

Entrepreneurship

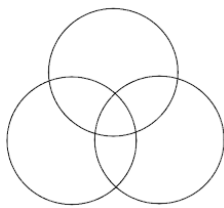
How do you know if entrepreneurship suits you?

Some people have always dreamed of being independent and starting their own business. Other people just happen to stumble upon entrepreneurship. To a greater or lesser degree, there is an entrepreneur in everyone, because at several moments in your life you concern yourself with "selling something or someone". For example, you use your entrepreneurial skills in things like job interviews (why are you the right candidate for this job?), but also regularly in daily life (why should you and your friends eat at that specific lunchroom instead of the other?).

For an entrepreneur, the competences of professional knowledge, financial insight, organisational talent and knowledge of people are important. On the website of the "Netherlands Chamber of Commerce", you can take a test to find out if entrepreneurship suits you. The good news is that you can also develop these entrepreneurial skills.

Starting your own business, but doing what?

Many people struggle with the question: what do I want to start my own business in? To start off right, it is wise to make an inventory of the things that bring you energy. Grab a white A4 paper and a pen. Draw three overlapping circles.



Next, answer these three questions:

1. What am I good at?
2. What do I like?
3. What is in demand?

For each answer, check if this also applies to one of the other questions. This results in four combinations:

- What you're good at AND what you like
- What you're good at AND where the demand is
- Where the demand is AND what you like
- What you're good at AND where the demand is AND what you like

Fill out your answers in the circles. The sweet spot is of course in the middle, where all three wishes are fulfilled. This exercise is an important first step towards your own business. It is, however, an iterative process: check in the coming days if your sweet spot is really what you would want to start your business in. If not, look at the other overlapping areas.

- **Is there something that you would like and that is in demand, but are you not good at it?**

Your goal could be to become good at it.

- **Is there something that you are good at and that is in demand, but you do not like it?**

Reflect on whether there is a way to make it enjoyable for yourself. Be careful though – never force yourself to like something. This is setting yourself up for failure.

- **Is there something that you are good at and that you like, but there is no demand for it?**

It is up to you to thoroughly research this. The simple fact of liking something and being

good at it can inspire others. From this point of inspiration, you can further research if there is a market for what you want to do.

Roadmap

Freelance-Netherlands, The Netherlands Chamber of Commerce and UWV Netherlands have set up a roadmap for starting your own business. All steps are assembled below.

Step 1

Do the exercise shown above. Discuss your ideas with family and friends and do not rush into getting started. Whatever seems like a good idea now, should still be a good idea in a few months.

Step 2

Make a plan and be critical. To test whether your idea is feasible, write a business plan. This does not have to be detailed document and is primarily meant for yourself. In this business plan, you specify what starting your own business will entail and you can use it at a later stage to convince people of your idea. In this plan you map out your target group, and based on a market-research you determine your strategy. In doing so, you take your strengths and weaknesses into account, together with your opportunities and threats. Concretely show what makes your business different than others, how do you distinguish yourself? Finally, you mention a budget. You map out how much you need and where you are going to get it from. This way, you can estimate if entrepreneurship is profitable for you. Do not forget to also take insurance, holidays, sick leave, and pension into account. Take off your rose-coloured glasses and be critical.

Step 3

Come up with a company name. This should be recognisable and it has to show what you have to offer. You can check if your name is still available in the trade register of the Dutch Chamber of Commerce.

Step 4

You must choose the legal form of your company. Many entrepreneurs work as sole proprietors. The form you choose may have legal and fiscal consequences.

Step 5

Check whether your company meets all the requirements. Your company may have to meet certain professional requirements. You will also have to deal with requirements for the workspace. Suppose you want to start a hair salon at home, is that even allowed according to the land-use plan? Your municipality can help you figure out what the rules and laws are.

Step 6

Register at the Netherlands Chamber of Commerce. There is a one-off charge for this (between €50 and €100). You fill in a form with your company details and then you will receive a VAT-number. You can now start making expenses for your business and generate income. Make sure you keep your administration up to date! (See step 11).

Step 7

As an entrepreneur, you can encounter risks. You can cover these risks by insuring not only yourself, but your company as well. An important insurance in the Netherlands is the liability

insurance. Other insurance policies include illness, disabilities, and loss of income. Get advice from an advisor on what is applicable to your business.

Step 8

Your business plan shows if you need start-up capital. You will have to finance part of this yourself, and you can maybe get financial aid from family or organisations. Check whether interesting subsidies are available from the government (municipality, province, national government, EU).

Step 9

For some assignments you need a template agreement with your client for the tax authorities. In such an agreement, both you and your client declare that you as an entrepreneur carry out an assignment for the company, and how you do this. On the website of the tax authorities you can find out how this works exactly and what has to be included in such an agreement.

Step 10

In addition to a template agreement, you have to draw up your general terms and conditions. This way you immediately make clear which rights and obligations you and your customers have towards each other. You can find examples on the website of Freelance-Netherlands (ZZP Nederland).

Step 11

As an entrepreneur, you are obligated to keep track of a company administration. This means that your invoices must contain several mandatory statements. Keep in mind that, even if you do not have assignments or income, you are still obligated to pass on your expenses and income to the tax authorities. You have to keep a clear overview of your income and expenditure, and you must keep all this data for at least seven years. Your administration has to meet certain requirements. You can find more information on this online (i.e. website of the Dutch Chamber of Commerce or the tax authorities). An accountant can also advise you in this.

Step 12

What will be your workplace? As an entrepreneur, you can often work from home or at a client. You also have workplaces where several entrepreneurs come together to work. The advantage of this is that here you can meet people with other specialties who could help you, or vice versa. Examples of workplaces are Seats to Meet or Mercator Launch!

Interesting websites and sources

- **Mercator Launch** – service for starting your own business.
- **Netherlands Chamber of Commerce** – registration, information and products for entrepreneurs.
- **Business.Gov.** – Information on starting or having your own business.
- **Tax Authorities** – all information and documents related to taxes