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## Lynn's Top Five

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Lynn Ballou is a CERTIFIED FINANCIAL PLANNER (tm) professional and Regional Director with EP Wealth Advisors, a Registered Investment Advisory Firm in Lafayette. Information used in the writing of this column is believed to be factual and up-to-date, however, we do not guarantee its accuracy. This column does not involve the rendering of personalized investment advice and is not intended to supplement individualized professional advice. A financial, tax and/or legal professional should be consulted before implementing any of the strategies directly or indirectly suggested and discussed. All investment strategies have the potential for profit or loss.

Sometimes making a career change makes sense, and sometimes it's financially reckless. Whether starting on a new career path or starting your own business, how do you know if this is the right move for you financially? And of course what's really at stake is not just your financial stability - it's your lifetime happiness.

In writing this column I turned to local Orinda Certified Business Coach Paul Wildrick for his wisdom and inspiration. Now a very successful business coach with ActionCOACH, he knows and shares a lot about this topic, having made successful and strategic career moves himself multiple times, including as an entrepreneur. Here are a few important ideas for your consideration.

1) Study and research: Don't just jump into something on a whim. Be real about the new professional path you are contemplating including the time involved to be a success. "Retooling yourself can often take several years, whether it involves taking courses, getting certifications or degrees or even researching ideas for new companies," Paul advises. He notes that the internet is an unlimited resource of free information. Everything from who is currently engaged in the business you are interested in to what they charge, their customer base and your own potential earning power in this field, will help you think through your options.

2) Informational interviews: Paul and I are both big believers in the power of the informational interview. Don't be shy about sending an email to someone you feel could really help you narrow the scope of your business ideas to what's workable for you. The right influences can save you time, allowing you to learn and explore what works and what might not from those who have been there and done that. Sometimes you might even find a mentor in this person. There's no greater joy than to be a mentor and a supporter of someone who is interested in moving their life forward, so know that mentors abound!

3) Understand the accounting, tax and legal issues: Even if you have a brilliant business vision, you will need help from a qualified tax and accounting professional to decipher the accounting and tax matters involved. And if you are starting a business, your need for experienced legal counsel is paramount. How are you funding your career change or business start-up? What are the tax and accounting rules and choices? Which entity makes the most sense? Need capital? Do you borrow from others or use your own resources? You should do your own preliminary research, but when the time comes to make the move, you should already have retained an expert team as you begin first steps.

4) Can I afford to make this change? Working with your financial advisor, create a few forecasting models that illustrate several different approaches and strategies. For example, if your business plan could take several years to start paying off, maybe you think about phasing in vs. a cliff approach. Also pay attention to your capital burn rate. How much asset base can you afford to use and what happens to you and your future financially if your new path doesn't provide a successful business outcome? And although we all wish for a financially successful result, make the tough choices before you launch to be sure you can weather possible financial adversity you might face.

5) Keep it real and stay on track with professional coaching: I definitely owe much of my business success to excellent coaching. Whether you need someone upfront to bounce ideas off of to be sure you have a viable idea and business plan or you are already successful but want to take it to the next level, the power of a great coaching relationship can be your key to unlocking new horizons.

It's scary to embark on new career and business paths, but don't let fear stymie you. Paul reminded me of a great proverb about motivation and moving your idea forward: "When is the best time to plant a tree? 20

years ago. Second best time? Right now!" Put in the time, do your homework, and maybe we'll all be enjoying that forest you create! If you have any questions for this column's guest, Paul Wildrick, you can reach him via email at [paulwildrick@actioncoach.com](mailto:paulwildrick@actioncoach.com) or by phone, 925-963-9665.

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