

self- employment

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1 Introduction

Have you ever thought that it would be better to work for yourself than for someone else? Control your own destiny? Work the hours you decide? Take full responsibility for everything that you do and reap the rewards that go with it? If you have, this booklet is for you.

Around three million people in the UK are self-employed. Almost three-quarters of them are men but a growing number of women are increasingly attracted to the idea.

The road to success

Later, we'll discuss the qualities and abilities you'll need for success and the pros and cons of becoming self-employed. We'll consider the steps you need to take if working for yourself rather than for someone else is your goal.

To be self-employed, you don't just need a business idea. You also have to get to grips with the financial implications of your work and understand how to market your product or service. It's a life in which you have to keep several disparate yet related strands of thought all going in the same direction at once.

Role models are extremely important if you're considering taking your first step into business. You'll read the stories of four people who have done just that. They work in sectors as diverse as health, the arts, information technology and the media. Yet, the challenges they have faced in

getting their business off the ground and the obstacles they have overcome are uncannily similar.

Your business idea

Many people seem to think that it's essential to have an original business idea if you want to work for yourself. It isn't. You can just as easily set up in competition to someone providing a similar service in your location. Copying the success of others and avoiding the mistakes you see them make is normal practice in business but be aware that stealing someone's patent, intellectual property or copyright is, of course, going too far. As long as it's legal, it's valid.

Your business idea must be one that you have the skills to carry out. All you have to do is to make sure that there is a market for it and that it's financially viable. Then put it into practice.

Your education will help you work things out and analyse situations. It may even give you the skills and knowledge to set up a particular business such as in art and design, model making, giving nutritional advice or providing information technology services. However, you will need a lot more than just your qualifications to succeed.

For further advice on self-employment issues, view the Prospects Self-employment Community online at www.prospects.ac.uk/startup.

2 Why do it?

People have many reasons for wanting to set up in business. First, there is the attraction of living off your wits and surviving by your own efforts; being **self-reliant** instead of depending on an employer for your livelihood. As an employee, your salary is often fixed, possibly calculated in relation to what other people earn, and may rise slowly with inflation. When you run your own business, the more effort you put into it, the more you are likely to get back. Success is entirely dependent on the application of your skills in a commercial situation. It is true, however, that in some circumstances you will try really hard and still not succeed. Yet in others, a little effort brings big rewards. Next is the attraction of **being your own boss**; making the decisions yourself instead of continually being told what to do. If you make a wrong decision as an employee, the organisation you are working for will suffer but if you do it when working for yourself, only you will feel the downside. If you're confident in your own ability and prepared to compete with other businesses for the custom of your clients, being self-employed will be an attractive proposition.

Freedom is also an issue. Employees are usually expected to work set hours. While some employers may be more flexible than others in this respect, when you are running your own business, you choose your hours of work to suit your convenience. A cautionary note, however: your hours will often be dictated by your customers and clients. If they need something in a hurry and you

want to retain their business, you will have to deliver on time, so you might need to work all night. However, as long as you put in the effort, you should work the **hours of your choice**.

The same is true of days off and holidays. Many people in business do a little work every day, including weekends. Since you only get paid when you produce something for your clients, income can be lost when you take a break so you will need to plan holidays during slack periods. Most businesses have a cycle of activity so you can eventually predict the best times to take a break.

Another attraction of self-employment is **tax benefits**. Employed people pay for their transport to work out of taxed income. The self-employed can call this transport an 'expense' and claim tax relief on it. Many other costs are also tax deductible like office decorating, equipment, advertising and books. While employees pay tax every month, sole traders only do so twice a year. The downsides are that you will have to make provision for your own pension and if you are unwell and unable to work, you simply don't earn anything.

Running your own business is like having a baby. You nurture it, care for it and, yes, love it. It is a part of you. You hope that it will grow and mature into a thriving enterprise. For many self-employed people, their business is a part of their persona and they would be bereft without it.

3 What kind of person are you?

In academic life, the winners are those who get the best marks; those who think deeply and logically. The emphasis is often on obtaining and increasing one's knowledge. Business life is different. You need a broader range of skills to be successful. If you need to know about something, you research it, otherwise you concentrate on the process of getting things done.

An eye for a good deal will help. A focus on the needs of your clients or customers, and an emphasis on doing things profitably are essential. If you have a commercial outlook it will certainly help. You need to optimise income and minimise costs.

Academics beware?

It doesn't matter if you have what employers call 'a good degree' or not. No-one will care whether you have an HND or a PhD, four As at A-level or just one E. Some of the most successful people in business, such as Richard Branson and Alan Sugar, didn't have a degree at all. You only need qualifications if your business requires them, for example, if you're setting up as a dentist or consulting engineer. Otherwise, they're not essential, although having them may, of course, help you to impress potential clients.

Some believe that education teaches us to be cautious and to over-analyse situations. If our cautious nature has the upper hand, we can miss

great business opportunities, wasting our entrepreneurial and commercial talents. Timely action is important if you want to succeed in business.

Risk takers

No business is risk free, so if you're risk averse it will be difficult to take the plunge, especially when you could be earning a regular salary every month as an employee. You can, of course, minimise the downside by careful thought, planning, working out a strategy and sheer hard work. However, risk is always an element of any business activity.

Hard work

Being self-employed is hard work. When a customer needs something quickly, you will have

to work long hours. The rewards may not necessarily be exciting. At other times, work can be slack. You may escape from the nine to five rigidity of most jobs and be able to organise your day to suit yourself, but in the end, you have to deliver results on time and to the required quality. If you are working on your own, you have to do everything yourself: buy the equipment and raw materials; maintain them or pay someone else to do it; and type the letters, lick the stamps and post the letters. By contrast, in employment, all the basics, such as your desk, paper, computers, photocopiers and someone to answer the phone, are usually provided.

If you decide to be self-employed, prepare to work hard.

4 Skills and personal qualities

It would be quite wrong to suggest that you must have a certain type of character or set of qualities to make a success of your own business. Among the three million people who work for themselves, there is every kind of individual. Yet, undoubtedly, some characteristics are a valuable asset if you have them.

Most self-employed people have a **strong sense of realism**. They know, in practical terms, what's possible to achieve. Many of us, when we sell something that is ours, such as a second-hand car, are over-optimistic about what our customer might pay for it. We see it from a seller's point of view, not the buyer's. We dwell on its good points and gloss over the not so good. In business, it helps if you can put yourself in your customer's shoes and see the product or service you are offering through their eyes. Success will be achieved only if you meet their needs as they see them.

Self-employment is not for shrinking violets. It is essential that you firmly believe in your ability to run your chosen business. A degree of **self-confidence and belief** definitely helps. Doubts about what you're offering can be disastrous.

The **ability to plan ahead** is also a key quality. You may have enough work now but unless you plan ahead and take steps to inform more people about what you do, it may soon dry up. It is unwise to rely on just one or two customers, no matter how good your relationship with them. Don't assume that a service you offer today will be popular tomorrow. Time moves on and needs

change. If you have the **flexibility and adaptability** to move on too, perhaps learning new skills, you will increase your chance of staying in business.

The **ability to network** is also invaluable. When you are running your own business, the most likely source of work are the people who know you. If they respect what you do, they will tell others. Getting into a position where you can meet large numbers of potential customers and explain what you do will definitely help your business. Self-employed people often take opportunities to get together, join clubs and find opportunities to talk to potential clients. Advertising is expensive and doesn't always work so there is usually no substitute for spreading the word about your business yourself.

Running a business on your own as a sole trader can be a lonely occupation. No one is going to motivate you to get out and make your business work other than yourself. For some, this is a good reason for going into business with someone else in a partnership or limited company. If you are working totally alone, it is your customers who provide the social interactions you get each day. Therefore, it is essential that you can make yourself get up in the morning and do what is necessary to keep your business going.

While most employers look for good team players, this is not an essential quality in self-employment. Self-belief and the **ability to communicate** with customers and suppliers are much more important.

5 Ways to run a business

Sole traders

Most people who start in business do so as sole traders. They work on their own. They alone receive the income and are liable for any debts. The financial costs of starting up are minimised by working alone from home. It can be a lonely life but, instead of colleagues, you have customers. Business people who work in the same town often join organisations such as the British Chambers of Commerce or networking groups such as Business Network International where they meet other people who are in a very similar situation to themselves. Talking your problems over with other people in business, provided that they are not competitors, can help.

Partnerships

You could set up in business with a colleague or friend. Perhaps you each have different skills to bring to the enterprise. One may be a good sales person and negotiator while another has the ability to provide a service, like mending guitars, writing websites, compiling accounts, analysing markets or sculpting. When you go into business with someone else, this is usually known as a 'partnership'. Everyone might own an equal share or some may have a larger proportion of the business than others. In a partnership, you are liable for the debts of the business in proportion to how much of it is yours and your income may be of a similar proportion.

Limited companies

A third way to run a business is as a limited company. The business is registered with Companies House and is an entity of its own.

There are more rules associated with running a business this way but there may be tax advantages. Those involved have shares in the business proportional to their involvement.

Franchises

Many commercial organisations, like restaurants, expand by getting other people to buy into their business. They usually provide equipment, raw materials, training and a well-known business name. You pay for all of these services and operate a branch of the business yourself in order to make a profit. There are numerous franchised businesses in the UK. If you are tempted to go into one, the best advice we can give is to get a knowledgeable independent person, perhaps a solicitor, to look over the franchise agreement to be sure that it's favourable to you.

For more information about franchising, see the British Franchise Association website.

Business name

At the outset, you should decide what to call your business. It may be your own name, especially if you are a sole trader, eg 'James Robinson, Advertising Consultant'. You can decide to give it a name and perhaps a logo. If it's a limited company, it must have a name of its own.

Premises

Organisations (sometimes called enterprise agencies) rent out space to small businesses. Some offer a range of services, including a receptionist, word processing facilities and access to office equipment, such as a photocopier.

6 Marketing

When it gets known that you're in business, the phone will start to ring but don't get too excited because it won't be potential customers. Most of the calls will be from people trying to sell you something. Top of the list are people selling advertising space. Be careful as you might spend a lot on this for little return. Ask your friends if they have heard of the publication, ever read the adverts or bought anything as a result. After that are those offering stationery, phone systems and items for your imaginary staff.

So how do you make it known what you have to offer? The best way is to **network**. There may be exhibitions and conferences where people who would be interested in your services attend. A stand at an exhibition may be too expensive but you can always go and mingle with your potential clients and in talking to them discover if you're able to meet their needs. Having some explanatory literature to give them is definitely an advantage. Take care to write it from their point of view, not yours, and present it smartly. Then you will have more success. Right at the outset, it is sensible to have some business cards and headed notepaper printed, in addition to any literature you might generate.

Chambers of Commerce are also useful for networking, some organising events specifically for that purpose. Business Network International operates on the basis that each local group has only one member from each business sector and every member sells the services of fellow members to their clients. It works for some but you are most likely to benefit from this if some of the members are potential clients.

If you need to locate certain types of business in your area or target particular groups such as purchasing managers, your local branch of

Business Link can be extremely helpful. They are a remarkable source of information for small businesses, have an excellent website and produce the *No Nonsense Guide to Government Rules and Regulations*. They also keep a database of all the businesses in their area and will pass your name on to anyone who enquires about where to get the type of service you are offering.

Professional bodies often place details of self-employed members who are offering services to the public on their websites, sometimes under the heading 'How to find a...'. Be sure to contact your professional body if you belong to one. The same is true of trade associations. They may seem dominated by the large employers but they also offer services to small businesses.

Some organisations, including The Prince's Trust, offers the opportunity for a free consultation with a mentor about your marketing strategy. The person providing the advice may need to be paid if you require a lot of help but an hour or two of their time can often be a great help in getting you started. One of your greatest needs, if you are working on your own, is to have someone with whom you can bounce around ideas for extending the business.

The National Council for Graduate Entrepreneurship (NCGE) is a new organisation, which offers advice and support, especially through its Flying Start Programme. The intention is to hold Flying Start Rallies across the UK each year. These one-day events will give graduates and undergraduates the chance to see if being an entrepreneur is for them. Individuals (15-20) from each region will be selected to join the Flying Start Programme where they will be fully supported to develop their ideas and helped, if appropriate, to find funding.

7 Finance

The biggest difference between being employed and working for yourself is **money**. When you have a job, you know that there will be a regular income and you know how much it will be. As a newly self-employed person, you can only hope that there will be something left for you when all the bills have been paid. At first, it's unlikely that your income will exceed expenses. This is partly due to the setting-up costs. You may need a computer, a desk and some printed materials. There will be no income until you have had customers and they have decided to pay you. This takes several weeks. For most self-employed people, the first six months are financially difficult. Eventually, your business will settle down into a pattern and you will be able to forecast your earnings and outgoings. This will probably take a year.

Many people who would like to be self-employed simply can't take the plunge. The financial uncertainty is something with which they cannot cope. One option is to start a business on a part-time basis while still employed. Then, make it grow to the point where you can risk giving up your job. As a self-employed person, you don't get paid if you are ill or unable to work, nor does anyone make a contribution to your pension scheme.

Banks are very helpful to those starting their own businesses and a discussion with one or even two is definitely worthwhile. Call in and tell them you are starting up in business. They will discuss your financial situation and how they can help. Most give you free banking facilities for the first year; some even extend it to two. They provide advice on how to plan your business and how to organise

your accounts. If, however, you need to borrow, they will want convincing proof of your ability to repay.

Cash flow is usually a major problem. Your business may be outstandingly successful but if your clients delay their payments, you'll have no money. Getting clients to pay promptly is a major issue. You can end up in debt because lots of people owe you money. As long as your bank is supportive, that's fine – apart from the interest payments – but the moment they withdraw support, your business is in jeopardy.

Keeping accurate accounts is vital because it provides evidence upon which the Inland Revenue will decide your tax bill. Two advantages of self-employment are a decrease in the cost of national insurance and not having to pay income tax until the January following the end of your first year of trading. Record your transport, telephone, postage, office supplies, accommodation and other costs meticulously. The Inland Revenue provides forms online to help you complete your tax returns but many self-employed people use the services of an accountant to make sure that their tax payments are minimised.

Keeping accounts also makes you aware of your business costs and helps you to be sure that your charges will cover them and earn you a living. One of the greatest delights of working for yourself is that no one sets your income but yourself. With luck, the more you put into it, the better will be the rewards.

8 Common areas of work

INFORMATION TECHNOLOGY (IT)

We all increasingly rely on computers, e-mail and the Internet to run our daily lives. When you are an employee working for an organisation, your IT provision usually comes on tap, just like the heating, your office equipment and pension fund. For the self-employed running their own businesses, however, they will need someone with the expertise to help when things go wrong with their e-mail or Internet connection. With over three million people running their own show and many more small businesses who cannot afford to

employ a full-time IT person, this presents a fantastic opportunity for those who want to be self-employed IT consultants.

First, there are those who help businesses in a range of ways. Most businesses require a website. Small organisations simply often don't have the knowledge or time to get it up and running. There are people who make a business just out of designing websites.

Then there are those who upgrade computers, remove viruses and keep the IT systems of

businesses up and running. Alan, a graduate in electronic engineering, mends hardware, taking computers into an extension of his house and repairing them or installing upgrades such as increased memories and radio communications to their network. Ed, a computer scientist, makes a business out of installing new software and getting his client's systems working like clockwork. Many organisations have small networks on which they run their IT systems and some make a business out of keeping these active.

Another area of IT that provides a continual stream of work for the self-employed is training. Jean runs her own training company, providing companies with training for their employees on any new software that is being installed on their system. Most of her work is away from home and she finds it essential to keep up to date with all the latest software upgrades. Mary started her career by taking a Postgraduate Certificate in Education and becoming a teacher. Now she visits clients in their homes and teaches them how to use software such as MS PowerPoint, Access and Excel.

A major area of self-employment in the IT sector is called '**contracting**'. Organisations with computing departments and IT consultancies often need to augment their staff by taking on additional skilled employees. Sometimes this is due to staff shortages and sometimes to temporarily enlarge the staff so that a major project can be completed. The employer may not wish to enter into a long-term employment contract where they will be responsible for a whole range of benefits including training, sick leave and redundancy. Instead, they take on self-employed staff for the duration of a project or until their IT unit is fully staffed.

These contracts are often arranged through agencies that advertise in computer magazines such as *Computing* and *Computer Weekly*. They can also be found by surfing the web under 'IT contractors'. Contracts can last from a few weeks to a few years. Quite often, when one contract is concluded, the agency will find more work somewhere else for the self-employed person.

Usually in these situations, organisations are looking for people with specific skills such as Java or C++ and experience of certain types of design or systems analysis. So if you decide to take this route, it is essential to keep your skills up to date. The IT business moves on much more rapidly than most and if you do not have the skills that are in demand, work is very hard to find.

If you are interested in working in IT, check out the AGCAS Sector Briefing *Information Technology Sector* for further information.

CASE STUDY: ROBERT, IT CONTRACTOR, BAA

When Robert graduated with a degree in geographical information systems and computing from Kingston University, he first took up employment with Oscar Faber (now Faber Maunsell), the international firm of engineering consultants based in St Albans. There he worked on engineering designs and developed an excellent grounding and proficiency in the computer-assisted design software, AutoCAD. It was valuable experience but not quite what he wanted because he wished to include the use of geographical information systems in his work. So, after six months, he left to become self-employed and work with the British Airports Authority (BAA) at Heathrow.

'I'm enjoying working as an information technology contractor for BAA, where I have now been employed for more than two years', says Robert. 'The airport is a complex place. Not only is it continually changing but there are also plans for further development. This includes the building and operation of terminal five by the year 2011, which is going to create a great deal of work for me.

'At university, I enjoyed studying geographical information systems as well as computers and looked for a job that combined the skills you require for both. My role is to map all the continual changes at Heathrow Airport so that BAA is completely up to date with everything that is happening on its property and it is accurately recorded. I use AutoCAD to edit and update all the airport maps, which include full details of all the electrical power cables and connections, pipelines and ducts. The roads, runways and tarmac areas are continually changing with new markings, lighting and other equipment and every change is mapped up so that it can be immediately referred to when required.

'I first became self-employed by contacting an IT contracting agency that finds people who have the skills required for specific computer-related contracts. You can find details of these agencies in IT books and magazines, such as *Computer Weekly*, and by surfing the Internet for information.

'There are several advantages to being self-employed. I have registered my own limited

company with Companies House and this has important income tax and national insurance advantages. I can choose my own hours of work and take time off when I want to. There is no restriction on my annual leave because, as a contractor, I get paid by the hour. As a limited company, I have to make annual returns to Companies House and the Inland Revenue and make arrangements for my own pension but I can get tax relief on items such as training and the cost of travel to work.

'Under the terms of my contract as a part-time worker, BAA can give me one week's notice to quit but that is extremely unlikely at the moment with so much change going on at the airport. I enjoy what I do and the lifestyle that goes with it, especially the flexible working hours. If my contract did come to an end, I am confident that my agent would soon find me a contract somewhere else.'

THE ARTS

Graduates in subjects such as art and design, fine art, photography, textile design, sculpting, model making and many more of the artistic disciplines often want to take up work as a self-employed artist. Louise, profiled in this booklet, is a typical example of someone who has done just that. Sometimes artists work alone, usually from home. When they can afford to, they hire a studio. More frequently they join together with other artists to share the costs of accommodation and often sell each other's work in their studios. It's a method that gives visitors a broader choice than just their own creations and attracts more people to view their work.

Some contact the retail trade and get shops to sell their products direct to the public. It requires a lot of effort to talk with buyers of large stores or chains and to discover small owner-run shops but it can pay dividends.

Funding can sometimes be obtained from arts councils. England, Wales, Northern Ireland and Scotland each have an arts council and they promote the arts in many ways. One of their activities is to provide bursaries for artists to help them get started. Some of the funding is channelled through the crafts councils, which promote events at which those working in the arts can display and sell their products. You can discover the range of events around their respective territories by visiting their websites. Self-employed people in the arts who do not have

premises on which to make their creations available for viewing by the public can benefit from displaying their work at exhibitions - and still get to be known by a wider public.

Local councils give a lot of support to the arts. Essex, for example, employs its own arts development manager whose job it is to 'encourage, facilitate, support and develop the arts' throughout the county. The work of such units within local councils includes organising newsletters, exhibitions and training for people working in the arts. They keep a register of local artists and arrange schemes through which artists provide services to local schools.

The British Council is very active in promoting British art around the world, being involved in around 2,000 events every year in 200 different countries. One of their schemes is to put artists in touch with organisations abroad who provide 'residencies'. These offer accommodation and the opportunity to work with local artists in another country.

Self-employed model makers find work in a range of places. They could be working for theatre groups and film makers on models for dramatic productions, for architects who need to model their designs or for planners who have to display their proposals to the public. Industrial organisations also employ freelance model makers to model their signs or make models that help them to promote their products.

Being self-employed in the arts is in many ways a well-trodden path. It takes time to make a living out of the arts because first you have to produce saleable materials. There are often considerable up-front costs to contend with long before making any income. Once you have something to sell, it is essential to get known and grow your reputation by exhibiting and demonstrating your skills to as broad an audience as you can reach. It requires a multi-tasking approach where a great deal of time must be spent on working out how to market what you create and sell it to potential clients - not just engaging in the process of being original and creative in your work. Louise's case study shows how using the whole range of marketing techniques, from articles in newspapers to well-designed leaflets, can eventually lead to success. An increasing number of people in the arts are now using the Internet to sell what they've produced, so keeping up to date with the latest developments and technologies is another important ingredient.

More information on The Arts can be found in the AGCAS Sector Briefing *Cultural Sector*.

CASE STUDY: LOUISE, ARTIST

'I have always enjoyed being creative and artistic so I went to art school when I finished school and completed my HND in Textile Design at Hertfordshire University. I looked around for employment when I finished my studies but there were very few permanent jobs available in industrial textile design so I decided to go straight into business working for myself, self-employed as a freelance artist. It was a brave decision because the main difficulties I had to face were getting funds, finding suitable premises and developing my ideas on how to market my work.

'To set up my studio, I approached the Arts Council and was very lucky to get a fellowship from the Digsweil Art Trust. This provided premises with a low cost rent. Most national art magazines have adverts, contact sheets, e-bulletins and useful contact lists that provide an excellent source of information when you are looking for space.

'My studio included several other artists and, because we were a mixed discipline group, I started experimenting with a more painterly approach. When you decide to make a living out of something you make, self-employment is the only realistic option and, if you are flexible, it is easier to find a market for your talents.

'At the beginning, I did everything and anything to gain experience and the knowledge I needed to run a business. Business Link provided free courses for people setting up in business and I attended these. I sought help from the Prince's Trust and they were excellent. They provided a free mentor who helped me to write a business plan and they also gave me a low interest loan so that I could afford to start up. With their support, I was able to attend many exhibitions, trade fairs and retail fairs, which began to produce results and get my work known. The Prince's Trust showed me how to get into exhibitions. They gave me invaluable help in designing my marketing information, flyers and editorial for local and national newspapers. I continually took every possible opportunity to get free publicity, even though it was hard work.

'When I started to be self-employed, I produced hand-painted textiles and framed images but now I have channelled my skills into paintings and prints for the wholesale framing and art market.

'Eventually, I went into partnership with another artist and we now run the Salt Gallery in Cornwall. I'm selling items from the first business in my own gallery alongside other people's work. The gallery is my second business and is a partnership with another artist. This started later, when my current partner was able to inject some capital into it.

'When I left university, I wasn't able to afford an accountant to help with the financial side of the business. This was a great discipline because it taught me to keep my accounts in order. Now that the gallery and painting has developed, I use an accountant to complete my annual tax returns and since my business is not big enough to break through the VAT threshold, I have no problems with that.'

HEALTH

The nation is concerned about its health. With long waiting lists, family doctors closing at weekends, a scarcity of home visits from GPs and five minute appointments, many people are turning to others to meet their perceived medical needs.

There are two types of opportunity. First, are those who could work as therapists within the National Health Service (NHS) but prefer to work for themselves. Many, like most of our dentists and medical consultants, are either part-time freelancers or choose to work just for the NHS. Much, and sometimes all of their time, they are self-employed. Also in this category are physiotherapists, speech therapists, podiatrists, occupational therapists and dietitians. These are professions regulated by the Health Professions Council (HPC).

Second, are those who provide services that have not normally been available in main stream health services but are increasingly being recognised. There is a growing list of these occupations, including aromatherapy, reiki, acupuncture and reflexology. In addition to these are counsellors and psychotherapists.

If you want to practise in the first category, you will have to possess a qualification in the subject, usually a degree, and be registered with your professional body. The market for the skills of physiotherapists, for example, is extensive. Outside

the NHS, they work independently in their own practice, sometimes working for sports clubs and in occupational health departments where they are taken on by the large employers. However,

competition to get on the degree course is strong and the studies are extensive.

In the second category, there are also a range of professional bodies but, except for psychotherapists and counsellors who take three or four years to qualify, the route to qualification is often much shorter. It takes a year, for example, to qualify as an aromatherapist and nine months to qualify in reflexology. Often, people qualify in more than one discipline so that they can offer a range of treatments to suit a broader clientele.

If you decide to set up your own business in this area, what do you need? First, you must have suitable accommodation for your patients and a range of equipment relevant to the therapy you are offering. In some cases, eg dentists, this is extensive and costly while in others, eg counsellors, the outlay is negligible.

Many therapists work from home and set aside a part of their house for their work. Some therapists get together in groups so that they can offer a very broad range of treatments to attract clients. They will share the cost of accommodation, possibly in a high profile town centre location. Others target employers who offer medically related assistance to their staff, often through an occupational health department. An increasing number of self-employed health workers are attached to medical clinics and hospices.

Self-employed health professionals often get business through word of mouth, their patients talking to others about their treatments. This cannot be guaranteed, however, because many clients have an extremely private attitude about visiting professionals such as psychotherapists and counsellors and may never reveal this activity to their friends. Self-employed people in these professions often spread the word about what they can do by giving demonstrations and talks to local voluntary groups, clubs and societies and by attending exhibitions at which this type of health professional gather. Advertisements for these kinds of service often appear in local newspapers and magazines.

This work is often not well paid and it takes a considerable time to become known as a practitioner. The Association of Reflexologists warns those aspiring to its profession that in some of these professions it is usually best to start on a part-time basis with another job and build up your practice over a period of time.

See the AGCAS Sector Briefing *Health Sector* for more information on key roles and the sector as a whole.

CASE STUDY: SALLY, NUTRITIONIST

'I was working as an aromatherapist when I finally decided to go to university and study nutrition. The course at the University of Westminster was ideal for me because my goal was to become a self-employed practitioner as soon as my studies were completed. It was an extremely practical and comprehensive course of study. I started with the foundation course and progressed from there so it took four years to complete the honours degree. Attached to the university was a clinic where we were able to do consultations with real-life patients in proper clinical conditions. We were given experience of talking with patients and advising them right from the start. That was extremely valuable to me.

'When I graduated, my first step was to set up as a self-employed nutritionist at home. I approached a local enterprise agency and got to talk to the executive director who gave me lots of tips on how to get started. It was very good advice and, best of all, it was free. I was given a series of discs on topics such as how to write a business plan (which had been covered during my degree studies), how to monitor cash flow and how to forecast the success of the business.

'I also approached my local branch of Business Link and, among other pieces of useful information, I was offered several free training courses. These were on topics like presentation skills and I found some of them invaluable. One of my plans is to give presentations on what a nutritionist can offer to organisations close by in order to spread the word about my services. The courses gave me much more confidence to do that.

'Business Link also organises networking events where you can meet other people who are self-employed. The advantage of these was that I met people who had exactly the same problems in growing their businesses as I had and it also gave me an opportunity to tell them about the nutritional services that I am offering.

'I didn't approach my bank at this early stage. Instead, I used my own personal account for all the income and expenses of the business.

'Previously, when I was an aromatherapist, I had been a member of a local complementary practitioners' group which included people who offered a very wide range of complementary therapies. I re-joined this group as a nutritionist and many of my colleagues have referred people to me as clients when it was appropriate. Much of my work arrives through clients telling others about my service.

'I have tried advertising in local publications but it is not very successful. Instead, I have found that sending mail shots to previous clients is extremely productive. Targeting specific groups who may have an interest in what I can offer, such as the National Childbirth Trust, has also produced results and I intend to do more of this in the future. I just go along to one of their meetings and tell them about nutrition. They often have a need for a speaker and welcome any relevant topics.

'Recently, I have hired some rooms above a gym with five other therapists. The gym is part of a sports complex that includes a rugby club. With three treatment rooms offering several therapies, we organised an official launch and have strong hopes that it will be a success.

'Ultimately, I would like to develop a 'Wellness Centre' that offers a lot of different treatments to clients. Just six months after graduating, my business is certainly going as well as I had hoped.'

THE MEDIA

According to Skillset, the Sector Skills Council for the Audio Visual Industries, 16% of those working in the broadcasting and film industries are self-employed. They are in a whole range of jobs, from sound assistant to camera operative. Many film directors, producers, interviewers, researchers and runners are self-employed, as are some of those who answer media phone lines, or are film extras or model makers (see 'The Arts' section). Skillset's website is full of excellent information for those who wish to become self-employed. In many of these areas of work, it is advisable to gain some experience in employment first so that you can present yourself as an experienced person with the skills they require for their projects.

The *PACT Directory of Independent Producers* gives details and contacts for all the organisations involved in television and film who employ a whole range of freelance people for each new project

that comes along. Film directors have been known to recruit extras through local drama groups and also via recruitment agencies.

On the writing side, there are numerous opportunities and some of these can be seen advertised in Monday's *The Guardian*. Some writers do copywriting for advertising and public relations agencies, others write articles for newspapers and magazines. Good sources of information include the *Writers' and Artists' Yearbook* and the *Writer's Handbook*. These give details of publishers who employ the services of freelance writers and tell you the kind of articles each one uses in their journals and magazines. The Public Relations Consultants Association website lists many organisations that operate in this area.

The ability to deliver excellent copy, in line with what is required and on time, is far more important than academic qualifications. Some aspiring writers start by working on student magazines and may progress via a postgraduate course in journalism.

At the outset, it is usually necessary to send speculative articles to relevant editors. However, once you have established a good reputation, perhaps in a niche market, then the editors will begin to make approaches to you to commission work.

A few writers write for television. See the BBC's *Writer's Room* website, which offers lots of advice.

There are also specialist fields such as medical writer and technical writer. The former work mostly for pharmaceutical companies, writing about research on new drugs that are being developed in preparation for regulatory assessments. The latter are employed by manufacturers of high tech products to write consumer manuals and other documents that are required.

Check out the AGCAS Sector Briefing *Broadcast, Film, Video and Interactive Media Sector* for further details about the media industry.

CASE STUDY: IAN, WRITER

Ian graduated in classics from Bristol University and went straight into the world of advertising as a copywriter. Having learnt his trade and developed a reputation in the business for his excellent creative writing skills, he decided to become self-employed.

'After university, I worked in a London advertising agency but, eventually, I felt the need for a more relaxed, less frenetic lifestyle', says Ian. 'Several of my contacts in the advertising sector had offered me freelance writing projects and I felt that there would be a sufficient stream of work for me to make a success of being self-employed.'

'Now I have a broader range of work, which includes editing and journalism as well as writing. Just now I'm editing a book on underwater photography for Heinemann, the publisher. I have also edited a local business newspaper as well as writing many of the contributions and commissioning some of the articles. Much of my recent work is for the motor industry and has involved writing and editing magazines, such as the *Jaguar Dealer Newsletter*, and promotional material for many major dealer franchises. My clients still include a major London agency and a leading marketing group.'

'There are several good reasons why I enjoy being self-employed. No-one else is setting my salary. The more work I do, the more I get paid - I charge my clients on an hourly basis - whereas, when I was employed, my annual remuneration was fixed by my employer. I can also work the hours that I want to work provided that I meet my deadlines. So, if I decide to take an afternoon off to do something else, I can, although I may then have to work late at night or very early in the morning. When you are self-employed, self-motivation is an essential quality and sometimes you have to drive yourself forward. Good time management is important. I often combine a visit to a client to discuss the work I am doing with a shopping trip or library visit to make the maximum use of my time.'

'The opposite side of that coin, however, is that I don't get paid if I'm unwell and unable to work or when I take my holidays. Self-employment is not recommended if your health is less than robust! As

a self-employed person, if you can afford to take a break, it means that you have so much work to do that you don't have the time. If you can't afford a holiday, you should be spending the time seeking work. I book my holidays in advance and make clients aware of them so that they are not disappointed and can usually fit in their requests with my availability.'

'I work from home and avoid the daily grind of commuting but I have lots of meetings with the people I am working for so I don't spend all my time there.'

'Most of my work comes from the people I know. For me, networking is the key to success. I'm not good at cold calling potential clients. Instead, I put myself about and have a gregarious, sociable lifestyle, which leads to work coming my way. Most people in the media have and need that kind of personality.'

'One of the downsides of self-employment is the problem of cash flow. I may have plenty of work and feel that my business is extremely successful but when some of my clients do not pay my invoices for more than two months, I can run up a large overdraft. Then, when a large cheque finally comes in, life feels better. In business, you don't get the steady flow of income that you do in employment and sometimes this can be a source of concern.'

'All in all, self-employment suits me. I like the lifestyle, the freedom and the work I do. I'm currently bidding for a job to write promotional material for the developers of a new eco city in China and, if I get it, that will be fun.'

For details of individual occupations, consult the AGCAS Occupational Profiles at your university careers services or online at www.prospects.ac.uk/links/occupations.

9 Information sources

BIBLIOGRAPHY

AGCAS and Graduate Prospects products are available from higher education careers services.

AGCAS

AGCAS Occupational Profiles

AGCAS Sector Briefings

Graduate Prospects

Prospects.ac.uk/startup

Other publications

Computer Weekly, Reed Business Information, Weekly

Computing, VNU Business Publications, Weekly

The Guardian, Guardian Newspapers Ltd

The No-Nonsense Guide to Government Rules and Regulations for Setting up Your Business, Business Link, 2004

The PACT Directory of Independent Producers, Producers' Alliance for Cinema and Television (PACT), Annual

Start Up and Run Your Own Business, J. Reuvid and R. Millar, Kogan Page, 2004

Teach Yourself Running Your Own Business, Kevin Duncan, Hodder Headline, 2005

The Writers' and Artists' Yearbook, A&C Black, Annual

The Writer's Handbook, Barry Turner (editor), Macmillan, Annual

Websites

Achieving Best Practice in Your Business (DTI), www.dti.gov.uk/bestpractice

Arts Council of Wales, www.artswales.org

Beermat Ecademy, <http://beermat.ecademy.com>

BIG Wales, www.bigwales.com

Business Gateway, www.bgateway.com

Business Link, www.businesslink.gov.uk

Enterprise Insight, www.starttalkingideas.org

Health Professions Council (HPC), www.hpc-uk.org

National Council for Graduate Entrepreneurship, www.ncge.org.uk

Public Relations Consultants Association, www.prca.org.uk

Scottish Arts Council (SAC), www.scottisharts.org.uk

Shell LiveWIRE, www.shell-livewire.org

Smallbusiness.co.uk, www.smallbusiness.co.uk

Startups.co.uk, www.startup.co.uk

Welsh Development Agency, www.wda.co.uk

Writer's Room, www.bbc.co.uk/writersroom

Yell.com, www.yell.com

ADDRESSES

Arts Council England, 14 Great Peter Street, London SW1P 3NQ Tel: 0845 300 6200

www.artscouncil.org.uk

British Chambers of Commerce, 65 Petty France, London SW1H 9EU www.chambersonline.co.uk

The British Council, 58 Whitworth Street, Manchester M1 6BB Tel: 0161 957 7000

www.britishcouncil.org.uk

British Franchise Association, Thames View, Newtown Rd, Henley-on-Thames, Oxon RG9 1HG

Tel: 01491 578050 www.british-franchise.org

Business Network International, BNI House, Church Street, Rickmansworth WD3 1BS

Tel: 01923 891 999 www.bni-europe.com

Companies House, Crown Way, Maindy, Cardiff CF14 3UZ Tel: 0870 3333 636

www.companieshouse.gov.uk

The Crafts Council, 44a Pentonville Road, Islington, London N1 9BY Tel: 020 7278 7700

www.craftscouncil.org.uk

Department of Trade and Industry (DTI):

Department of Enterprise, Ashdown House,

123 Victoria Street, London SW1E 6RB

Tel: 020 7215 6771 www.dti.gov.uk

Federation of Small Businesses, Head Office,

Sir Frank Whittle Way, Blackpool Business Park,

Blackpool, Lancashire FY4 2FE

Tel: 01253 720911 www.fsb.org.uk

Institute of Patentees and Inventors, PO Box 1301,

Kingston on Thames, Surrey KT2 7WT

Tel: 020 8541 4197 www.invent.org.uk

Lawyers for your Business (LFYB), 50-52 Chancery Lane, London WC2A 1PL Tel: 020 7405 9075

www.lawsociety.org.uk/choosingandusing/

helpyourbusiness/foryourbusiness.law

National Business Angels Network,
3rd Floor, 40-42 Cannon Street, London EC4N 6JJ
Tel: 020 7329 2929 www.bestmatch.co.uk

The Princes Trust, 18 Park Square East,
London NW1 4LH Tel: 020 7543 1234
www.princes-trust.org.uk

Producers Alliance for Cinema and Television
(PACT), The Eye, 2nd Floor, 1 Proctor Street,
Holborn, London WC1V 6DW
Tel: 020 7067 4367 www.pact.co.uk

Skillset (Sector Skills Council for the Audio Visual
Industries), Prospect House,
80-110 New Oxford Street, London WC1A 1HB Tel:
020 7520 5757 www.skillset.org.uk

UK Patent Office, Concept House, Cardiff Road,
Newport, South Wales NP10 8QQ
Tel: 0845 9500 505 www.patent.gov.uk

Women's Business Network,
334 New Chester Road, Wirral CH42 1LE
Tel: 0151 644 4577 www.wbn.org.uk

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www.prospects.ac.uk

Job vacancies

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graduate careers website**

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Checklist

What should you do next?

Check the websites, contacts and publications listed at the back of this booklet.

Look at the other AGCAS publications listed at the front of this booklet.

Speak to a careers adviser in your HE careers service for more help and information.

Browse the prospects.ac.uk website for graduate careers information.

Guide to AGCAS information on prospects.ac.uk

Options (A4 sheets)

Ideas of what you can do with your subject of study, with details of skills gained, jobs related to your degree, further study and other options.

www.prospects.ac.uk/links/Options

Sector Briefings (A5 booklets)

Overviews of the key job sectors, providing an insight into the culture, tips for entry and progression, and examples of typical jobs and leading employers.

www.prospects.ac.uk/links/SectorBs

Occupational Profiles (A4 sheets)

Focusing on over 400 different types of jobs, with details of entry requirements, salary ranges, typical employers and vacancy sources.

www.prospects.ac.uk/links/Occupations

Special Interest Series (A5 booklets)

Information on job hunting, applications and interviews, postgraduate study, changing your course, using your languages and what to do after your course.

www.prospects.ac.uk

Country Profiles (online only)

Details for working and studying in over 50 countries around the world, including the job market, visa requirements and vacancy sources.

www.prospects.ac.uk/links/Countries