

Stages of business assessment

Answer the following questions:	Yes	No
1. Have you defined the type of business you want to start?		
2. Have you investigated and developed ideas for potential products or services your business will offer?		
3. Is your business concept clearly defined?		
4. Have you researched the feasibility of your potential business or service?		
5. Have you taken steps to set up the business, such as establishing a business structure and pulling together start-up resources?		
Total Points:		

To determine the stage of your business idea, assign 2 points to every 'Yes' answer and 0 points to every 'No' answer. Add up your points and compare the total to the chart below:

Exploration Stage: 0 or 2 points	At this stage, many potential entrepreneurs are not certain as to what type of business they should consider. They may be seeking to discover unsatisfied needs for which they can develop a product or service, or desire to turn a skill, talent or hobby into a business. Defining what type of business to start – or discovering if they are indeed suited for business – is the goal of the potential entrepreneur in the exploration stage.
"A-Ha" Stage: 4 points	At this stage, the potential entrepreneur is exploring tentative solutions to problems and/or developing preliminary ideas for products or services. During this stage, ideas for potential businesses are scrutinized, and it is determined whether or not a profitable business can be built around them. If the answer is yes, the potential entrepreneur makes the commitment to invest time and resources in the Proof of Concept stage.
Proof of concept Stage: 6 or 8 points	At this stage, the potential entrepreneur further develops and refines his/her business concept, and the product or service is more clearly defined. Research is conducted to determine if the idea is feasible and whether it can meet personal objectives and be turned into a profitable business. It is during this stage that the potential entrepreneur investigates the nature and size of the potential market, demographics, competition, pricing, startup costs, profitability, financing and other critical factors.
Start-up Stage: 10 points	At this stage, the business concept has been thoroughly considered and researched, and the potential entrepreneur has decided that the idea is viable. Steps are taken to begin setting up the business. These may include developing a business plan, establishing a legal structure, and pulling together the resources to get started.