

Working for Yourself

Working for yourself is a major life change for most people - a change affecting work/life balance; attitude and demeanour; social life; earning power and ambition. A great number of individuals are thinking of working for themselves, either by accident or design, for most this proves to be a life changing event.

There are a number of highs and lows to this life change, the positive aspects include flexibility over working hours; greater variety of work; increased job satisfaction & work challenges; autonomy and independence; improved work/life balance and increased earning power. The negative aspects of this life change include no guarantee of work or income; greater degree of isolation and less human contact; increase in financial risks and exposure; increase in stress; and heavier workloads

This life change can be quite lonely and experiences are akin to experiencing a roller coaster ride; for example busy work periods followed by quiet periods and feelings of optimism followed by ones of pessimism. Fortunately these days there are a greater number of support agencies and forums that provide a wealth of aid and assistance.

Some of the common mistakes encountered will be initially addressed, this might seem a negative way to begin but an awareness of the main pitfalls enables us to be aware of them and react accordingly - would you go on holiday without some element of pre-planning, and holidays are there for relaxation.

In my experience some of these common pitfalls include a mismatch between resources and expectations; difficulty in making the attitudinal and financial transition to "running the show"; poor market research; weak operational financial and strategic planning control & execution; poor credit control; product led and not customer led; high level of operational and financial risk; over dependence on a single customer/supplier; lack of commercial formalities, e.g. basic contracts; inadequate working capital.

The list is by no means exhaustive or a judgement on anyone who has experienced the above.