00:00:10:04 - 00:00:38:03

Speaker 1

Welcome, my name is Andrew Baron and this is, Well… It Depends! The podcast where I address financial decisions that can't be answered with a simple yes or no. In this episode, I asked the question, Should I consider a side hustle or focus on my main career? But before we began a short disclaimer. This is being recorded on October 24th, 2023.

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Speaker 1

The contents of this podcast are strictly for informational purposes only, and nothing said should be taken as investment, tax or legal advice. It's important to consult with a professional before making any financial decisions as the strategies discussed may not be suitable for you specifically.

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Speaker 1

Getting into it. Should I consider a side hustle or focus on my main career? Well… It Depends! The modern world has presented opportunities for multiple income streams, but is more always merrier? Let's examine both sides.

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Speaker 1

So what are the benefits of a side hustle? Extra income. Besides the obvious benefit of more money, side hustles can allow you to achieve financial milestones quicker, whether it be saving for a down payment, reducing or eliminating student loans, or just padding your emergency fund. Diversified income. Multiple income streams reduce reliance upon one employer, should layoffs strike or industries tank a side hustle can be a financial lifeline. Skill development. Whether it be marketing for your online store or coding for a tech project side hustles often demand skills that your main job doesn't, ultimately making you a more versatile professional. And testing the waters.

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Speaker 1

A side hustle can allow you to pursue other passions without the risk of losing your main job. If it doesn't work out, you still gain valuable experience and ultimately learn more about what you really want from your career.

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Speaker 1

Now let's talk about some of the potential drawbacks. Time commitment. There are only 24 hours in a day and time spent on your side hustle means less time for friends, family and relaxation. Burnout isn't just a buzzword, it's a real risk when juggling multiple commitments. Potential conflict. Some companies have non-compete clauses, or at the very least, expect your primary focus. side hustles in the same industry can sometimes blur the lines.

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Speaker 1

Stress management. More work often means more stress. Although a side hustle might bring in extra income, it also might be at the peril of peace of mind or even your health. Dilution of focus. Think about it. If your side hustle were to suddenly take off, are you okay in potentially stalling out your main career? Or alternatively, if presented a big opportunity at your main job, are you okay with potentially letting your side of business suffer?

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Speaker 1

Now let's pivot to focusing on your main career. Its merits include deep specialization. Mastery often demands focus, and by channeling all of your professional energy down one path, you position yourself as an expert, which can lead to recognize and promotions. Work life balance.

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Speaker 1

Without the commitment of a side hustle, you set yourself up to have time for hobbies, family time and relaxation, which can ensure that you have a more fulfilling life outside of work.

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Speaker 1

Consistent routine. While, having a routine might seem boring, there can be comfort in predictability. Only having one job usually means consistent hours, which can lead to better personal time management and lower stress. Job security. Employers value loyalty, and by focusing on one job, you can make yourself more integral to the team, which can potentially ultimately bring you better job security.

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Speaker 1

On the flip side, only focusing on one career has its challenges. Economic vulnerability. Only having one source of income can leave you exposed should you be experiencing an economic downturn, company bankruptcies or layoffs. Potential stagnation. Although specialization has its merits, there is a risk that you might get stuck or become obsolete should the industry shift. Unrealized potential. If you have multiple talents, only focusing on one job might mean that some skills and passions never see the light of day.

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Speaker 1

To recap, the benefits of a side hustle include more money, diversified income, skill development and testing the future waters.

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Speaker 1

While drawbacks include time commitment, potential conflicts, stress management and dilution of focus.

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Speaker 1

The benefits of focusing on your main career include deep specialization, work life balance, consistent routine and job security. While the challenges are economic vulnerability, potential stagnation, and not realizing your true potential.

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Speaker 1

So to answer the question, should I consider a side hustle or focus on my main career? Well… It Depends!

Speaker 1: Andrew Baron, CFP®, EA