

Advantages & Disadvantages of Self-Employment

There items as well as any additional ones that might not be listed here should be used as discussion points with the client regarding the advantages/disadvantages of Self-Employment.

Advantages of Self-Employment

- Independence – control over work setting and schedule
- Employment where/when outside opportunities are few
- Work activities that fit personal interests and capabilities
- Being the boss
- Interacting with customers, suppliers, and others
- Enjoyable work
- Sense of achievement/satisfaction if the business succeeds
- Control over job security
- Control of business decisions
- Better standard of living
- Feeling part of the community; connections with other community business members
- Long-term employment with opportunity for personal growth

Disadvantages of Self-Employment

- No regular paycheck or routine
- Financial risk; may need collateral, a loan or co-signer
- Pleasing the customer (the REAL boss); must be able to get along well with all types of people (clients or customers, suppliers, family funding sources, etc.)
- No employer benefit package (no paid vacation or sick time)
- May need to provide own health insurance and retirement plan
- Long, hard hours with little free time – owning a business requires longer hours and much more work than a 9-5 job
- Fluctuating income
- Unrelenting responsibility
- Possibility of business failure
- Stress on family/resource
- Possible exacerbation of health problems/disability

Any advantages or disadvantages not listed above that are specific to you?

Do you have any past experience in self-employment? If so what did they learn from that experience?