and the development of creative ideas for market.

**NEW.**  FALCON FINANCIAL -Your Electronic Link to Find Funds FAST!

**NEW.**  The Office Outfitters delivers to your Business DESKTOP , anywhere in the United State. (and soon most of Canada), from over 18,230 different IN STOCK Office Products, at prices that average OVER 40% OFF Manufacturer's List Prices.

**NEW.**  Our friends at Stellar Business -Practical Business Information With A Touch Of Magic. Our thanks to Dave Radin and Ed Brady.

**NEW.**  Trader Dave at On-Line Trader -Home of the Real Deal.

**The Internet's resources for business can be a gold mine.  
Here are our top picks:**

- Internet Business Directory
- Business Information Resources
- IBC: Internet Business Center
- Computer and Communications Company Web Page
- Kiwi Club Web Server
- US-Japan Technology Management Center
- Internet Business Pages

- [Business -Career Development, Economics, Finance & Investments, General Business, Personal Finance](#)
- [Links to the World Wide Web: Business](#)
- [Businesses and Commercial Resources](#)
- [Yahoo- Business](#)
- [Cyber Business Park](#)
- [Home Page links for the top 1000 North American companies](#)

## General Resources

- [EINet Galaxy](#)
- [Interesting Business Sites on the Web](#)
- [The Better Business Bureau WWW Server](#)
- [Business Information Sources on the Internet](#)
- [Global Business Directory](#)
- [Washington and Lee Law Library](#)

## Economics

- [Economics Gopher at Sam Houston State University](#)
- [LIST OF ECONOMIC JOURNALS](#)
- [ECONOMIC DATA](#)
- [Economic and Related Courses on the Internet](#)

## Financial

- [PAWWS- Wall Street on the Internet](#)
- [NETworth](#)
- [Aufhauser's WealthWEB](#)
- [Telescan Investment Services](#)
- [FINWeb](#)
- [Search SEC EDGAR Archives](#)

## Government

- [GATT](#)
- [NAFTA](#)
- [The Department of the Treasury](#)
- [SBA: Small Business Administration](#)
- [U.S. Department Of Commerce Information](#)
- [White House](#)
- [Central Intelligence Agency](#)
- [Library of Congress](#)
- [US Supreme Court](#)
- [Federal Labor Laws-Report & Congressional Digest](#)
- [US.GOV domain WWW server list](#)
- [FedWorld Information Network](#)



- Trade Leads
- The World-Wide Web Virtual Library: US Government Information Sources
- Consumer Information Center Catalog (yes it's that one in Pueblo, CO)

We are always looking for new and interesting places to go for fun and profit. If you know of any that you think should be listed, please contact our DocMaster, Barton Jokinen [eol@entrepreneurs.com](mailto:eol@entrepreneurs.com)

CEO ACCESS home page \* Business Columnists \* The WebMarket \* Business Ezines \* CyberCom  
\* Fun & Play

# Business Information Resources

Last Update (4/2/95)

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There are many books in print about "Entrepreneurship" as well as countless magazines and journals geared towards those of us who strive to succeed at "being our own boss". Here on the net, we are privy to many resources that others are not. Below are the beginnings of what I hope will soon be a huge collection of pointers to those resources. Enjoy!

- [U.S. Patent and Trademark Office](#) - Copyrights, patents, intellectual property rights.
- [The Legal Information Institute](#) - Questions about business and law? This is the place to start!
- [CommerceNet](#) - A wonderful resource for information on how to do business on the Internet.
- [Trade Law](#) - International trade questions? Start here.
- [Ecash](#) - "All you need to know about the potential benefits and pitfalls of electronic cash on-line."
- [Law of Electronic Commerce](#) - The title pretty much says it!
- [InterQuote](#) - the Internet's first continuously updating stock market information service.
- [Home Business Solutions](#) - The complete resource for the home based entrepreneur.
- [Capital Investors Directory](#) - A new service on the internet that lists entrepreneurs seeking capital for new ventures or business expansions.
- [Stellar Business: Worldwide Edition](#) - This "NEW" Interactive Business Publication Features Advice from Experts, Analysts, Consultants and Business Leaders, to guide your way to more revenue, better management of finances & personnel, and integration of new technology into your business !
- [Corporate Agents, Inc.](#) - the largest direct response incorporating company in the U.S., specializing in forming new corporations for entrepreneurs and small businesses in all fifty states.
- [The Internet Business Center](#) - a site of business related content, information on doing business on the net, and pointers to areas of interest to business users.
- [Advertising on the Internet FAQ \(Frequently Asked Questions list\)](#)

- Brookfield Economics Institute Newsletter (more back issues coming soon)
  - (5/16/94) Edition
  - (5/23/94) Edition
  - (5/30/94) Edition
  
- Free Listings in a National Directory of Consultants and Consulting Firms
  
- Free Listings in a National Directory of Telecommunications and Related Services
  
- Free Publicity for Your Newsletter or Magazine
  
- Laws Concerning Unsolicited Faxing
  
- A-ha! The Monthly Newsletter Published by the Idea Association, a support group for people starting new businesses.
  
- IDEAbase, online support for new businesses.

Please bear with us. This site is still under construction. If you know of other resources that should be listed here, let us know! Send additions to:  
[notime@wwa.com](mailto:notime@wwa.com)

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Go Back to the **Entrepreneurs on the Web Home Page**

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