

Working for Yourself



If you need help or advice, please see your Progression+ team at college.



CCGONLINE

 ccgonline.chichester.ac.uk

 www.chichestercollegelgroup.ac.uk

TYPES OF SELF EMPLOYMENT

There are several options if you wish to become self-employed. Each differs in terms of paperwork to complete, tax to pay & how profit is calculated and distributed.

SOLE TRADER

Owned and managed by one individual. Sole traders are usually easily established, have low running costs, are subject to fewer regulations and are easy to discontinue. However, they can be difficult to keep afloat and you will probably end up working hours and take fewer holidays. Plumbers, hairdressers and electricians are often sole traders.

PARTNERSHIP

Similar to sole traders but involve two or more people managing the business. Each partner pays tax and national insurance on their own profit. Professional services such as lawyers and doctors are often partnerships.

CO-OPERATIVE

These social enterprises aim to create customer value, not shareholder profit. They are owned and managed by those who work in it.

FRANCHISE

These are established businesses e.g. Subway, Costa, that are owned by a franchisor but managed by a franchisee. Workload and start up costs are usually lower as the business format is already tried and tested and usually successful!

FREELANCE/ CONSULTANCY

Individuals who have enough skills, knowledge and experience in a specific sector can be hired by companies to assist with planning, structuring or hiring.

WHERE TO START?

DEMAND

The product or service you plan to provide must be in demand (or you could create the demand).

COMPETITION

Look at other local businesses & see what they provide in terms of cost, service, quality, location, flexibility, reputation, speed, reliability, target market, marketing and the image they project. To research local business and services please see- Yell.com - the UK's leading online business directory

POTENTIAL CUSTOMERS

Consider how many there are, where they are & what they might require. You also need to consider how they are going to access your services, will you need an office or premises?

MARKETING

Think about how you will go about selling the product or service and who you will sell it to, e.g. another company or to the public. Consider the image you want to project, do you want a company logo? Think about how you would advertise your products or services. Look at your competition - how will you tempt customers away from them?

COSTS / PRICES

Think carefully about the costs involved in running a business. Prices charged to a customer for a product or service must allow for this and should always include your time.

ESTIMATED SALES & CASH FLOW

Set-up costs need to be considered (working premises, equipment, stationery, marketing, patent or trade mark), as well as sales & cash flow figures for the day-to-day running of the company. It is essential that you complete a Cash Flow Forecast and consider how you intend to finance the business, both initially and in the future.

PRODUCING A BUSINESS PLAN

- A business plan is a written document that describes your business idea. It covers your objectives, strategies, sales, marketing and financial predictions. You will need a business plan if you want to secure investment money or a loan from a bank.
- A business plan should include all the details which were previously mentioned, in addition to a summary which gives a good general picture of what you intend to do. A Business Plan helps to:
 - Clarify your business idea
 - Spot potential problems
 - Set out your goals
 - Measure your progress
- This is an essential exercise - it is needed in order to make you think things through. You will also need a Business Plan if you want to get financial help to start your business.
- Of all new small businesses, over half do not survive more than 36 months. Of those, most did not have a written business plan!

BUSINESS PLANS



FUNDING

Starting up a new business can be costly and you may require some financial support. The most suitable finance option for your business depends on:

- How much funding you need
- Your current business revenue or if you are a new business
- If you are willing to offer personal assets as security. This can make it easier to get funding but is risky if you cannot make your repayment
- If you own a business property
- If you have shares you may be willing to sell

The Gov.uk offers lots of helpful guides and links to business finance options:

www.gov.uk/business-support-helpline

You can also search for local government-backed support options, including:

- Grants
- Finance and loans
- Business support e.g. mentoring, consultancy
- Funding for small, medium and start-up businesses

www.gov.uk/business-finance-support

Banks and Building Societies - many provide information and advice, but do bear in mind that they are interested in lending money and much of their advice relates to this.

SELF EMPLOYMENT WEBSITES

 [gov.uk/browse/business/setting-up](https://www.gov.uk/browse/business/setting-up)

General help and advice

 startups.co.uk


General help and advice

 www.livewire.shell


Advice for 16-30 year olds

 princes-trust.org.uk

Advice for 18-30 year olds

 www.citizensadvice.org.uk/work/

Self-employment checklist and information and guidance from HMRC

 www.prospects.ac.uk/jobs-and-work-experience/self-employment

General help and advice

 ipo.gov.uk/types.htm

Information on patents and logos

 [gov.uk/topic/business-tax/self-employed](https://www.gov.uk/topic/business-tax/self-employed)

Register as self-employed and guidance on starting a business

 mentorsme.co.uk - Britain's first online gateway for businesses looking for mentoring services

Businesses access to business mentoring organisations across Britain.

 [Browse: Business and self-employed - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

Various resources to help those interested in self employment