

Module One – Starting a Business



This module walks you through the first steps to consider before starting a business, steps to becoming self-employed, and how to start acquiring clients. The learning outcomes of this module are:

- What to consider before starting a business
- The basic principles of starting a business and finding clients

Topical overview:

- 1 Introduction
- 2 Making the decision to start a business
- 3 First steps in starting a business
- 4 Finding clients
- 5 Conclusion

1 Introduction

Students in industries such as graphic design, photography, and trades frequently end up doing freelance work after school. In fact, self-employment is on the rise and it's expected that today's millennial generation will be the most entrepreneurial group in recent history. In the United States, it is estimated that self-employed and contract workers represent close to 15% of the workforce. It is anticipated that the number will climb to 20% by 2020.¹

This module will introduce you to what you need to think about before starting a business, steps to take to being self-employed, things to consider about being an entrepreneur, and how to find clients.

2 Making the decision to start a business

Let's first start with determining what being self-employed actually means. The Merriam-Webster dictionary defines self-employment as “earning income directly from one's own business, trade, or profession rather than as a specified salary or wages from an employer.” Self-employed also means that you:

- **Control how your work is done**
- **Can hire other people**
- **Freely negotiate pay**
- **Own your own tools/equipment**
- **Take full profit or loss**

Making the decision to start a business is no small feat. Before running out to start a business you should take the time to research the following:

Exploring why you want to start a business: Entrepreneurship is demanding but can come with high rewards. If you are looking for a challenge, have the motivation to work hard for what you want, and have determined there is a need for the service you can provide then starting a business could be for you. Before committing to starting a business, consider the reasons you are interested in entrepreneurship and measure those against your skills and abilities.

Carol Roth, writer for *Entrepreneur*, identified [five personality traits](#) suited to starting a business. Roth considers someone who is able to complete a variety of tasks, has good money sense, is okay with the potential of the unknown, is a strong executor, and has been thinking of starting a small business for awhile, to be a solid candidate for entrepreneurship.

Determine what service you are providing: This may seem obvious but it should be recognized as the most important element to consider before starting a business. Determining what service you are going to sell should be based on an analysis of your areas of expertise, your strengths, previous experience, necessary skills to succeed in the industry, along with researching if there is a need for this service in your geographic area.