

[print](#) | [close window](#) |

Sitting Pretty

Do you have what it takes to launch a small business? Let these entrepreneurial NYIT alumni show you.

By Kathi Vieser

When Jim Ryan (B.S. '81) commutes to his office each morning, he often encounters stop-and-go traffic-his son passing him on the stairs.

Ryan, 43, is president and founder of J. Ryan & Associates, a consulting firm in Woodsburgh, N.Y., that offers systems analysis and solutions to the health care industry. He runs the business out of his home.

Ryan's entrepreneurial spirit is hardly unique. Roughly 56 million people work for small businesses, according to a recent report by the U.S. Census Bureau. More than 12 million of those people work alone or in businesses with fewer than 10 employees.

Running a small business or a solo operation has some tangible rewards. As your own boss, you make your own decisions-what services to offer, which markets to target, how much to charge clients for your services, when to take vacation.

Still, those rewards involve considerable risks. Even if you start small, you may need a few thousand dollars to incorporate your business, launch a web site, and equip your new office with a PC, Internet access, telephone service and other basic necessities. Moreover, you have to seek out customers, pay for health care coverage, and probably work more hours than you would in a traditional corporate setting. Simply put, starting a business could be the best move you ever make-or the biggest mistake.

For five NYIT alumni who chose to go it alone, success has come from clear-eyed vision, open minds and a lot of very hard work. Their advice could help you decide if entrepreneurship is in your future or if you're better off in the world of steady paychecks and regular hours. Here are 10 small-business tips from those in the know.

Tip 1: Assess What You Can Offer

Dianne Baumert-Moyik (M.A. '93), president and CEO of Baumert PR and Design of Holbrook, N.Y., was an experienced public relations professional when she took on her first freelance clients in 1992. "My business sort of found me," says Baumert-Moyik. "I was working full time for the Town of Babylon [N.Y.] as citizens' advocate and later as director of public affairs when I was first asked to help out on [an outside] project. I continued running the consulting company while working full-time."

Similarly, Bob Commisso (B.S. '74), president of Commisso & Associates Inc. of Dix Hills, N.Y., started his cost-reduction and payment-recovery service after many years as a controller and CFO at several large companies.

When a friend who owned a business asked Commisso to audit the accounts payables, Commisso knew he had the experience to succeed on his own, and a business was born.

Tip 2: Find Your Niche

The time to look for customers is before you start your business, not after. And never lose sight of your personal expertise.

"I stuck with what I knew, and I hired people with (various) backgrounds that were greater than mine," says Michael Ricciardi (M.S. '87), president and CEO/CFO of Ricciardi Technologies Inc., a computer engineering firm in Fairfax, Va.

The strategy has served Ricciardi's firm well. His company, which provides software and wireless systems to the government, has 25 employees and hopes to have 100 employees within three to five years. Ricciardi launched the company in 1992.

Elizabeth Geary-Archer (B.S. '93), by contrast, launched Out of the Box Marketing Strategies Inc. when she spotted an unfulfilled market need. Her company provides marketing services to small minority- and women-owned firms in architecture, engineering and construction.

"With my background working for larger established firms, with my contacts in the industry and with my knowledge of how to get new business, I knew that I could provide a valuable service," says Geary-Archer.

For Ryan, the consultant, a ready-made market appeared when his former employer—a software provider for the nursing home industry—relocated out of state, leaving its New York-area customers in need. "I had people actually looking for me, trying to find me," says Ryan.

Tip 3: Ask Yourself Why

The idea of starting a business often germinates after a layoff or when promotions don't materialize. Still, "the motivation behind going into business for yourself has to come from within your own soul," says William J. Lawrence, Ph.D., a professor of economics at NYIT and an experienced small-business advisor.

"There are some people who are much more comfortable within the corporate environment," points out Lawrence. "Other folks cannot see themselves in that type of environment at all."

Before you leap into your own business, figure out if you're simply reacting to a negative situation. If you are reasonably happy in your corporate job, or if an exciting position could be found with relative ease, would you still be interested in going out on your own?

For Commisso, the decision was based in part on a desire to spend more time with his family. "My daughter was a gymnast in high school, and I made every gym meet, except for one, in four years," he says. "I might've worked later on that day, but I was able to be there and to me, that meant everything. I couldn't do that when I worked in a corporation."

Tip 4: Put It in Writing

A written business plan is a requirement if you intend to borrow startup funds, and, according to NYIT's Lawrence, it's one of the best ways to gauge if you've thought your business through.

Business plans include such information as background and qualifications of the principal

officers, the financial status of the business, sales and marketing plans, and details about the product or service you'll offer-what it does, why someone would want it, how much you'll charge.

Even if you're the only person who sees the written document, it's worth taking the time to put all the information on paper.

"Create an overarching goal, motto or theme that will lead your business through changing times," says Geary-Archer.

And hang on to the original plan-you'll find turbulent times easier to navigate if you still have your original road map at your fingertips.

Tip 5: Embrace Technology

Predictably, personal computers, e-mail, cellular phones and a basic web site are critical components in a successful small business.

Companies like Register.com offer intuitive web services for small businesses. It typically costs between \$100 and \$500 to reserve a domain name (www.yourbusinessname.com) and host your web site for a year.

You may also need various software packages to run your business. Visit Intuit Inc.'s web site (www.intuit.com/products_services/small_business/) for software that may fit the bill. For Geary-Archer, technology fosters communication. Her easy-to-find web site allowed her business to survive the Sept. 11 terrorist attacks (see tip No. 9).

Tip 6: Don't Bow To Economists

Stock-market fluctuations shouldn't change your enthusiasm for business.

"There's an awful lot of uncertainty in the markets right now-the Enron situation, the Middle East, the war against terror," says NYIT's Lawrence. "I feel that the future for a small business person is not really tied to that. It's tied to where they're at, where they're coming from."

Still, it's important to understand how economic conditions can affect your cash flow. Daniel Pink, author of *Free Agent Nation: How America's New Independent Workers Are Transforming the Way We Live* (Warner Business Books, 2001), suggests that having multiple clients, rather than one large account, can help stave off lean times.

It's also important to understand natural economic cycles, notes Commisso. "In June, July and August, CFOs are finished with taxes, thinking about going on vacation," he says. "They'll think of me in the fall, then I'll be busy right through until the holidays. Then another drop off."

Tip 7: Limit Spending

It's easy, as you wander the aisles of an electronics superstore, to convince yourself that you need the newest gadgets and gizmos. But when you write your business plan, think hard about necessities versus luxuries.

"My first question in every case was why," says Commisso. "I treated myself as if I was still in the corporate world and had to justify [purchases]. Perhaps instead of buying a \$200 fax machine, I could spend \$40 on software that would work just as well."

Ricciardi, by contrast, focused on positive cash flow to drive slow-but-steady growth at

his technology firm. "We stayed out of debt and had the patience to build our business with cash from operations," he says.

In her smaller-scale operation, Baumert-Moyik minimizes costs by sharing office space and support staff with her husband, who owns a transportation and warehouse firm. Still, some costs are unavoidable. In New York, attorneys typically charge about \$500 to draw up and file various forms for incorporation. You should also keep your accountant in the loop during the startup process. This will help you to avoid uncomfortable surprises during tax season.

Tip 8: Network, Network

Going out on your own does not mean hiding behind a closed office door. On the contrary, "Small business and entrepreneurship is highly dependent on the concept of networking," says NYIT's Lawrence. "People need to talk to each other, to interact with other folks who have been there, done that."

Just ask Ricciardi. "It took me a while to realize that good engineering and good product ideas don't always propel a business," he says. "In retrospect, I would have spent more time learning the politics of business and improving my social skills to unlock more opportunities through networking."

Indeed, new customers, mentors and professional partners are more likely to find you through introductions and in-person encounters than any other means. "My first client came through networking," says Baumert-Moyik, "and all of them since have come through word of mouth and referral."

Geary-Archer says she taps into "existing circles of influence. Use your college alumni association. Use your church or cultural network. Tap into your professional associations." If you're shy by nature, this may be the most difficult part of starting your business, but it may ultimately become the most important. A business card in hand today could mean steady clients for years to come.

"I've known a lot of people in this business for over 20 years," says Ryan, the health care industry consultant. "Now that I'm on my own, that's turned into a big plus."

Tip 9: Be Prepared

As we discovered last September, there's no such thing as the unthinkable. You must be ready to make changes that may profoundly impact your company's future.

Geary-Archer learned this firsthand when she had to abandon her home office, which was very close to the World Trade Center, on Sept. 11. After borrowing space from clients, she set up a new office in the Chelsea section of Manhattan, only to be forced out after an accidental building explosion (unrelated to terrorism).

"Technology is the key survival tool," she says. "People ask me, 'Can you send me your brochure?' and I say, 'No, but you can visit my web site right now.'" She strongly recommends using an off-site backup service for all computer files.

For Baumert-Moyik, Sept. 11 meant changing course, as some clients suffered financial setbacks and were unable to pay their bills.

She ultimately decided to accept a full-time staff position at a major bank and is now running her business at night and on weekends. "I started my consulting business the same way 10 years ago, so it is nothing new to me to maintain full-time employment

and still maintain a sense of 'entrepreneurship' with my own company."

Tip 10: Believe in Yourself

Friends, family and a strong network of advisors and professional colleagues will go a long way toward building your confidence.

But ultimately, you've got to believe in your own experience and abilities. If self-doubt starts to creep in, Free Agent Nation author Pink recommends looking back and comparing your current efforts with your previous corporate job. When times are tough, ask yourself if it was really better to work for a big business.

In the end, after you've done all of your research, investigated potential markets and crunched the numbers, your decision to start your business simply may come down to taking a leap of faith. "Don't be afraid," says Ryan. "You've got to stretch out and take as much as you can."

[top](#) |
[print](#) | [close window](#) |

©2002 New York Institute of Technology. All rights reserved.