



Make Money Doing What You Love
establishing a small creative business

Introduction

- Women in Non-Traditional Fields Speaker Series
- <http://submitinfographics.com/all-infographics/how-important-is-small-business-in-the-us.html>
- DonnaClaireDesign: Print and Web
- Website Samples: From scratch, WordPress
- <http://www.donnaclairedesign.com> plus handout link
- <http://www.robertfornellceramicarts.com>
- <http://www.peterwaweru.com>
- <http://www.backlashindustrial.com>
- <http://www.smallplanetmontessori.com>
- <http://www.onevibeafrika.org>

Introduction

- Questions may be asked anytime
 - » What is covered
 - » Our History
- Establishing a Small Business
 - » Legal Stuff: Business Advice, Type of Business, Business Plan, Legal Agreements, Licenses, Freelancing
 - » More Legal Stuff: Accounting and State and Federal Taxes
 - » Familiarize yourself with taxes and legal obligations. Not knowing doesn't count as an excuse. Keep records.

Introduction

- » Work up proposal from meeting
- » Contract
- » Managing clients
- Running the business
 - » Time Management - managing time across multiple clients
 - » Admin
 - » Marketing & Networking
 - » Continue Learning - keep up skills and tabs on the profession, tools
- Q and A

Establishing a Small Business

Knowledge is Power

You don't need a degree in business to start one, but attending workshops or classes and doing preliminary research and planning are excellent ways to gain the knowledge you will need to be successful. Seek legal, tax & business advisors:

- SCORE
- Small Business Administration
- Washington Women's Business Center - Seattle
- Washington Small Business Guide
- Seattle Times: Small Business Resources

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Establishing a Small Business

Decide on your Business Entity Structure

There are different types of business entities, each with unique benefits and limitations. Common business structures:

- Sole Proprietorship
- General Partnership
- Limited Liability Partnership
- Limited Liability Company
- Corporation
- Non Profit Corporation

Choose a name for your business, make sure it's not already taken.

Check to see if you are required to register your business entity on line with the office of the Washington Secretary of State.

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Establishing a Small Business

Licenses and Permits

Apply online or by mail. Operating a business in the City of Seattle:

- Federal Tax ID Number / EIN#
 - » You receive a federal tax ID#
- WA State Master Business License / UBI#
 - » You receive a UBI# & certificate of formation
- City of Seattle Business License
 - » Renew on the anniversary of formation date
- Operating Agreement (for LLCs)
 - » Keep with your business records

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Establishing a Small Business

Taxes

When your business is up and running, there are certain things you need to do to meet the tax requirements.

- Federal Income Tax
 - » Consult an accountant for business tax return
 - » Self Employment Tax & Estimated Tax Payments
- WA State - Excise Tax (B&O)
- King County - Personal Property Listing
- City of Seattle - Business License Tax Return

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Establishing a Small Business

Bookkeeping

Keeping accurate and complete records makes the job easier when it's time to fill out excise tax returns and other reports.

You can handle your local and state tax returns online. Consider hiring an accountant to help you do your Federal tax return and prepare your financial statements.

- Use Excel spreadsheets or bookkeeping software
- Open a Business Bank Account
- Paying Yourself

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Workflow

- Meet with Client for web project
 - » Goals for site, target audience, scope (functionality), budget
 - » Explain process
 - » 1/3 deposit with balance due upon completion
- Proposal with estimate
 - » Research, design, production, testing
 - » 2 different fees for design and production
 - » Change contingency
 - » Kill fee
 - » Site maintenance
- Contract with timeline (for us and for client)

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Workflow

- Research: Competition, client likes and dislikes, new site functionality
- Design samples with 2 opportunities for feedback
- Final sign off
- Build/Production
- Testing, Final tweaking
- Final sign off, burn to CD as backup, invoice client (yay!)

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Workflow

How much should you charge per hour?

$$\begin{array}{l} \text{How much you} \\ \text{would reasonably} \\ \text{like to make} \end{array} \div \begin{array}{l} \text{number of} \\ \text{billable hours} \\ \text{per year} \end{array} = \text{hourly rate}$$

What should your annual income for the year be?

How many hours/day, days/week, weeks/year are you willing to work?

- » Deduct time for admin, travel, learning
- » Deduct holidays, vacation, sick time
- » Billable hours usually end up being 1/3 the amount you estimate
- » Starting point

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Running the Business

Time Management

Managing your time effectively takes practice. It's a balancing act but it can be rewarding as you become better at it. Be prepared to adapt to change and take advantage of timesaving tools.

- There will be a lot of writing
- Create templates, make your life easier
- Prioritize tasks & commitments
- Set long & short term goals for the week
- Consider Evernote to organize and share docs
- Focus & get enough rest

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Running the Business

Admin

Don't forget to allocate time for administrative tasks. Avoid major headaches by investing a little time each week.

- Return phone calls, answer email
- Stay current with your bookkeeping
- Watch your statements & mail
- Keep track of your expenses
- Make frequent backups of everything

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Running the Business

Marketing and Networking

The more you can do to put yourself “out there” the better. Tell people what you do. Share your experiences with colleagues and learn from each other. Make connections while you are in school.

- You need an online presence
- Social media
- Events & Conferences
- Freelance Seattle
- Friends
- Clients
- Stay on the radar

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Running the Business

Continue Learning

One of the most important things we have learned is to continue learning. Continually updating your professional skills and staying current with emerging trends & technologies are more important than ever.

- Attend Classes & workshops
- Subscribe to blogs & newsletters
- Instapaper - keeping up on your reading got a whole lot easier

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Wrapping it Up

- Trade-offs
 - » Control your own schedule
 - » Be responsible for every aspect of your business
 - » Be conscious of billable vs non-billable hours
 - » Feast or famine
 - » Health Insurance
 - » Enjoy What You Do

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