

## The Home-Based Business — 5 Keys for Survival

With the recent downturn in the economy, boomers taking early retirement, the plethora of "business opportunities", or folks being fed up working for "corporate America," the entrepreneurial spirit, the urge to "work from home" is alive and well. For most home-based workers, the advantages generally outweigh the disadvantages — no commute, having more quality time with one's family, being in control of one's life and time, no boss to deal with — among others. This is the good news.

The not-so-good news is that many of these entrepreneurs and work-at-home stalwarts won't make it. In fact, according to Labor Department statistics, more than 50% of home-based businesses fail within three years of start-up.

So, to help insure you'll have a better than equal chance of surviving beyond three years and have staying power, consider following these five keys approaches and perspectives as you go to work, at home.

### 1. Remember, it's a business, not a hobby

The IRS has strict financial criteria defining the difference between a "business" and a "hobby." You can search for these on the Internet or contact your local IRS office. For example, if you're not showing a profit for "X" number of years, you're working a "hobby", not a "business."

However, over and above the IRS financial criteria, what will affect the success is the seriousness of purpose with which you approach operating your business. Going to work at home with a "business attitude" rather than a "hobbyist's interest" will largely determine whether you succeed or fail.

Another attitudinal factor is whether you are "moving toward" your business. If your energy and approach are one of "moving toward" something you truly desire with your mind, heart and soul, you'll have a better than average chance of survival. On the other hand, if you are determined to work at home because you are "moving away" from what you "don't want", (e.g., no more deadlines, no more bosses, no more pressure, no more "nine-to-five", no more "people issues", etc) then there's a good chance of failure. Why? Focusing on what you truly want, your heart's desire, and your purpose brings with it an energy of motivation, drive, enthusiasm, self-discipline, determination, resilience, courage, strength, stick-to-it-iveness, and consistency, especially in the face of challenge. A "moving away" energy is not sustainable, does not have staying power, and will not give you the energy, will or resiliency you'll need when the going gets tough. A "moving away" energy does not result in true joy and enthusiasm in the long term. So, it's critical that you be consciously conscious of the deeper motivations for your desire to work at home

In addition, if you approach your home-based business with a cavalier attitude (e.g., "by-the-way, I'll work when I want to"), you most probably are doomed to failure.

In fact, if you're not coming from a mature, serious, genuine and honest "going to work" perspective, at home, you'll most likely be wasting precious time and energy you might better devote to volunteering in your local community.

Running a viable business from home, rather than working on a very expensive hobby, demands the same degree of time, effort, seriousness of purpose, dedication, discipline, motivation and focus, perhaps more, than does the common job in the corporate arena. One

manifestation of your seriousness of purpose is dressing for work every day and "going to work" for normal business hours every day.

So, two questions to reflect on as you consider a home-based business are: "Am I working in a business or am I engaged in a hobby?" and "How do I know?" Your response will have a telling effect on the success of your efforts.

## 2. Remember, it's about self-management, not time management

A seriousness-of-purpose attitude is reflected in the way you organize and schedule your life. Truth be told, there is no such thing as "time management." Successful people are focused on "self-management." In other words, successful know their true values and their do-ings and be-ings reflect strict adherence to their values. Successful people "invest" their time and energy; they don't spend their time and energy wastefully. Their work is values-based. Successful people lead healthy, balanced and harmonious lives. Successful people focus on a healthy integration of mind, body, emotions and values as they lead their lives and conduct their business. They know that excess or deficiency in one area will affect the other areas of their lives and knock one off balance. Successful people bring their "whole" person to work every day. Successful home-based business people don't say: "By the way, I think I'll do some work today" interrupted by television, Internet surfing, sleeping, daydreaming, etc.

## 3. Remember, it's more important to work "in" your business" than "on" your business

Successful home-based business folks consciously know the difference between "activity" and "action."

Action means investing time and energy on purpose driven goals and objectives that point directly to the purpose, vision and mission of your business. Examples of action are prospecting for new clients and customers, making follow-up contacts, creating and disseminating marketing materials, networking, being visible, inputting sales data, updating accounts and the like. There is usually a return on this energy and time investment. That is, this time spent working "in" your business is known as "green time."

Activity, on the other hand, means spending (not investing) time and energy doing "busy work." Examples of activities are hanging out on the Internet in non-business-related efforts; reading non-essential papers and magazines, moving stacks of papers, socializing on the phone, reading and writing non-business related emails, watching television, shuffling paper clips and "re-organizing" your office over and over. There is no return on "activity" and it serves only to waste your precious time and energy. Activity has no goal and is not purpose driven. Activity is not "green time" and has no effect on the bottom line of your business. "Hobbyists" spend more of their time engaged in "activity."

## 4. Remember, time is money

Successful home-based business folks are experts at planning, organizing, prioritizing and executing. They work a well-planned and well-organized yearly, monthly, weekly and daily schedule. They plan their week in advance, plan each day in the morning and review each day at night and make whatever changes are necessary. They track their day and time on an hour-by-hour basis.

Through regular and consistent daily and weekly time tracking, they know where they are spending time and investing time. They know how much of their time is devoted to "green"

activities and how much isn't and honestly, sincerely and self-responsibly make whatever changes are necessary.

#### 5. Remember, business education is a journey, not a destination

Successful home-based workers continually update their knowledge and skills (e.g., computer skills, knowledge and skills related to marketing, managing, accounting, promotion, etc.). They read and research trade journals, magazines and professional publications and non-fiction publications regularly. They are engaged in recognized on-line professional groups and meet regularly in learning settings with like-minded individuals in their communities. Lack of commitment to continuous learning leads to a slow death for home-based business folks.

#### Conclusion

Working at home and being an entrepreneur can be an exciting, adventurous, and rewarding experience. It can also be a disaster. Whether you eventually "run a business" or "play at a hobby" is your choice.

The eventual success of your business, short- and long-term, will depend on the discipline, planning, organization, structure, self-management and seriousness of purpose with which you "go to work, at home."

Though you're not commuting, I hope you enjoy the ride.

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