

Tired of Being Kicked to the Curb? Maybe It's Time To Be Your Own Boss.



September 15, 2020 5 min read

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How would you make a living and provide for yourself if you got laid off by your employer tomorrow? This question isn't entirely hypothetical in today's dicey economic environment.

As the ongoing Covid-19 pandemic continues to hammer various industries, the number of people who suddenly find themselves without a job is growing. United Airlines recently announced it was letting go of 16,000 people. MGM Resorts, meanwhile, moved to permanently lay off 18,000 previously furloughed employees.

Not grim enough? A recent study by the University of Chicago predicted that 42 percent of all the jobs that have been lost during the pandemic are never coming back. Holding tight for a few months and hoping to get hired back when the economy stabilizes might not work this time. There may be nothing to go back to.

For a lot of people who have unexpectedly found themselves holding a pink slip in their hand, the question is: now what?

If you have severance or savings, you can live off of that for a little bit, but then what? Do you try to find a job somewhere else and risk having the same thing happen again – being let go whenever the economic winds start blowing unfavorably?

Or, do you take your fate into your own hands and become your own boss?

The good news is, this is America. You have the freedom to go out and start your own business rather than working for someone else. You can be your own boss. After all, if you're going to bet on someone, why not bet on yourself?

Once you've decided that you want to jump off the hamster wheel of working for someone else and do your own thing instead, there are two main ways to go about it. You can either open a business yourself, or you can open up a franchise.

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It's helpful here to take a look at some of the pros and cons of each approach.

Starting your own business is like going into a forest without an ax and trying to chop down a bunch of trees. You can certainly do it, but there are a lot of unknowns and a lot of trial and error. Franchising, meanwhile, is like going into

the forest, but someone has handed you a tool beforehand that has been proven to chop down trees, and they've given you guidance on the most effective way to chop down those trees. If opening your own business is betting on yourself, then, becoming a franchisee is betting on yourself with somebody's help. This help can come in handy at all stages of opening a business, starting with the most fundamental aspect: the concept itself.

Unless you've spent years brainstorming ideas for businesses in your spare time, you probably don't have a stockpile of viable business concepts ready to go the day after you get laid off. And since the clock is ticking and your bank account balance is dwindling, you don't have unlimited time to come up with ideas.

That's a checkmark in the "plus" column for franchises. They've already come up with business ideas in almost every imaginable area. You can even pick one that aligns with your interests. Do you like landscaping? Do you like fitness? Do you like food? Whatever your interests are, there's a franchise for that.

After the idea, there's the small matter of financing. If you have a nest egg of a couple of million dollars, then you're all set, and you can get your venture off the ground by self-financing the effort.

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If you don't, you're going to have to make a trip to the local bank for a loan, and we guarantee that they're going to want to see a very thorough business plan and lots of other documentation that proves you've properly thought things through before they hand over their money to you.

This is another area where franchising provides a powerful advantage. You can walk into the bank with a proven business model under your arm, along with historical data that shows

how the concept has performed over a specific period of time. Opening up a 1,000 square foot store in a city with a population of between 200,000 and 300,000 people? You can show what comparable sales have been at other locations that match those criteria.

Part of the benefit of being your own boss is the freedom to call your own shots. That freedom, of course, means the ability to make everything from a brilliant call to a really boneheaded call. Once again, franchises can help out here by providing best practices accumulated over years of successful operation.

Necessity is the mother of invention. While no one ever hopes to be laid off from their job, it does provide an opportunity to pause and rethink the path you're on and where you'd like to go next. Running your own business, either entirely on your own or by signing on with a franchisor, can be a highly rewarding way to start your next chapter.

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