



Taking Care of Business: *Is Entrepreneurship Right for You?*

According to the [U.S. Bureau of Labor Statistics](#), the number of workers identifying as “self-employed” is expected to reach 10.3 million by 2026.

Are you thinking about starting your own business? Whatever your age, reasons, dreams, or goals, [entrepreneurship](#) can be a great career option. Yet, before you quit your nine-to-five job and hang that “Yes, We’re Open” sign on your door, carefully weigh the pros and the cons of owning a small business.

Risky Business

- *Rewards:* What are the rewards of self-employment? Many business owners say that autonomy tops the list. They like making their own decisions about what to do and how to do it. Others find satisfaction in expanding professional skills. Since entrepreneurs usually take on a wide variety of tasks, they often learn to do many new things. Many feel rewarded by working on matters that ignite their passion. And, of course, there can be significant financial rewards if the business is successful.
- *Risks:* Small business ownership has its challenges. Here’s the unvarnished truth — owning a business is hard work, particularly in the beginning. Most small business owners work long hours (averaging between 60 - 80 hours per week, especially when starting the business). This takes a toll on work / life balance.

What’s more, many entrepreneurs have a hard time bringing in a steady income. On top of that, self-employed workers don’t have employer-subsidized benefits, such as health insurance and paid vacation time.

In addition, running a business can be very expensive, Business loans may be difficult to secure. Add it all up and the financial risk and uncertainty can be daunting! In fact, [U.S. Bureau of Labor Statistics](#) indicate that 20% of small businesses fail during their first year, 30% in their second year, and 50% close their doors within five years of opening the business.



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The Right Stuff

Despite the potential downsides, small business ownership may be right for you. Do you have what it takes to start your own business and be a successful entrepreneur? Are you willing to learn new skills? Make tough decisions? Take accountability for successes *and* setbacks? Have you considered how owning a business will affect your lifestyle? Your family? Are you confident in your ability to create your own security?

Here are the key characteristics commonly associated with successful entrepreneurs. Consider how you stack up against [the list](#):

- | | |
|-------------------------|--|
| ✓ Driven | ✓ Creative |
| ✓ Self-motivated | ✓ High energy |
| ✓ Hard-working | ✓ Organized |
| ✓ Calculated risk-taker | ✓ Calm under pressure |
| ✓ Independent | ✓ Passionate about your product or service |
| ✓ Decisive | ✓ Competitive |
| ✓ Self-promoter | ✓ Optimistic |
| ✓ Sales-oriented | ✓ Patient |

(For more information: [Quiz: Do You Have What It Takes to be an Entrepreneur?](#))

Do the Right Thing

Even if you've got all the right stuff to be a successful small business owner, that doesn't mean you're ready for your grand opening. With only one in every two small businesses surviving more than five years, it pays to get off to a good start.

Typically, the most common mistakes occur when the business is being established. These include:

- Lack of market research.
- Insufficient capital / poor credit management.
- Poor location choice.
- Issues with the legal structure of the business, including licensing / permits / registration requirements.



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Lean on Me

What you need to know about starting your own business will vary according to the complexity and scope of your business idea. Several organizations and people stand ready to help you realize your dream.

For example:

- The [U.S. Small Business Administration](#) (SBA), an agency of the federal government, can be a great resource in helping you start and grow your business. Start by reviewing the "[10 Steps to Starting a Business](#)".

In addition, [SBA's Learning Center](#) offers online courses that are convenient and free. Classes include "How to Write a Business Plan", "Finding & Attracting Investors", "Marketing 101", and "Patents, Trademarks & Copyrights", just to name a few.

- Every state has a network of Small Business Development Centers offering training programs and business counseling for new and established small business owners. (In Illinois, go to [Illinois Small Business Center](#) to find your nearest development center; go to [Illinois Department of Commerce](#) to learn more about starting a business.)
- [SCORE](#) is resource partner of the SBA. This non-profit organization provides free business mentoring services to small business owners. In addition, SCORE offers live and recorded webinars, interactive courses, and local workshops led by industry leaders on a variety of business topics.
- [Women's Business Development Center](#) provides counseling, resources, and training designed to help women in every phase of small business development (including start-ups as well as emerging and growing businesses).

In Good Company

As a new entrepreneur, it's critical to have an advisory group to act as a sounding board and to offer unbiased advice. Write out the purpose and goals for the group and specify the criteria for the kinds of individuals you seek.

Advisory board members should have an interest in you and in the success of your business. Choose experienced individuals who have sound judgment and who will be



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candid. To source for potential advisors, tap into your professional network. Also talk with people who are active in the trade associations related to your type of business.

It's a Wonderful Life

Working for yourself is not always easy; it takes drive, preparation, and time to achieve success. Even so, self-employment can be exciting and rewarding — especially when you are doing something that is a good fit with your talents, interests, and values.