

When to Jump from Career to Entrepreneurship

by Nomia Machebe



Penny Holburn: Executive Life Coach; Penny Holburn Coaching

Putting in a resignation letter in order to leave the comforts of a full-time job and start a business can be an exciting, but terrifying, experience. During this time, reactions of friends and family are usually mixed. Family members express concern, while some friends and acquaintances may say that they are inspired and impressed by such a giant step.

“Don't think there is such a thing as 'an excellent time to make the jump'. Usually, the easiest thing to do is to move from a full-time job to start a business doing exactly what one was already doing in the full-time job. However, there are so many other important factors to consider when setting up a new business. One's knowledge about starting a business is key, and so is having the right support, having an attractive product or service that is well priced, as well as having a competitive brand,” says Penny Holburn of Penny Holburn Coaching, a Sandton-based certified personal coach and a member of COMENSA (Coaches and Mentors of South Africa).

According to Penny, during this transitional period, it is normal for most people to experience uncertainty: uncertainty about where the money is going to come from, uncertainty as to whether the business will make it or not, as well as uncertainty about market and competitor response to the products and services. Also, one goes through some moments of doubt as to whether the right decision has been made or not. This can be an extremely stressful time.

Practicality and logistics could be yet other matters that usher in feelings of negativity during this period. Suppliers, partners and other stakeholders can come up with sudden and unrealistic expectations. On the other hand, there are bills to pay and it takes time for the cash to pour in – therefore, it is advisable and wise to set aside a reserve that will sustain both the business and personal needs for at least a year. Evening and weekend work while one is still employed full-time may be a good idea. Interesting to note is the fact that, to date, Penny has not met a person who took this bold step of moving from a career to running a business without some amount of nervousness.

Although, according to Penny, the majority of people who take this step initially experience excitement and know that the move is the right thing for them, she also finds that it is normal for most individuals to have a lingering doubt, namely: 'What if it does not work out?' Statistics on how many start-up businesses fail also make some people anxious. However, a minority of people still go ahead anyway and make the transition successfully – they pay attention to understanding what makes a small business successful and ignore the doomsayers and naysayers.

Questions to Ask Oneself before Starting a Business

- ▶ Will I be providing products or services that the market needs?
- ▶ Is there a market for my business?
- ▶ Do I need funding or will I self-fund my business?
- ▶ Have I done some market research?
- ▶ Who are my potential customers?

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Whenever one starts something completely new, there will always be good days and bad days, but, bear in mind, that several research studies have in the past highlighted the fact that most individuals who have an entrepreneurial spirit tend to be optimists; therefore, a bad day is a bad day, period. One has to stay focused and strong, and focus on the lessons without giving in to the temptation of quitting. “It can be really tough for the first 6 to 9 months, so one has to develop a thick skin, stay the course and sail the wave,” concludes Penny. Last, but not least, one needs to ensure that there are not too many changes taking place at once during the initial phase of starting a business, because this transition requires a lot of time, energy and effort. Also, one should get a mentor or a coach who will hold one’s hand when the tide comes in.

Because this is a learning curve, one has to be committed and prepared to learn. Reading books, subscribing to business magazines and going onto reliable websites may be a rewarding exercise. There are actually many resources, specifically for women, out there. All these resources are like gold. Burying one’s head in the sand and remaining in isolation are not great ideas. In any event, an entrepreneur should be networking during this exciting transition. “For those who have a strong learning orientation, all these activities will favourably contribute to the learning experience. One can learn a tremendous amount in the first year of starting a business. There is quite a lot of experimenting, throwing out what does not work and keeping what does work.

Unfortunately, for a lot of people starting a business, the focus is on: ‘How much money can I make?’ This is a negative foundation, because most successful and profitable business owners start from the perspective of: ‘How can I serve others?’ concludes Penny.

As far as the planning phase is concerned, Penny advises that the following steps be taken:

1. Plan

It is important that good planning be put in place well before the business starts. Usually, this step should be taken when one is still in full-time employment. Get expert advice if possible, and conduct market research as well as a competitor analysis. However, spending too much time on planning is not necessarily a good idea, for, sooner rather than later, one needs to move into the implementation phase.

2. Refine the product and service offering

Most successful entrepreneurs refine their plans and products while they are running the business, and it is important to implement the new ideas as soon as possible. Refining a product or a service requires a lot of interaction with customers. Feedback forms and face-to face interviews can be valuable tools for obtaining constructive criticism from existing and potential customers.

3. Hit the ground running

Too much planning does not make a person a great entrepreneur. If one is an entrepreneur, one wants to get going – even if all, or some, of the ducks are not in a row. Most successful entrepreneurs do this. Moreover, it is vital to be action-oriented at this stage. ■