

**Pros and Cons of Starting Your Own Business
With
Senior Addendum: Special Comments about Later in Life Entrepreneurship**

Many of us dream of starting our own business. But what does that entail?
Here are some Pro's and Con's:

Pros	Cons
1. Pre- or post- employment. Millennials just starting out and retirees [see Special Comment in this version below] starting over may start their own business if the alternative is to sit at home.	The right to work for yourself may be the right to starve. There is no guarantee you will make money. You might make more money delivering pizza.
2. Tax deduction. Laptops, the home office, some part of meals and gas may become tax deductible.	A tax deduction only has value if you have income to deduct from. This benefit may be minimal, at least at first.
3. Resume builder. They say that nothing succeeds like success, but in Silicon Valley nothing succeeds like failure. Venture capitalists are reluctant to fund entrepreneurs who have not learned the lessons of failure.	Some employers do not like to hire persons who have been in their own business because they are concerned the employees would be too used to doing things their own way and may not be manageable.
4. Scheduling. Being able to work around kids in school, aging parents and other commitments that may make ordinary employment difficult or impossible.	Business is just as often like being in jail and having the keys. Building a business can be a 24/7 undertaking. A new business is like a baby in some ways: When it cries you have to "be there." You cannot act as a matter of convenience.
5. Value for Services. Earning, or having the opportunity to earn what you are worth, not what someone is willing to pay.	Yes, but the value of your services may turn out to be minimum wage given the long hours and limited income.
6. Wealth building. Your business may be fabulously successful and provide great wealth.	Yes, or you may lose everything. People save for 20 years only to lose it because they have false expectations and don't know what they are doing (yet). Advertisement: A good business lawyer, with experience in both business and law, can make all the difference. Expensive, maybe, but the legal and business advice costs a lot less than failure.
7. Self-fulfillment and Actualization. To have the chance to be what you can be is one of life's greatest gifts and to become that one of life's greatest rewards.	We do not always realize our dreams or enjoy great success. The opportunity to succeed is the chance to fail. And, if everyone could easily run his/her own business then they would do it. But, it is not easy, so many people should not do it. Not everyone is cut out to be a star nor do they want to be.

For Seniors
Special Comments about Later in Life Entrepreneurship

Pros	Cons
<p>1A. For older persons or retirees there may be a special benefit to starting your own business: “Staying in the game.”</p> <p>Recently, a couple in a restaurant table next to mine spent their breakfast talking about gripes, aches and pains, medical treatments, friends who were dying or in poor health, “losers” they knew and so on. Not one comment was made about what they were going to do that day, things they were looking forward to, challenges or opportunities. Many of us have heard such conversations. As the saying goes: “People start complaining when they’re too old to set a bad example.”</p> <p>Owning your own business may not keep you from turning into an old fogey, but you will have less time to act like one, and life can be about challenges and rewards, not gripes and illnesses.</p> <p>Persons over, say, 50 years of age may have a difficult time obtaining employment due to questions of skill set, not to mention age discrimination. But, in your own business you determine your skill set and need not wait for someone else to say it’s OK for you to work.</p> <p>Entrepreneurship is truly an equal opportunity employer as to age. As the saying goes: “It’s mind over matter; If you don’t mind, it doesn’t matter.”</p>	<p>Seniors face special problems with time and capital. Younger persons can learn from their mistakes and begin again. Older persons may not have the luxury of starting over. This dramatically magnifies the impact of mistakes.</p> <p>Assuming that one has reasonable drive and intelligence, the biggest impediment to success in business for entrepreneurs of any age is typically ignorance; not “ignorance” as in dumb, but in lack of knowledge. And, often, persons who are most self-reliant, brilliant and successful in other fields, e.g. medicine or technology, are among the least successful in running their own business, especially outside their “home field.” Two reasons for this are:</p> <p>One, the fallacy of thinking that because they are brilliant and knowledgeable in one field they are or will be in another. In fact, they may not be brilliant in, and knowledgeable, about other types of business or business in general.</p> <p>Two, not knowing what they do not know, what Donald Rumsfeld would call the “known unknowns.” It takes knowledge of the field to know what to do or look for; someone from outside or new to the industry will not have this knowledge.</p> <p>Here at the firm we see clients who come in “after the fact” who have made the most basic amateur mistakes. The client may spend \$10,000 or more to correct or overcome what could have been avoided in our \$395 consultation.</p> <p>These mistakes are particularly harmful for older entrepreneurs, not only because they do not have the luxury of time, but also because they may use their savings and cash in their 401(k) for start-up capital. The stakes are much higher for seniors who risk all or a large part of their retirement funds to start or buy a business. Because there is less margin for error in either time or money, it is especially important than for seniors to have sound legal advice.</p>