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careers and employability

Self-Employment
How to guide

What is Self-Employment?

Self-Employment is also sometimes known as being a Freelancer or Sole Trader and involves working for yourself rather than for an employer. It's different from a Limited Liability Company (Ltd) which is an independent legal entity. It's quite normal to start a business as Self-Employed and then as it grows register it as a Ltd Company. Being Self Employed can involve working for multiple clients providing a particular service or selling your own products. E.g. As a Graphic Designer or Designer Maker.

Do:
• Some research to figure out what it's really like being self-employed before you start out.
• Work out exactly what it is you have to offer and if there is likely to be any demand for it.
• Pitch your idea to critical friends who can give you feedback and help you overcome initial challenges.
• Work out what your business identity will be, your own name or something different.
• Buy the best domain name you can get, .com, .co.uk etc
• Work out what is realistic in terms of initial finance investment to get your business off the ground.
• Use the template overleaf to sketch out a businenss plan.
• Research other similar businesses and learn how they do things and how you might do it differently and better.
• Test out your idea as early as possible to get a sense of how viable it really is.

All information is correct at time of publication April 2018

Top Tips

Write yourself a business plan
Know your 'pitch' practise telling the story of what it is you offer and how it's different from competitors.

Price your work or hourly rate
Work out how much you will charge for your products (wholesle and retail) or services on an hourly/daily basis.

Promote your products or services
Create a website and social media accounts to promote yourself. Set up a spreadsheet and client contact list.

Manage your accounts
Set up a new bank account to keep your work and personal finances separate. Find accounting software too.

Inform HMRC and pay national insurance
As Self-employed you are required to submit an annual tax return to Her Majesties Revenue and Customs (HMRC) stating how much income you have made and what your expenses are. You should also pay National Insurance.

Get insurance
You may need to get public liability or professional indemnity insurance to cover yourself in case anything goes wrong.

Manage your IP
Owning and managing your Intelletual Property can be an inportant part of a creative business.

Business plan

Business name
(and website domain)

WHAT
Proposition- what does my business offer. (eg Graphic Design services)
Try defining your business in 25 words

WHO
Customers
(eg young design led professionals)

HOW
How does it do this
(eg via website where bespoke unique designs can be ordered)

RESOURCES
What resources do I need to run this business operation. (eg computer/ printer and packing equipment)

PARTNERS
Which people do I need to make this business work. (eg supplier, legal, financial adviser)

COMPETITORS
(eg what can you learn from them about the market, pricing, marketing and customers)

Checklist - of things you have done to get your business started

- [ ] **Business plan**
- [ ] **Business cards**
- [ ] **Website**
- [ ] **Rate card /price list**

- [ ] **Register HMRC**
- [ ] **NI contributions**
- [ ] **Insurance cover**
- [ ] **Bank account**

- [ ] **Accounts system**
- [ ] **Elevator pitch**
- [ ] **Domain name**
- [ ] **Intellectual Property**

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