THE FIRST TIME... you start a business

Becoming an entrepreneur is no piece of cake for young students, what with lack of funds, contacts and experience. But these youths managed to keep their business running despite the odds. They share with Esther Fung what makes them stand out where others have failed.

STARTING a business while still a college student is a difficult proposition — but it can be done.

The upshot: You could be well on your way to a stable financial life by the time you graduate.

The downside: It is not easy, and you will have to make sacrifices. It is difficult to keep your grades respectable while focusing a great deal of energy on your business.

Some enterprising undergraduates have taken a few daring steps and shown the way forward — like Mr Jeffrey Lau, 25.

In 2003, the then electrical engineering undergraduate at the National University of Singapore (NUS) was roped in by some friends to join a business they were starting up.

With his help, they co-founded a web and systems application business Evohub.

“T was a bit apprehensive about whether their idea would succeed, but I went ahead because I would be doing something I like,” said Mr Lau.

In two years, the website now rakes in business worth $10,000 a month.

Mr Lau said: “We had to face rejection after rejection, but we persisted.”

The authorities were impressed and offered to grant them $40,000 to set up their business.

That is when you should look to those close to you — maybe your idea will appeal to friends, relatives or even acquaintances.

During his final-year Singapore Institute of Management (SIM) studies, student Lam Bao Yan, 22, did just that and managed to get a tuition agency business up and running two years ago.

“I found out that my nearest resources were the people around me, and advice from those I met helped me along the way,” said Miss Lam.

She needed about $4,000 to set up her agency — spending the money on registration, advertising and office rental.

It was well worth it: Her agency now makes $4,000 a month.

Mr Lau said he helped put together a detailed plan when seeking a grant from his alma mater. The authorities were impressed enough to grant them $40,000 to set up their business.

What if you cannot get a grant, and there is no entrepreneurship fund?

That is when you should look to your school’s resources — seek advice from your lecturers and mentors.

The upshot: You could be well on your way to a stable financial life by the time you graduate.

Youth in Singapore can also keep an eye out for competitions and events which promote entrepreneurship, such as Tips From The Top, which will be held at Singapore Management University (SMU) today.

Ten senior business leaders will give 100 undergraduates tips on how to set up a business, as part of HSBC’s efforts to help local teams participating in the 2006 Lee Kuan Yew Global Business Plan Competition, which is organised by SIM.

HSBC will also launch a $100,000 Youth Enterprise Fund today to help youngsters put their business ideas into practice.

The money will be made available to the winning or best-performing local team in the finals of the competition.

Most important, you have to believe what you are doing has a good chance of succeeding. Especially when faced with difficulty.

The following steps can help you.

Registering is just the first step. Sonia Tan takes a peek at what else is involved.

The following steps can help you.

Register your business

Log on to www.bizfile.gov.sg to submit your application.

You may need a special licence if your business deals with finance, banking, optical disc or manufacturers controlled items such as cigarettes, beer or chewing gum.

The application is then sent for referral to the appropriate authorities. It can take from two weeks to two months before the application is cleared or rejected.

For a sole proprietor, the registration fee is $50 and the name approval fee is $5.

Funding sources

Venture capitalists specialise in funding new businesses. Either search them out through your network or find them through entrepreneurial events such as Global Entrepreneurship Singapore.


Networking


Find a web host, a server that will host your website on the Internet so it is accessible to the public. Usually, the site where you register your domain will also offer web hosting.

If you want to offer online services, a good idea is to get certification that your website is trustworthy. One way is to get the Trust@SG certificate, for instance. Application forms are on www.trust@sg.com.sg.

Get your business plan ready. Pack as much information as possible.

Surround yourself with the right people — creative types, investors and people who will support you all the way.

Choose the right partners. There must be synergy among partners, and a willingness to make the business work.

Accounting

Look in the classifieds for part-time accountants or ask around in your network for recommendations.