

Business Opportunities...

How are you responding to those that come your way?

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The business world is full of opportunities...opportunities that are missed, opportunities that are squandered, and opportunities that are seized.

Ultimately, when you make any decision, the two most important factors are risk and return. But unlike many other daily decisions that you must make, decisions about business opportunities are among the most difficult to assess in terms of both risk and return. Everyone wants a low risk opportunity that offers high returns. But there is no such animal.

By definition, risk is a chance or possibility of danger, loss, injury, or other adverse consequences. The key word in this definition is danger. Danger can strike fear in the best of us. For some entrepreneurs, fear can have an effect on the timeliness of making decisions or even so far as to make no decision at all. These entrepreneurs live in a world of missed opportunities.

Other entrepreneurs may be fearless and have a higher tolerance for risk, but they tend to make more hasty decisions without due consideration. These entrepreneurs have good ideas; however, they do not perform their due diligence or homework and consequently, the idea or venture falls short of success. These entrepreneurs then prematurely abandon their initial idea(s) and now live in the world of squandered opportunities.

To become an entrepreneur that seizes viable opportunities, you must first determine your realistic level of tolerance to risk. Then you must develop a systematic process that analyzes factors that could impact the outcome of your decision based on both internal and external factors. Recalling former business experiences does not necessarily mean that you can always apply the "been there, done that" approach to good decision making; this approach applies only to internal factors.

The need to examine and to determine whether or not a particular business opportunity and/or idea have any chance of success prior to financial commitment is critical. The questions you need to ask are: What are the costs? What are the manpower requirements? How much time do you personally need to commit? Does the opportunity, idea, or project complement your existing business? What is the likelihood that the opportunity and/or idea can work and produce a good return on your investment of time and money?

A [feasibility study](#) is a great business tool that helps you assess the likelihood for success of a given opportunity, idea, and/or project. A feasibility study provides a framework for your systematic decision-making process and also provides the answer to the question of whether or not a particular opportunity is likely to be practical, successful and cost effective.

If you envision yourself as an entrepreneur that seizes viable opportunities, then be wise and incorporate [the use of feasibility studies](#) in your decision-making process.

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