

Working for yourself

Increasing numbers of graduates (and not just business students) are considering working for themselves. Whether creative freelancers, social enterprises, tech start-ups or simply those with a great commercial idea

Why work for yourself

Many students begin their entrepreneurial journey at university, developing and testing their ideas and running businesses alongside their academic studies.

If you have ideas for a new product or service, want a more flexible structure, or more control over your work life, then working for yourself is something to consider.

Developing your enterprise skills - creativity, innovation, self-motivation, problem solving – is not only important when you work for yourself, but will benefit you regardless of the career path you choose to pursue.

Visa restrictions (in the UK)

If you are an international student, it's wise to check your visa restrictions before setting up a business or engaging in freelance work. Find out more at: www.ukcisa.org.uk/Information--Advice/Working/What-kind-of-work-can-you-do. If you've been endorsed for a business idea apply for a Start-up visa <https://www.gov.uk/start-up-visa>

Try it on for size

If you would like to develop your entrepreneurial skills and find out what it's really like to work for yourself before making the leap, here are some examples of low risk ways to help you decide whether it would suit you.

- Gain work experience with a small company: www.step.org.uk
- Try an internship with a start-up: www.enternships.com
- Offering your services as a freelancer: www.peopleperhour.com

Different ways of working for yourself

Think about which one is best suited to your product or service and what the legal and tax implications and responsibilities are for each.

Freelancing

Freelancers work under a fixed contract to deliver a specific task or project for a client, which could be an agency or a company. Freelance roles are common for graduates in the creative industries who want to work as photographers, artists, designers or makers, in the performing arts or media, as well as in business or IT.

Sole trader

A sole trader owns and manages a business and there is no legal distinction between the owner and the company. This means that all the after tax profits are yours, but equally so are any debts you incur. Typical sole traders include plumbers and electricians.

Partnership

Partnerships are when a minimum of two people own or control a business and share the profits and losses of the business, although it doesn't have to be an equal share. Partnerships exist in professions such as dentistry, law and accountancy.

Social enterprise

Social enterprises are businesses with a social purpose and profits are reinvested back into the business or the community. Different types of social enterprise include cooperatives, credit unions, development trusts, employee-owned businesses, community interest companies and housing associations.

Limited company

Unlike sole traders and partnerships, limited companies allow the separation of an individual's assets and liabilities from the company's. A limited company must be registered at Companies House and there are legal obligations in the formation and running of the business.

Further information and resources

- www.gov.uk/set-up-business information on different types of business and legal responsibilities associated with each.
- www.gov.uk/set-up-a-social-enterprise setting up a social enterprise.
- www.startupdonut.co.uk covers the basics for a new start-up, including business planning, tax and finance issues and how to take on employees.
- www.gov.uk/government/organisations/hm-revenue-customs HM Revenue & Customs, the UK's tax authority, includes guides on how to file your Self Assessment tax returns if you are self employed.

Research your market

Regardless of the legal structure you choose when you work for yourself, if you are bringing a product or service to market you need to think about how you will position yourself within the market, and who and where your customers are. Taking the time to research your market will save you making costly mistakes. You can do this through a mixture of desk based research and getting out and talking to your potential customers through face to face or online surveys.

Tools and resources to help you research your market

- www.mintel.com in depth market analysis and consumer trends.
- www.uktradeinfo.com statistics for UK import and exports.

- www.ons.gov.uk the UK's largest independent producer of official statistics and the recognised national statistical institute of the UK.
- <https://trends.google.co.uk/trends> search and compare keywords relating to your business idea or product to understand what customers are searching for over time.
- <https://cobwebinfo.com> online business support library with guides to carry out start-up market research, and design questionnaires. Your university or library may subscribe to this.

Funding and competitions

Whether you need seed money to test an idea or a bigger sum to launch a product or service, there are many opportunities to access funding.

Competitions

A great way to access funding, gain some exposure and access support to help you as you go.

- <https://entrepreneurhandbook.co.uk/competitions-award/> talk to your careers department for information on student enterprise competitions.

Crowdfunding

Fund your idea or project through contributions from a large number of people.

- www.ukcfa.org.uk UK Crowdfunding Association. An organisation which aims to be the voice of all crowdfunding businesses in the UK, and promote crowdfunding as a viable avenue for raising funds.
- <http://crowdingin.com> Nesta's CrowdingIn directory contains an exhaustive list of currently active crowdfunding platforms.

The following three are particularly popular:

- www.kickstarter.com
- www.indiegogo.com
- www.crowdfunder.com

Bootstrapping

Starting small-scale with a limited amount of capital and growing the business organically. Works well for ideas with low start-up costs that can be easy to scale up. Keep costs down by renting or accessing equipment via an enterprise hub or by trading skills.

Start-up loans

Loans for individuals starting a new venture either in the planning stages or which has been trading for up to 12 months.

- <http://www.shellspringboard.org/finance-navigator> a database of investment sources for enterprises in the low-carbon, cleantech and sustainability sectors.

Grants

Many grants are available to help start-ups.

- <http://www.grantsnet.co.uk> funding resource for businesses, charities, social enterprises, community groups and voluntary organisations
- <https://www.biglotteryfund.org.uk/global-content/programmes/england/awards-for-all-england> grants of between £300 and £10,000 for social enterprises and community interest companies.
- <https://unltd.org.uk/> A leading provider of support to social ventures in the UK, supporting individuals with ideas designed to deliver positive social change. Their grant programme is available to social entrepreneurs at every stage, from starting up to scaling up.

Business Angels

These are wealthy individuals looking for new projects to invest in.

- www.angelsden.com information about speed-funding events.

Promoting your product or service

Having an excellent product or service is great, but unless your customers know about it, you won't make a living from what you do.

Creating a strong brand and developing a marketing plan will give your customers a clear idea of who you are and why they should engage with your service or product.

- www.smartinsights.com/marketing-planning/create-a-marketing-plan/10-nov-start-marketing-plan an introductory guide to launching a marketing plan.
- <https://blog.kissmetrics.com/ultimate-guide-startup-marketing> guide to designing a marketing strategy, covering social media, content creation and start-up PR.
- <https://hootsuite.com> manage all of your social media marketing activities from one platform.
- www.canva.com free and easy to use online graphic design software for designing social media graphics.

Identify relevant media

This might include local press and/ or specialist publications. Consider producing press releases and advertorials.

Manage your reputation

Personal recommendations and reviews are crucial.

Get a website

Your website is your shop front. Create your own using free platforms or pay for a professional site with your own domain name. Make it easy for customers to find you by submitting your site to search engines, using key words and metatags.

- www.wix.com free website builder.
- <https://wordpress.com> free website and blog creator.
- www.squarespace.com not free, but visual and good for designers, artists etc.

Networking

Never underestimate the importance of networking when you work for yourself. Many opportunities arise through word of mouth, so the more you network, the more you can make connections, create opportunities to collaborate, and access useful resources.

- <https://nacue.com> a leading student-run membership organisation for engaging young people in enterprise, through nationwide events, conferences and hands-on workshops.
- <https://www.screenskills.com> a professional network for creatives.
- Start-up and co-working spaces – your university may have a co-working space on campus where you can work on your ideas, or your careers service may be able to help with access to local spaces.

Other useful resources and information

- www.prospects.ac.uk/jobs-and-work-experience/self-employment information on key areas to consider when starting a business, including how to produce business plans and marketing strategies.
- <http://startups.co.uk> guides to starting a business in a variety of sectors, and information on growing your business, crowdfunding and networking.
- <https://strategyzer.com/canvas/business-model-canvas> tools to map out all of the essential components of a business idea.
- <http://diytoolkit.org> practical tools to develop ideas and support innovation.
- www.mindtools.com toolkit to help you develop important entrepreneurial skills.
- www.straightupbusiness.institute/toolkit this toolkit can help develop and clarify your ideas.