



Starting a business

Lesson code: 11SD-A6C8-XESU

Intermediate (B1-B2)

 American English

1 Warm-up

When was your business or company established?

2 Key words

Match the words/phrases on the left to the definitions on the right.

- | | |
|-----------------------|---|
| 1. a start-up | a. a company/organization category, e.g. a limited liability company |
| 2. break even | b. a newly established business |
| 3. lease | c. protected by law so that other companies cannot use it |
| 4. running costs | d. the money you need to spend at the beginning of a new project |
| 5. trademarked | e. the money you need to spend regularly to keep a business working |
| 6. business structure | f. to have no profit or loss at the end of a business activity |
| 7. initial investment | g. to use property for an agreed period of time in exchange for money |

3 Company policies

You're going to read a text on how to start a business. Put the following headings above the appropriate paragraphs in the article.

- Make a Plan
- Plan your Finances
- Establish a Business Location
- Establish your Company
- Do your Research
- Hire your team
- Promote your Business



How to start a business

The key stages

Small businesses are everywhere. In the United States, they make up 99.7 percent of all US business according to the US Small Business Administration. And in the UK, around 96% of all businesses have less than 10 employees. There are many popular reasons to start a business, including independence, flexibility, the ability to set your own deadlines, pursue your passions, and so on.

Here are 10 steps that are required to start a business successfully.

1

When you have a business idea, you need to spend time exploring the market and answering a few questions such as:

- Is there a need for your product/service?
- Who needs it?
- Are there other companies offering similar products/services now?
- What is the competition like?
- How will your product/service be different or better?

2

In order to make your business idea a reality, it's a good idea to write down the different stages from the start-up phase to the business growth.

If you intend to seek financial support from an investor or bank, you'll need a traditional business plan. This type of document will be long and thorough and will answer the questions that investors and banks have when they are looking at your idea.

3

To start a small business, you don't always need a lot of money, but there will always be some initial investment and you'll need to be able to cover your expenses before you break even and start making a

profit. Put together a spreadsheet that estimates the one-time startup costs for your business as well as the running costs for at least 12 months (rent, advertising, supplies, travel expenses, salaries, etc.).

4

Choose a good business name and check if it's trademarked or currently in use. Then, you will need to choose an appropriate business structure and register the business. Don't forget to register your domain name once you have selected your business name.

5

Setting up your place of business is important for the operation of your business, whether you will have a home office, a shared or private office space, or a retail location.

You will need to make sure your business location works for the type of business you will be doing. You will also need to consider if it makes more sense to buy or lease your commercial space.

6

If you are going to employ staff, it is time to start the process. Make sure you take the time to outline the positions you need to fill, and the job responsibilities that are part of each position.

7

Once your business is set up, you need to start attracting clients and customers. You can start by creating a marketing plan and researching marketing ideas that are effective for small businesses.

Once you have completed these basic start-up activities, you are ready to start growing your business. But keep in mind that success doesn't happen overnight. Stick to the plan and you will increase your chances of success.



4 Collocations

Match the verbs on the left to the expressions on the right to form phrases from the text. Then choose 5 of the phrases and create your own sentence for each phrase.

- | | |
|-------------|----------------------|
| 1. pursue | a. a business |
| 2. seek | b. a domain name |
| 3. cover | c. a plan |
| 4. make | d. a profit |
| 5. register | e. expenses |
| 6. employ | f. financial support |
| 7. fill | g. job positions |
| 8. set up | h. staff |
| 9. stick to | i. your passions |

5 Financing a business

There are a number of ways you can fund a start-up business. Complete the definitions below.

angel investors

bootstrapping

crowdfunding

small business grants

small business loans

- _____ money that is borrowed, often from a bank, and has to be paid back,
- _____ money given to you by the government or some other organization
- _____ people who invest money in a new businesses to help them get started
- _____ raising money from a large number of people who each contribute a small amount, typically via the Internet
- _____ using no investment from outside owners

Now look at the situations below. How do you think each business owner should raise money?

- Joe has a very innovative idea that he thinks will interest a large number of people. However, his bank won't lend him any money and he doesn't want to give outside investors a share of his company.
- Anita's business idea has a lot of potential and she doesn't need much initial investment. She has plenty of savings and is willing to work hard.
- Bob needs a lot of money to start his business and he's prepared to give up a certain amount of ownership. His idea has a lot of potential and he's prepared an excellent business plan.
- Karolina's new business is based in an under-developed region of her country. Her government has special programs for start-ups in that region.
- Keith needs quick cash to start his business. He doesn't want to give anyone a share of his company



and he has a very good relationship with his bank.

6 Business structure

New business owners need to choose an appropriate business structure. Match the terms on the left to the definitions on the right.

- | | |
|----------------------------------|--|
| 1. a sole proprietorship | a. a company structure where the owners have shares in the business and they are treated by the law as separate from the business |
| 2. a partnership | b. a company that is owned by two or more people |
| 3. a limited liability company | c. a company whose shares can be sold to the public |
| 4. a public limited company (UK) | d. a type of company in which the owners have no personal financial risk if the company should fail |
| 5. a corporation (US) | e. a type of company that is owned and run by one person and in which there is no legal difference between the owner and the business entity |

What are the main types of company structure in your country?

7 Talking point

Discuss any of the questions below.

1. Is it a good idea to start a business in your country?
2. What are the disadvantages of starting your own business?
3. Do you think it's more difficult to start a successful business than in the past?
4. Do you need special skills to start your own business?



1 Warm-up

Time: 2-4 mins

Encourage a short discussion.

Ask general questions to get your students to relax, for example: How do you feel today? How was your weekend?

Write on the whiteboard 'BUSINESS' and ask the following questions: 'When was your business or company established?', 'How did it happen?'.

2 Key words

Time: 4 mins

Read the words on the left. Model correct pronunciation. Then ask the students to match the words with the definitions. Monitor the task. Ask students to compare their answers before checking them as a class.

For one-to-one lessons, ask your student to read the answers aloud. Correct pronunciation where necessary.

It's sometimes a good idea to present your own sentences with the new words. This enables students to make better sense of the meanings in context. Additionally, you can ask your students to come up with their own sentences.

1. b 2. f 3. g 4. e 5. c 6. a 7. d

3 Company policies

Time: 4-5 mins

Read the instruction and questions to the class and ask them for opinions regarding the possible order. Do not correct any of their answers. Simply say 'interesting' or 'we'll see if you are correct'. Monitor the class progress and allow sufficient time for reading. Ask students to share their answers with the class.

1. Do Your Research
2. Make a Plan
3. Plan your Finances
4. Establish your company
5. Establish a Business Location
6. Hire your team
7. Promote your Business

4 Collocations

Time: 3-5 mins

Ask your students to read the words from both columns. They should try to match the words to form possible collocations. Monitor the task and when completed, instruct your students to read their collocations aloud.

Encourage your students to invent their own sentences and to read them in pairs/small groups.

1. i 2. f 3. e 4. d 5. b
6. h 7. g 8. a 9. c



5 Financing a business

Time: 6-8 mins

Ask your students about the ways a company could raise some money. Elicit: Government/funding/donations etc. Then ask them to match the expressions to the correct sentences. Monitor the task and when completed, instruct your students to read their answers aloud. Make sure they all have correct answers.

1. small business loans
2. small business grants
3. angel investors
4. crowdfunding
5. bootstrapping

Instruct students to work in pairs/small groups. Encourage discussion of all of the points.

Suggested answers:

1. He should raise money via crowdfunding.
2. She should start her business by bootstrapping.
3. He should look for an angel investor.
4. She should look for a small business grant.
5. He should look for a small business loan.

6 Business structure

Time: 3-4 mins

Ask your students to read the words and the definitions on the right. They should try to match the words with the correct definitions. Monitor the task and when completed, instruct your students to check their choices with the whole class. It is important that you discuss the answers aloud.

1. e 2. b 3. d 4. c 5. a

7 Talking point

Time: 5-10 mins

This exercise can take up to 10 mins, depending on students' collaboration and fluency skills. Try changing the seating positions e.g. by asking students to move two seats to their right/left. Then ask them to start a discussion. Encourage speaking but do not interfere.

If your focus is on fluency, encourage speaking and do not correct grammar. You can correct pronunciation ONLY if students directly ask you for help.

If your focus is on accuracy, then note down some of the mistakes made. At the end of the activity, write them on the board for the whole class to see. DO NOT reveal which students made which mistakes. It must be anonymous. Ask students to think of the correct forms. Encourage a short discussion and elicit appropriate answers.

Optional task for homework: Ask the students to choose one of the questions in Exercise 7 and write an essay answer for the next lesson (180-220 words).

