

People who run their own business are almost twice as happy with their working life than those who are not self-employed, according to a new survey by the BFA.

HAPPINESS IS RUNNING YOUR OWN BUSINESS

The survey was conducted in consultation with Nikolaos Tzokas, dean of Norwich Business School of the University of East Anglia.

Some 76 per cent of the respondents, who were aged 18-55, had never, or seldom, considered starting their own business.

The main barriers to start-up were:

- not enough money (52 per cent)
- family restrictions (14)
- scared/no confidence (14)
- worried about the failure rates of SMEs (13)
- and don't know where/how to start-up a business (10).

The research showed that 46 per cent with their own business were very happy at work, compared to only 26 per cent of employees.

Dan Archer, head of marketing at the BFA, said that the primary concerns of people considering self-employment were the financial investment and the risk of failure.

"It is here that franchising can play a vital role in boosting the confidence and economy of the UK," said Archer. "The nature of franchising is such that the risk of failure is significantly reduced as prospective franchisees operate a tried and tested system. This is reinforced by statistics from the NatWest/BFA survey which highlights that over 90 per cent of franchisees are profitable."

He added that as a result of the success rates of franchising the banks may lend up to 70 per cent of the total capital requirements, thus eliminating the main start-up anxiety.

Nikolaos Tzokas said that the research showed that to overcome barriers to starting a business that different approaches may be required for different regions. In the Midlands, for example, it seemed that prospective entrepreneurs were more scared/had no confidence, and worried about failure rates. Therefore, building confidence and disseminating lessons from national and international successes and failures, among other things, should pay dividends in the Midlands.

In London, one should address, among other things, the considerable concern people had about the investment required for starting their own business, and the fact that they did not know where/how to start-up a business, said Tzokas.

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