10 Steps to self-employment – Starting a Business

Step 8: What if?

As a self-employed person the buck stops with you. When everything is going to plan and you are achieving your budget requirements you can also meet your personal survival budget.

BUT

What if things are not going to plan?

Let us start at the beginning. Did you complete a robust personal survival budget plan before you commenced trading? Knowing how much profit you need to attain, in order that you meet your survival needs is fundamental to any business.

Before you commenced trading did you take a long hard look at those personal costs that you incur that were desirable but not essential? Did you make cuts? If not now is the time to make them.

Have you taken to many overheads on that with hindsight your business cannot support? Can you make changes even at this stage to cut costs personal as well as business? Even small changes can improve cash flow and should you need to search for funding a provider will expect to see you have made changes!

A word on current climate, and in particular the Covid pandemic. A good website to visit is [www.gov.uk](http://www.gov.uk) where you will find an enormous amount of information regarding ways to obtain funds, loans, grants and benefits. It changes all the time so I cannot really go into detail here, but the aforementioned website provides invaluable help and advice. The following page is most useful:-

<https://www.gov.uk/coronavirus/business-support>

What happens if a customer delays paying?

Terms and conditions are essential in any business, and if you do not have these in place then now is the time to do so.

All quotes you make should include terms and conditions, which should be signed by both parties, **before** any goods or services are provided. If you provide goods or services online then these must also be agreed before you deliver goods or services. Often by a simple tick box which confirms your client has read the terms and conditions and has agreed to them.

Once the above is actioned you need a robust credit control system, which you should maintain rigorously. Always know who you are trading with and who is responsible for paying the bills. By keeping a personal contact with the decision maker can often avoid payment delays.

A credit control system can fix problems before they escalate.

What happens if you need time off?

A business that plans for unforeseeable problems as well as foreseeable problems is more likely to succeed. Family and friends may be able to step in and keep you afloat, however, having good insurance policies that cover you for both personal as well as interruption to your business can make all the difference. Better to sort insurance before rather than when it is too late.

In these difficult times with the Covid Pandemic, there are a number of quality people struggling to find employment and a number have set up businesses as a virtual assistant. Have you considered the contingency of making contact with some of these excellent people?

The key to step 8 is preparation before you commence trading and be organised should the issues mentioned arise.

For more help please visit [www.blackpoolunlimited.com](http://www.blackpoolunlimited.com) where you will find lots of useful tips to support your business.