



Self-Employment is a Viable Option.... Really!

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What is Venture Mentors?

Venture Mentors is a unique consulting firm that specializes in helping people with disabilities successfully launch and manage profitable small businesses or micro-enterprises.

Venture Mentors provides a one-of-a-kind linkage between the business world and the vocational rehabilitation or disability services systems.



The Facts About Self Employment and Disability

- 7.8% of the general population is self employed
- 12.2% of people with disabilities are self employed
- RSA Choice Demonstration project reported 20-30% of VR clients would prefer to be self employed
- 2.7% of VR closures were with self employment
- Most well structured small businesses can be successful very quickly



SBDC and SCORE

- 70% of SBDC staff said they had no experience dealing with people with disabilities
- 52% of SBDC staff said they did not know what VR did
- 9% of VR centers have interagency agreements with SBDC



4

Why Self-Employment?

In many cases, self-employment is the very best option for someone with a disability and may be a far better option than wage employment. Self-employment can:

- Give greater flexibility to the owner
- Give greater freedom
- Allows independence and autonomy
- Provide greater income
- Allow for asset building
- Accommodate some disabilities more readily than wage employment



5

What Kind of Businesses?

Some of the Businesses:

- Coffee Shop
- Art - Painting
- Engraving
- Dollar Store
- Mushroom farm
- Horse Stable
- Collectable Trading
- Art - Sculpture
- Auto Repair
- Home Décor Sales
- Import/Retail
- Wholesale Distribution
- Paving Construction
- Printing
- DVD Montage creation
- Photography
- Computer Repair
- Record Transcription
- Medical Billing
- Video Training
- Massage Therapist
- Realtor
- Tee Shirt Design and Sales
- Vending
- Woodworking



6

Is self-employment right for me?

It depends – are you someone who....

- Likes to work independently?
- Is willing to work hard to get the business going?
- Isn't afraid of being responsible for how the business does?
- Will take care of all the extra stuff that comes with owning a business?



7

How Do You Start?

- A business idea
- Who are the customers?
- Is anyone else doing this?
- Where will the business be?
- Do you need any help or training?
- Do you know how being in business will affect your benefits?



8

What Makes a Business Successful?

- Good planning
 - Figure out the business
 - Figure out who the customer is
 - Figure out what the customer wants
- Be different
 - Different product
 - Different delivery
 - Different service



9

What Makes a Business Successful?

- Don't
 - Do the same thing as everyone else
 - Start without a plan
 - Assume customers or market
 - Rely on volunteer labor or paid human service workers
 - Expect others to do it all for you
 - Make commitments or purchases until you have a plan



10

What Makes a Business Successful?

- Do
 - A lot of planning BEFORE you open the doors
 - Talk to people about the business – ask their opinions
 - Get the best advice possible from people who know about business
 - Get supports lined up before you start the business
 - Know what you need to get started and how much it will cost
 - Start small and grow the business over time



11

Businesses in Rural Areas

- Montana Rural Institute is the model
<http://ruralinstitute.umt.edu/>
- Montana is 95% rural populations
- Product
 - What is unique in the area?
 - Do you have special skills?
 - How will you deliver the product?



12

Businesses in Rural Areas

- Service
 - Can you offer better service?
 - Can you take the business to the customer?
 - Do you have to meet with the customer face to face?
- Distribution
 - Can the product be shipped?
 - Can you partner with a business for distribution?



13

Proof of Concept

- Initial review of business concepts – review and discussion about the business idea and requirements
- Can be formal or informal
- Identify people necessary to get the business off the ground
- Determine level of interest and willingness to make it happen



14

Proof of Concept

- Has the person decided on a business?
- Is the business viable?
- Can it make enough to support itself?
- What supports are necessary?
- Is the person (or his support) committed to doing the work?
- Are the correct people involved?
- Is there any internal expertise?



15

Proof of Concept

- What is viable?
 - Depends on who you are talking to.
 - VR – Profitable enough to close case successfully
 - SSA – Above SGA
 - Family – Not losing family resources
- Who is Paying?



16

Business Problems

- I want to be in business because I can't get along with people.
- Just tell me what the business is and set it up, and I will run it.
- We have volunteers that will donate their time to make it happen.
- I want to be self-employed so SSA won't count the money
- The financing has to be used for what was listed in the business plan?



17

Business Problems

- I just need a business plan to get financing
- I know the people around here - I know what will sell
- I am going to have sales of \$10,000 the first month. What do you mean I need marketing data to support the number?
- The business plan is done – all the hard work is done, right?
- What do you mean I have to have a building and sewer inspection before I start. How long will that take?
- What kind of insurance?
- You mean I have to do that? Nobody told me.



18

Business Problems

- You cannot “make” a business for a person. It has to be theirs. They have to have a significant commitment to make it work.
- We have a 30 person business advisory panel. The panel consists of Human Services professionals and attorneys. This business is going to be great, right?
- I have to report this to Social Security?
- He can't lose his disability check. I am paid out of his disability and he can't have the business if it means losing his check. This is in his best interest.



19

Business Problems

- She will need a lot of support that we have to pay for, so why don't we just increase the income in the plan?
- My accountant says my Social Security benefits don't have anything to do with the business
- My accountant told me I needed to incorporate, so I did.
- I am not an accountant, I don't need to know how to read financials.
- If I don't take money out of the business, it doesn't count as income



20

Business Problems

- You mean I have to pay wages based on Department of Labor standards?
- If I buy it for \$1.00 and sell it for \$1.10 I will make money, right? What do you mean overhead?
- I know at least 12 other guys doing the exact same thing. Why won't I make money at it?
- I have rented the building, now how do I do a business plan.



21

Cautions

- Sloppy feasibility work will kill the business
 - Take the time to research the business
 - Do test sales, surveys and market analysis
- In working through the business plan, details are important
 - What permits and licensing are necessary?
 - Food handlers
 - Restaurant
 - Business or Vendors License



22

Additional Cautions

- In working through the business plan, details are important
 - What is the best business structure for their needs?
 - How will this affect benefits?
- The business plan needs to be a working document



23

Questions?



24
