



# Business Feasibility Checklist

## Why Complete a Feasibility Study?

Starting a business takes more than a good idea. It requires evaluating viability, readiness, market fit, finances, and risks. This checklist helps you identify potential challenges early and make informed decisions before investing significant time or money.

## How to Use This Checklist

For each question, select a rating from the dropdown in the 'Rating' column: 'Low Risk', 'Moderate Risk', or 'High Risk'. If unsure, choose 'Moderate Risk' or 'High Risk' and note any follow-up needed. When finished, review your ratings to identify strengths and areas for further attention to help guide your next steps.

Rating	Definition
Low Risk	Strong evidence or preparation. The item is clearly addressed, based on solid information, and unlikely to present a barrier to success.
Moderate Risk	Partial preparation or uncertain information. The item may present challenges or require more work, but is not a critical threat.
High Risk	Major gaps, unclear information, or serious concerns. The item is likely to hinder success or requires immediate attention to move forward.

Evaluation Category	Rating (Dropdown: Low Risk / Moderate Risk / High Risk)
<b>Preliminary Screen</b>	
Have you identified any early challenges, such as legal requirements or resource gaps, that could significantly affect your ability to move forward?	
<b>Personal &amp; Foundational Readiness</b>	
How well do your personal strengths such as discipline, adaptability, and decision making prepare you to manage and grow a business?	
Are you ready for the time, stress, uncertainty, and personal demands that can come with starting and running a business?	
Would you be able and willing to temporarily adjust your lifestyle if needed to support the business at any stage?	
Have you taken time to define your motivation for starting this business and what success would look like for you?	

## Evaluation Category

Rating  
(Dropdown: Low Risk /  
Moderate Risk / High Risk)

### Business Concept & Unique Value

Is your offering clearly defined, aligned with market needs, and focused on solving a specific problem for your customers?

Can you describe the value your business provides in a way that is easy for customers to understand and connect with?

Have you identified what sets your business apart from competitors and why customers would choose you?

How easily could your business grow, either by reaching new markets or increasing output, if demand increases?

### Market & Customer Validation

Have you researched your target market's size, key characteristics, and growth opportunities?

Have you studied your main competitors and considered how their strengths and gaps influence your business strategy?

Are there needs in the market that are not currently being met or not being met well that your business could serve?

Based on your understanding of the market, can your business attract enough customers to become sustainable and profitable?

How much real-world feedback or research have you gathered to confirm your business idea meets customer needs?

Are you aware of why similar businesses may have struggled or closed and what lessons you can apply to your own approach?

### Financial Feasibility & Projections

Have you considered your personal income needs and how they compare to what you expect to earn from the business?

Is the amount you plan to invest manageable based on your financial situation and business goals?

Have you considered how a financial loss would affect you and whether the risk is acceptable?

Have you explored what kind of return is typical for similar businesses in your industry?

Have you considered how changes like slower sales or higher expenses could impact your financial outlook?

Have you looked into what types of insurance your business might need and included them in your financial planning?

## Evaluation Category

Rating  
(Dropdown: Low Risk /  
Moderate Risk / High Risk)

### Technical/Operational Feasibility

Do you have or know how to secure the right space and facilities to support your business operations?

Have you identified reliable suppliers who can meet your material and equipment needs consistently?

Have you reviewed supplier terms, delivery timelines, and potential risks and considered using multiple sources to reduce disruptions?

Have you determined what technology and equipment your business will need to operate effectively?

### Legal & Regulatory Compliance

Have you identified the licenses, permits, or regulations your business must comply with in Illinois?

Have you checked whether zoning laws or environmental rules could affect your business location or operations?

Are there intellectual property considerations or legal agreements that could affect your business or product?

Have you explored programs or resources in Illinois that could offer support, guidance, or funding for your business?

### Final Feasibility Summary & Decision

This checklist is a starting point for evaluating your business idea. Your responses highlight strengths, weaknesses, and risks to help you decide whether to move forward, adjust, or seek more information. While success is not guaranteed, careful planning improves your chances. If proceeding, consider consulting legal, financial, or industry professionals for next steps.

**Executive Summary:** Based on your responses, describe the overall feasibility of your business or project. Identify any high-risk areas, major barriers, or uncertainties, and note any planned strategies for addressing them. Consider what changes or support may be needed before moving forward. For additional resources, contact the Business Information Center: [BIC@Illinois.gov](mailto:BIC@Illinois.gov)