

Your Past is Your Future

Before starting your own business, make sure it suits your personality traits.

Statistically, three quarters of small business start-ups survive the first year but less than 30% will be in business after five years. Data suggest most new businesses fail because of lack of cash flow, poor sales records, poor marketing skills or inept management. These reasons do not tell the entire story. How do they explain that many organizations in business longer than five years still demonstrate traits more usually associated with start-up failures?



There is little doubt the decisions an individual makes depend upon the personal attributes and values acquired as a child. To ignore these values and start a business that goes against them will make success difficult. Thus, starting a business encompasses more than financial logic. Hopeful entrepreneurs should look at their business start-up choice in much the same way they would consider a career change.

Be Realistic

Consider your interest in the project, the level of your skills, your experience (both academic and practical), and familiarity with the business and the community in which you want to locate your business. This is necessary to determine whether your business is truly a good idea or whether it is based on the shaky premise used by many: "If I build it, they will come".

Values

Identifying your value system is essential. Think about your work ethic, your views on integrity and honesty, your need to satisfy financial and material instincts, in addition to family, community and religious values. Your value system drives your everyday actions and will be expressed and amplified in your business. Introspection will reduce the anxiety of whether the business choice made will undermine your fundamental values.

Personality Traits

Understanding your personality traits is essential to determining business areas of interest to you and may also help predict the likelihood of success. Self-assessment tests are available on the Internet. You may want to interpret the results and discuss them with a trained psychologist, which will reduce personal biases and provide positive insight into areas you could explore further. These tests can also show areas where a person with your traits would probably not feel comfortable.

Ask Yourself

Being self-employed, whether you work alone from home or are an owner-manager with employees, can be overwhelming when you realize responsibility for success rests on your shoulders alone. But, if you choose a path that does not meet your personality's needs, the trek to success will be arduous. Ask yourself:

- Do you need to feel you have accomplished something by the end of each day?
- Are you better suited temperamentally to variety or routine?
- Do you ride high in the blue sky of optimism or in the overcast sky of pessimism?
- Are you a take-charge, responsible kind of person?
- Is recognition by your peers, your community or your clients essential?
- Do you work better alone or collaboratively?
- Are you a people person?
- Is detail your forte or are you more of a conceptual thinker who leaves the detail to others?
- Do you find yourself excited by new ventures that challenge, or do you prefer the familiar?
- Are you better suited to a nine-to-five, organized work environment or do you prefer to work as needed within a somewhat chaotic, high-pressure environment?

- Do you feel at ease dealing with the public or are you better suited to deal with small groups or individuals?
- Is your definition of your own success dependent upon how much money you make or is it measured in job satisfaction?
- Do you require a familiar home base or can you move your operations or travel to a more promising environment?
- Are you able to work in a small stand-alone environment or are you more comfortable with a support network?
- Can you handle criticism by staff and peers and still move on your convictions or do you need to appease everyone?
- Do you need the security of a known income stream or can you live on the edge of financial uncertainty?
- Are you self-disciplined enough to apply yourself or do you need third-party persuasion?



Can You Beat the 70% Factor?

The inability of 70% of start-ups to survive more than five years is significant. Certainly, poor financial planning, lack of cash and erroneous marketing projections contribute to failure but they don't necessarily tell the whole story. Maintaining a new business may be difficult when the failure to match the business to the personality traits of the owner-manager prompts burnout, stagnation and a general desire to quit because the business is not satisfying personal needs. As corporations continue to downsize and traditional career paths fade away, the success of those building their own future through self-employment may well lie in matching strengths and weaknesses with a business venture built on similar values.

This'n That at Logan Katz

For the second year, Team LK was delighted to participate in the 2012 H.O.P.E. Volleyball SummerFest, (www.hopehelps.com), an event that raised \$150,000 for local charities.

Wishing everyone a continued safe and enjoyable summer!!