

# Building CL Capacity to Support Self-Employment

[www.vrselfemploymentguide.org](http://www.vrselfemploymentguide.org)

# Presenters

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# Learning Objectives

- Increase knowledge about no-cost resources to support CIL consumers with self-employment
- Learn about the VR Self-Employment Guide ([www.vrselfemploymentguide.org](http://www.vrselfemploymentguide.org)) and how to use various worksheets and concepts in practice.

# VOCATIONAL REHABILITATION Self-Employment Guide

Select the chapter icons to get started.



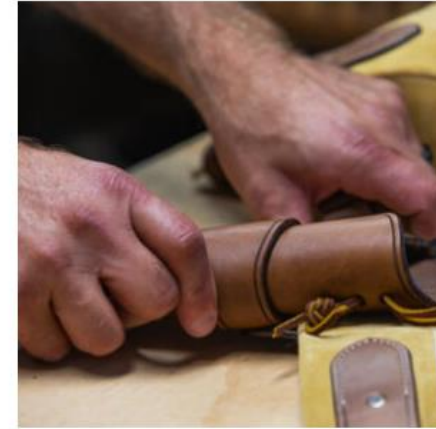
[1: Overview](#)



[2: Readiness](#)



[3: Business Feasibility](#)



[4: The Business Plan](#)



[5: The Marketing Plan](#)



[6: The Operations Plan](#)



[7: The Financial Plan](#)



[8: Resources](#)

# Live Tour

- [www.vrselfemploymentguide.org](http://www.vrselfemploymentguide.org)
- Website works best when accessed through Google Chrome
- Highlighted features
  - File folder format
  - Interactive worksheets
  - Quick access to materials
  - Chapter content

# Hands on Learning

- Business idea development
- Naming your business and company description
- Customer groups and customer research
- Cost evaluation exercise
- Thumbs up or thumbs down



# Measures of Business Success



- Product or Service
- Customers
- Management and Operations
- Financing

# Table Exercise – Business Idea

- Pick an “inspiration item” from the bag
- Use the item to develop a business idea
  - The item is just for inspiration for the business; you do not need to include the item in the business unless it makes sense to do so
- Report out
  - What is your table’s business idea?
  - Why do you think this business will be successful?





# Good Business Names

- Describe the business
- Describe a positive quality of the business
- Have meaning for target customers
- Are unique
- Look good on advertising materials or a website
- Leave a positive impression

# Are these good names? Why or why not?

- Sandy's Stitching, Sewing, Service, & Supply
- Prairie Flower
- STD Contractors
- Greg's Garage
- Sam and Ella Subs



# Table Exercise: Naming your Business

- Take a few minutes to discuss a name for your business
- Decide what your business will be named
- Report out
- What do you peers think?
  - Great, could be improved, or try again.



# Company Description

- The company description is a 1-3 sentence statement about your business.
  - The business name
  - What the business will provide (product or service)
  - Who the business will serve (customers)
- Example:
  - *Pizza Escape* will provide specialty and made-to-order pizzas for pick-up and delivery for families looking for a quick and delicious meal at home.



# Table Exercise – Company Description

- Using the business idea you created, write a 1-3 sentence company description for your proposed business
- Remember to include:
  - Business name
  - What the business will provide (product or service)
  - Who the business will serve (customers)
- Report out

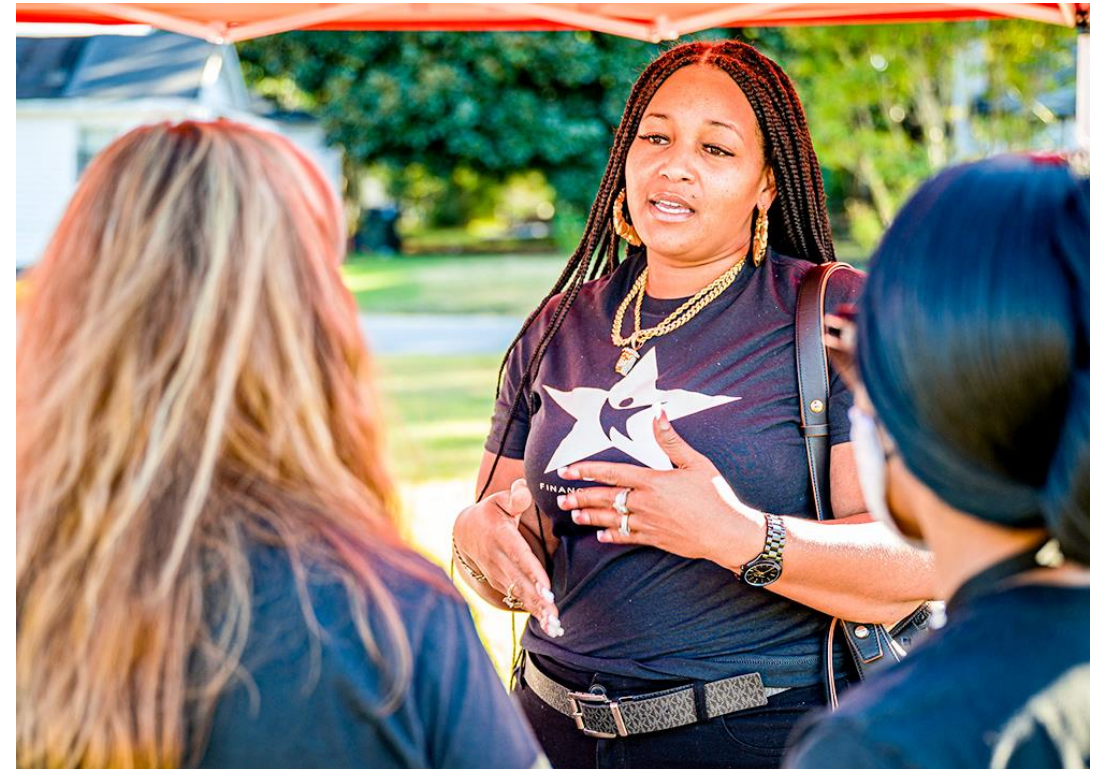
# Knowing your Customers



- Who are the customers you want to reach?
  - Elementary, high school, young adults, seniors, families, etc.
  - Income (low, middle, high)
  - Local, regional, online
  - Special interests, etc.

# Customer Research

- Number of potential customers in the proposed service area
- How often customers purchase the item or service
- How much they typically pay
- Where they purchase the item
- Features of the items they buy
  - Colors
  - Designs
  - Materials
  - Flavors or ingredients
  - Etc.



# Research Methods

- Web searches
- Surveys and interviews
  - In-person
  - Scheduled
  - Phone
  - Social media



# Table Exercise: Customer Research

For your business:

1. Describe your primary customers
2. Write 3 questions you could ask them to help you improve your product or business
3. Describe where/how you will reach them to ask these questions

Report out



# Cost Evaluation Exercise



- Quick way to figure out if your business is feasible
  - Can you make this many?
  - Can you sell this many?

- Four Estimates
  - Monthly personal living expenses
    - Rent, insurance, food, utilities
  - Monthly fixed business costs
    - You pay fixed business costs whether or not you sell any product or service
    - For example, rent and utilities for your business
  - Cost of a similar item or service
    - For example, one pizza
  - Cost of materials to make one
    - For example, pizza ingredients, packaging

# Step 1: Estimates

Write down your estimates for these four categories:

- Monthly personal living expenses  
(such as rent, utilities, food, insurance)

**A** = \$ 1,700.00

- Monthly fixed costs for your business  
(such as rent, utilities, insurance, advertising)

**B** = \$ 1,000.00

- Cost to buy one unit of a similar  
product or service

**C** = \$ 16.00

- Cost of materials to make one unit of  
a similar product or service

**D** = \$ 5.00

## Step 2: Calculations

Plug your estimates from Step 1 into these calculations:

- Total monthly expenses

$A + B = \text{total monthly expenses}$

\$ 1,700.00

+

\$ 1,000.00

=

\$ 2,700.00

**A**

**B**

**total monthly expenses**

- Gross profit per unit sales

$C - D = \text{gross profit per unit sales}$

\$ 16.00

-

\$ 5.00

=

\$ 11.00

**C**

**D**

**gross profit per unit sales**

Next, take these two values and plug them into the equation on the next page to figure out how many units you have to sell each month.

## Step 2: Calculations, continued

- How many units you need to sell each month

*total monthly expenses ÷ gross profit per unit = how many units you need to sell each month*

\$ 2,700.00

÷

\$ 11.00

=

245.45

**total monthly expenses**

**gross profit per unit**

**how many units you need  
to sell per month**

## Step 3: Thumbs Up or Thumbs Down?

Now that you have figured out how many units you'll need to sell each month to cover your total monthly expenses, think about these questions:

- How long will it take you to make and sell this many units each month?
- Does this seem possible?
- Do you want to work this hard?
- Can you work this much with your disability?



# Activity – Cost Evaluation Worksheet (if time)

- Fill in the worksheet for your business.
  - A - Input monthly living costs (we are going to provide these)
    - rent = 900, utilities = 300, food = 500, insurance = 75
    - Total = 1,775
  - B - Calculate and input monthly business fixed costs
    - Costs that you will have to pay, whether you sell any of your product
    - Such as rent, advertising, utilities, etc.
  - C - Input cost of a similar product or service
    - Look online for an estimate or develop an estimate based on your own experience
  - D - Calculate and input cost of materials needed to make one item (product or service)
    - Think of the main items to estimate costs. E.g. for pizza it might be crust, cheese, pepperoni and a pizza box for one pizza.
- Report out with thumbs up or thumbs down?

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## Live Tour of Chapters

- Business feasibility
  - About you, About your Business, and Start-up Costs worksheets
- Business Description
- Marketing

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