

This chapter is aimed at teleworkers who are, or wish to be, self-employed or to run a small business. This chapter is not relevant to companies implementing telework for employees (see Chapter 6, Implementation in organisations). If you are already employed and wish to remain in your job but begin teleworking, you need to read Chapters 4 and 5, and then draft a cost/benefit case for teleworking to put to your employer.

GETTING WORK AS A TELEWORKER

Where are you now?

At the moment you probably fall into one of four categories:

- ▼ You know what you want to do and probably already have a specialist skill and experience, but want help with the details of setting up a business. We suggest that you read all of this chapter.
- ▼ You don't know what you want to do, you just know you'd rather be independent and working from home than in your current situation. Start off by reading the business ideas section. Sorry, but you are in the category of people least likely to succeed – this is because people use teleworkers they trust or who clearly have the right skills. If you go into an area where you have no track record and no contacts you have worked with previously, your task will be harder, so try to find a business idea that fits closely with your existing experience, or else plan to apprentice yourself in some way to someone already working in the field.
- ▼ You plan to approach your manager in your existing job to ask for a teleworking option but if they say no, you are thinking about leaving and setting up a business. If you haven't already, read Chapter 5, *For teleworkers and wannabees*, which contains information to help you persuade your manager. Then read all of this chapter and spend some time assessing whether you have the qualities it takes to make self-employment work. Don't forget the stark figures - two out of three small businesses fail within five years.
- ▼ You already have a small teleworking business set up but would like to have more customers or make more money. Read the introductory section and then the Marketing, Advertising, Press and PR section.

Whatever your situation, you are going to need to get work, and that means marketing. Many teleworkers have excellent skills in their areas of expertise, but know little about sales and marketing and lack self-confidence to start the process of “selling themselves” to get work. Yet this

is an activity which experienced self-employed teleworkers advise should take up at least a quarter of your working time if you are to have a regular stream of work providing adequate income. So think about getting professional help with marketing if the whole idea makes you nervous. In the UK, your local Business Link would be a good place to look for help. In Ireland, talk to the Enterprise Line (1850 353333), FÁS and your local County Enterprise Board or LEADER group.

First, check your mindset

Perhaps the first thing you need to do is adjust your mindset. From your customers' point of view, they probably aren't interested in whether you are a teleworker, even though you may see teleworking as a central issue. So begin your marketing review by heeding the advice of Gill Price of Evergreen Business Support, who manages a network of teleworkers: "Working at home is your bonus and there are many advantages, both financial and personal. But don't be so keen to point out to new customers that you work from home as it's not always viewed in such a positive light. The proof of the pudding is in the eating – months down the line you might decide to share the information with your customer who will of course be so pleased with your services by that stage that the news will be inconsequential. Had the customer had to consider that you were working from home when you tendered for the business, it could have put you on less than level pegging with a competitor".

There is a second T-word which is very important: Trust. The big issue for most prospective customers is not technology – it's whether they trust you, because they probably aren't that used to working with people at a distance. They need to know that you have the skills, that you are reliable, that you will turn the work up on time, will be easy to deal with and will complete the job within the estimate or budget. They don't want to end up looking stupid in front of their colleagues or customers for having used your service. So you need to provide them with plenty of reassurance about your competence.

The third change in mindset you need to make concerns marketing. Marketing is not selling or public relations. Marketing is the process of adjusting what you are selling (your product or service) to best fit the demands of your customers. It can cover all kinds of strategies, including the timing and method of delivery of work, the pricing and the technical details of the work (such as the software packages used). Successful marketing is the key to a successful small business.

What your customers are probably searching for is higher quality and lower cost than they can get elsewhere, or for a job completed within a timescale they cannot manage themselves in-house. How are you going to convince them that you can achieve this? Here are some quotes from a Telework Association conference on marketing teleworking:

LOCATION, LOCATION, LOCATION

There are plenty of case studies giving examples of people working far from their clients or employers such as programmers working from Australia, or Irish call centres servicing the North American market. Teleworking can allow work to be independent of distance. But all the evidence is that most companies prefer to use teleworkers who are located close enough to be able to pop in and discuss work face-to-face when needed. The TeleFutures study in Ireland (1996) found that over 80% of companies would prefer their teleworkers to be situated within 25 miles. The exception to this is people with rare skills or combinations of skills, who can usually lay down their own conditions on how they will work. Some people promote teleworking by having two different prices for their work – a lower price if the job can be teleworked without on-site client meetings. Overall, the lower your skill set (eg secretarial), the more likely it is that your clientele will be local, so build this factor into your business plan.

"If people are sending work out of their office they expect it to be done better than if it was done in their own office. Everything has to be slicker and more efficient. You have to have a control system that makes absolutely sure work doesn't get mixed up, that it's done in the right order, on time and accurately. You have to be more careful than if you were working for one particular business." Judith Verity, Office Ghosts

"I looked at what the competition were charging for their reports and tried to get in at that sort of level. People tend not to take you seriously if you are not expensive enough. And when people ring to place an order, we answer the telephone in exactly the same way. To the customer it is a unified response although it may be a different voice. It is like a corporate image over the telephone line." Anthony Capstick, Instant Search

Establish your objectives

Objectives can be difficult to define for teleworkers. Some want a way of working which allows them more time with their families. Others are concerned with improving profits through lowering overheads. Others may be motivated by the desire to avoid commuting to work or office politics. This chapter limits itself to looking at business objectives, but anyone considering starting up a teleworking small business should consult the bibliography, and spend some time with their family working out a set of objectives – which might cover profits needed to cover living expenses, number of hours to be worked each week, circumstances under which the teleworker can be disturbed in the home office – and which everyone in the family understands and agrees to. You need a clear business idea and set of objectives before you start thinking about marketing. Equipping yourself with a computer and an internet connection is not enough. There are a lot of other things you need to think through.

- ▼ What services will be offered?
- ▼ Who is going to use the service?
- ▼ How do people buy it? By phone and fax or over the web? Then pay attention to voicemail messages, website performance and fax presentation – the “shop window” of a teleworked business.
- ▼ When do people buy it? Are there peak periods (such as pre-Christmas) that need to be covered in terms of staff levels?
- ▼ Where do people buy it from? Through the Yellow Pages, or through a personal recommendation, or from their PC over the web?
- ▼ Do others already offer a similar product or service? Is your service an improvement on these competitors? Is there any evidence that customers want an improvement?
- ▼ How much is it going to cost? Are you going to be cheaper, on a par with, or more expensive than your competitors?
- ▼ What is the business going to be called? The name will depend upon your target market. People offering a professional service may prefer to use a version of their own name as the business name since the clients are essentially “hiring” that person.
- ▼ What happens if a contract goes badly wrong? Do you need professional indemnity insurance in case a customer sues you? (N.B. It is often a condition of such policies that you do not tell your customers that you are insured because that could make them more likely to sue.) Do you need legal help to prepare a standard contract for signature with clients?

Brian O’Kane’s guide *Starting a Business in Ireland* suggests two exercises which help to further clarify your business idea.

1. Write your own CV for the position of managing director/administrator of your business. What are your skills and experience? Build on these. Look at your technical, personal and business skills.
2. Write a short description of the processes which must be completed before you have something for which you can invoice a customer (*eg* receive enquiry, discuss with client, give quotation, use software package on computer and so on). Throughout, keep a list of every item which will be required, from paper to printer right down to the chair you sit on.

BUSINESS IDEAS

Many occupations not listed here, ranging from quality management to market research, can be teleworked, but you must already have the relevant

USEFUL WEBSITES FOR MARKETING INFORMATION AND CONTACTS

There are many websites aimed at people who are starting up small businesses working from home. The official take is available at <http://www.businessadviceonline.org> (the government’s small business service) but the site is rather slow and stodgy. There is a link to help you find your local Business Link office.

<http://www.taforum.org.uk> is an exhaustive guide to British industry and trade associations. Enter your search term into the “description” section of the search engine to find all kinds of useful organisations you did not know existed.

Information on specific companies is at <http://www.companieshouse.co.uk> – details of 1.5 million registered UK businesses including company reports, directors’ details, dissolved companies, disqualified directors, insolvency details etc. plus detailed guides to company registration processes.

The SOHO Guidebook at www.toolkit.cch.com is highly recommended.

The homeworking site has lots of interesting case studies and examples of personal experience – <http://www.homeworking.com>. There is useful stuff on the 4anything site <http://www.4telecommuting.com> but quite a few of the links don’t seem to be working anymore.

And of course, try the Telework Association itself – <http://www.telework.org.uk>

For people planning a business which is very sales-based there are a number of sites that give advice on marketing techniques. Try <http://www.webmarketingtoday.com> – the linked doctorebiz site at <http://www.doctorebiz.com> is quite interesting.

For people who need some coaching in basic selling techniques, there is a lot of free and useful advice available at <http://www.smalltownmarketing.com>.

skills and industry contacts to make them work. General issues of how to sell teleworking services are covered later in this chapter. When considering what services to offer, be careful to evaluate the cost of software that will be required, and avoid substantial investments in this area without thorough market research on the demand for the proposed service. Note that ideas suitable for telecentres and telecottages are given in Chapter 4, *Alternative workplaces*.

Abstracting, editing, proofreading and indexing

Skills in the publishing area include copy editing, proofreading and indexing. There is strong demand for these skills if they are combined with the ability to handle scientific subjects. However, pay rates for work in non-technical sectors can be low. Preparing press cuttings to clients’ briefs is another related niche business area – you may have to work slightly

unsocial hours and be in a region where you can get the relevant papers or magazines early.

Audio typing, remote typing, document formatting

This market is under threat from advances in systems which allow direct dictation to computer. However, there is still scope for audio dictation in specialist areas such as medical and legal transcription, where a detailed knowledge of terminology may be required. Also, in any situation where accuracy or human intelligence is important, or where the quality of the audio recording is poor, humans are needed for the transcription process. If you plan to go into this area you will need to specialise or add value to your transcription services, and consider related tasks such as proofreading, indexing, editing, and translation.

Work arrives by fax or email (*eg* .wav sound files), or on audio cassettes, is transcribed onto computer and returned as disk, printout, email or all three. For audio typing you may need a transcribing machine. This is a tape recorder with a foot pedal for playing the tape, stopping it and rewinding where necessary while leaving the hands free for typing. There are three main sizes of tape: standard audio (C-size), Philips mini cassette and Dictaphone mini cassette, so talk to your prospective customers about the sizes they use before buying. There is also specialist software that can be used to receive and play compressed voice files for transcription. The work can range from correspondence to whole books or conference proceedings. Perhaps you could link up with conference organisers in your area?

Bookkeeping and accountancy services

Accountants may be prepared to send out the more tedious areas of their work such as putting purchase receipts and invoices onto spreadsheets. To succeed in this area you will need specialist accountancy skills such as an accountancy technician or bookkeeping qualification. There is a multitude of software packages in this area, and every company has its personal favourite. Be careful to check this out before investing in expensive software. Accountants who plan to telework from home themselves need to take account of the likelihood of client visits and whether this will require them to get planning permission, as well as the need to provide suitable parking facilities and insurance cover.

Computer programming/software support

Small computer dealers sometimes diversify to offer tailor-made programming services to customers as well as software training and support. Offering technical support over the telephone to new computer users could also be a winner. But beware – you should think about getting

EVERGREEN – THE BENEFIT OF 25 YEARS EXPERIENCE

Gill Price of Evergreen Business Support has employed several of her staff two or three times over. Firstly in the financial services industry, where Gill worked for Equitable Life and secondly when she set up the Scottish Widows “virtual life office”, a network of teleworkers carrying out back-office administration. When changes in technology led to the closure of the virtual life office, Gill set up Evergreen and re-employed some of her former colleagues again.

“We now have twelve full-time employees, all teleworkers, located all over the country. We’ve specialised in three areas I know well – transcription, press review and translation services. The transcription services involve a remote windows-based dictation service that customers phone. Evergreen staff produce the documents as required and return the work via email, post, courier and fax. On the press reviewing, we screen many quality and popular titles in the early morning, seven days a week and 365 days a year. The press clippings are taken to fit detailed client briefings and because we have been focusing on financial services, we find Wednesdays and the weekends are the busiest days. With translation, we’re providing a one-stop shop with text proofing, accuracy and speed. One regular contract involves the transcription of confidential legal work, and we’ve had to strengthen our existing confidentiality agreements with the clients and with our employees to take account of the sensitivity of the work, as well as looking at our data protection and data security measures in order to comply with the Data Protection Act.”

Gill believes that a “virtual” organisation is a big advantage. “My literature does not refer to home-based staff because to some people it would be perceived as a distinct disadvantage”. She also thinks her long track record in the financial services industry has been a big advantage in winning work: “Outsourcing is the future. I am convinced that more companies will become virtual and simply buy in the services they require. But I find it’s too complicated to explain exactly what I do, so I treat the business more as a collection of three niche services, and just explain the particular service required. In the main we get work through word of mouth, although I do some advertising”.

However, she hasn’t quite managed to relax into a flexible workstyle in her Wakefield office. “In the final analysis, I am responsible for everything, so the hours are long, and in addition I like to actually do some of the work myself on new jobs so that I understand what the staff are being asked to do, where the problems lie and how to be more efficient.” Gill also believes that her large-company experience helped her to set up effective systems for Evergreen: “Although we are still a fairly small company, I have always used written contracts, procedure notes, health and safety assessments, so we just continued and found it worked well for us.”

Gill gets all her staff together twice a year. “We usually start in the morning with a business agenda, but then we have a nice lunch and catch up – many of us have been working together for over a decade. I also send out a monthly newsletter to keep everyone in touch.” <http://www.evergreenbusinesssupport.com>

IDP: DOES EXACTLY WHAT IT SAYS ON THE TIN...

Jennifer Boyle is head of International Data Processing (IDP), a company with 22 staff in Dublin and 12 in Listowel, a market town in rural Co. Kerry. Eight of the Dublin staff telework, as do all of the Kerry employees, although there is also a central office in Listowel. IDP's work includes creating billing files for clients, gathering statistics, and extracting and entering data from paper-based forms. In recent years Jennifer has focused on the transcription market, specialising in conference proceedings for US clients.

"I have been working in this area for 20 years now, and the business has been in operation for 10 years. In the old days it was basic data entry, but things have changed. Clients' requirements are much more sophisticated, and they require high levels of skill. We now do a lot of image processing where the clients themselves scan the document into a graphic image and transmit it to us, rather than airfreighting paper around the world, but we provide the skilled human input needed to interpret the image and turn it into the correct data record."

In Listowel IDP occupied an office formerly operated by the American data processing company Neodata. Neodata closed down its operation in 1997, at which point Jennifer took over the twenty staff and premises, retraining them for her work. Twelve of the twenty still work for IDP, but the company is now in town centre premises. She explains: "They all have PCs at home but sometimes we work on contracts where clients are concerned about confidentiality and don't want to see information leaving the central office building. It's interesting that sometimes clients with highly confidential information don't seem to be much concerned about teleworking, while others whose data is less sensitive set much higher non-disclosure standards."

Jennifer has a number of clients in the public sector in Ireland, mainly government departments, as well as her US clients. "Initially my presence in Dublin and face-to-face contacts were important. These days we have a long track record and a good reputation, and I have been able to relocate to Listowel myself, visiting Dublin once a week to meet clients and staff. There are two other companies with similar operations in Dublin but we all have our own niche services and particular client bases, and we often collaborate. A typical job for us would be a major international courier company - they freight documents from all over Europe into Dublin every morning which we turn into billing records for them. That's a service we have developed over the years in close co-operation with them. Competitors do spring up every now and then but generally they die off quite quickly too."
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professional indemnity insurance to cover yourself in case your advice leads to a financial loss for one of your customers – what would happen if you recommended a backup procedure that led to the loss of vital data? This kind of insurance can be expensive. Specialist areas for computer

programming and software include CAD/CAM (Computer-aided design and manufacturing), computer design of PCBs (printed circuit boards), mathematical and financial modelling, stress calculations for engineers, quantity surveying and project management.

Information broking and advice services

Almost every business sector needs facts of some description. Information brokers are experts at accessing paper and online information sources and distilling the results into a product they can sell to clients. Most brokers are specialists who know intimately the resources in a particular subject area. Good personal contacts are also important. Charges are usually via an hourly or daily rate, or by subscription to a briefing document.

Internet-based services

Internet services offer a wide range of opportunities for the dedicated (and technically knowledgeable) pioneer. See p. 352 for the example of Mark Francis-Jones and his jewellery business. Many consultants and workers in the publishing industry use the Internet to market their services. Others advertise and sell rare goods. See if you can find John Eagle, who sells his dramatic photographs, posters and postcards of Irish lighthouses over the Internet – he's based in a remote village where employment opportunities are few. He doesn't even bother to have his own website but gets other lighthouse enthusiasts to put his photographs on their sites – his business operates with just an email address. For an example of a slightly bizarre but successful niche Internet service, try <http://www.dogbooties.com> – only in America (with thanks to Joanne Pratt).

The main problem with Internet-based services is charging mechanisms. More people are now prepared to send their credit card numbers to "secure" commercial Internet sites, but there is still concern about this area, so providing a scheme for alternative payment methods is vital.

Office services

A number of virtual office services have grown up over the past five years providing an official "front" for businesses including telephone answering, accommodation addresses and meeting space. These services aim to fulfil all the functions of a traditional receptionist/secretary, without of course the expense.

Kendlebell offers work opportunities on a franchise basis to provide personal call handling services for businesses which don't want to use voicemail. Franchises cost from £25,000 for one or two people working from home up to £75,000 for a centre. The cost to the clients is from £29 to £250 per month (<http://www.kendlebell.co.uk> or 0800 0727 728).

Publishing, design and multimedia

There are a number of areas where teleworkers can be involved in publishing, including preparing diagrams, editing text, layout work, proofreading and graphic design. In addition new media areas such as the creation of multimedia CDs offer opportunities that are highly suitable for teleworking. However, they all require specialist skills. It is not just a case of buying the desktop publishing software!

Telemarketing

Telemarketing has a bad image of monotonous work for poor pay doing ghastly tasks like selling double glazing to householders in the evenings. Contrary to the stereotype, most telemarketing work is business-to-business and happens during the day. It's an occupation well suited to teleworking. Opportunities in this area can be found in many publications and on many websites. If you already have customer service experience and are well-organised, this could be for you. Related work includes setting appointments (see p. 227) and gathering market information – such as ringing a database of companies to find out what fire safety equipment they use.

SUSSING OUT THE SCAMS

People looking for telework business ideas can be vulnerable to a number of well-tried and tested homeworking scams. One such scam, successfully prosecuted in Staffordshire, netted over £1m in registration fees. The National Group on Homeworking identifies a number of common types, and warns there is no legislation to protect you from misleading schemes:

- *Kit scams usually appear as ads in local press and shops. They invite you to send money for a kit costing £20 to £200. Whatever you send back, they will reject on the grounds of inadequate quality and you will not be paid.*
- *Recruitment scams usually involve your placing ads in local shops. Let's say you pay £15 to join the scheme. For each extra person you persuade to part with £15, you get about 30p. So the only way you can recoup your £15 is to help the company rip off a further 50 or so people.*
- *Directory scams are often targeted at teleworkers. The ads ask you to send in the typical £15 fee and in exchange they will send you a directory of companies offering work to homeworkers. This turns out to be photocopied addresses each of which in turn ask a registration fee of a further £10 to £200.*

For advice on how to deal with any scams you discover or to check out a company contact the National Group on Homeworking 0800 174 095 or <http://www.gn.apc.org/homeworking>. The group runs a homeworking helpline, as well as providing free legal advice for members. Remember – never pay to get work. Be wary of box numbers and ads which don't give a phone number.

TROUBLESHOOTER AND FIREMAN

Marcus Harvey took voluntary early retirement from his former job for a bank in Belfast, as a team leader in IT security after fifteen years. He thought that becoming a computer consultant at home would just be an extension of the same work. However, he found that the key was building up trust, and dealing with new customers in a personalised way.



"I found that the best way of starting a business from home which involved frequent contact with people was to start by offering my service to family, friends, and friends of friends. Now I offer a wide range of services, from support and advice to repair, maintenance, updates, website design, accounts packages, networking, internet connectivity and e-commerce."

The result is that Marcus has to be prepared to jump into the car at a moment's notice. He says: "I suppose in a way I'm a cross between a trouble-shooter and a fireman. Coming from Belfast, that seems to go with the territory! The other day I was on my way to rescue a tax consultant whose laptop had crashed after a power failure when I got a call from Perth, Western Australia. 'Gud Day mate – a friend told me you could do a really good website design job at a reasonable price – I'm tired of being ripped off by big companies who don't care about small businesses like mine, so I thought I'd give you a whirl! That's the sort of job I pick up now. Anything from a laptop spec for a student to helping a freelance journalist who works from home and can't afford for his systems to go down just before a weekly deadline."

Marcus finds himself working at strange hours of the day or night, but it's all part of the job. "I wouldn't do it if I didn't enjoy the work. I can always say no. If I'm really under pressure I'll call in a subcontractor, someone I trust. That way I still keep my reputation." Email: rm.harvey@ntlworld.com

Translation services

Translation services are increasingly in demand, and translation work is often received and delivered via email these days. Translations can be tied in with word processing and desktop publishing services. By connecting together a number of language teleworkers, telecentres or web-based businesses can provide a complete European service.

Word processing and desktop publishing

Word processing (typing) services can be offered to homeworkers, businesses, political parties and pressure groups, community newsletters and societies. If you are in a university area, see if you can get involved in

GOT A QUESTION?

Infogenie is a virtual call centre that links enquirers to experts in the fields of computing, medicine, games, Internet, natural health, veterinary medicine, the law and taxation. The service was founded in Berlin in 1996 and now operates in the UK, France and Italy as well.

Infogenie connects several hundred experts around Europe, including about 130 in the UK. Tom Casey, Expert Services and Recruitment Manager, explains: "We operate a set shift pattern with some services operating 24 x 7. Others provide a dynamic service. Our doctors and lawyers sometimes log on for just 15 minutes at a time. If the system encounters a severe overload, it will dial up experts automatically and ask them to log on for work."

Infogenie operates Norwich Union's Healthcare advice line which provides instant access to policy holders to speak to a GP at any time. The system achieved 98.5% of all calls being answered within service levels, including service levels for soft skills such as accessibility and friendliness. All the experts are screened and are required to have indemnity insurance as well as the relevant professional certification.

Another service offered by the company is PC technical support, which also requires experts to be able to talk on the phone and access the Internet simultaneously.

For the premium rate services that Infogenie offers, experts are trained not just in soft skills but also in the ICSTIS guidelines for the operation of premium rate services.

Andy Manning, a games support helpline worker, has been working for InfoGenie for just over a year, although he says he only ever lasted 5-6 months in conventional call centre work: "Here you don't have someone looking over your shoulder all the time!" Andy has a heart condition which prevents him from driving, and also has to attend a lot of hospital appointments, so the flexibility offered by InfoGenie is important – he can sign off at any time. Most days he signs on and tells the system how many hours he plans to do, and sometimes logs in for extra hours at the weekend. He says the only downside is that there is no-one to share difficult calls with. <http://www.infogenie.co.uk>

typing theses and academic papers. Another area which is more within the skills range of most teleworkers than full-blown publishing services is the use of desktop publishing to prepare simple brochures, newsletters, pricelists and instruction leaflets for local companies.

Web page design

The production of web pages is something that many teleworkers have tried their hands at. It is still "flavour of the month", with many businesses requiring help to advertise their services on the web. To produce web pages, you need appropriate authoring software and a working knowledge

of HTML, the programming language used. It is a big help if you have graphic design or information editing skills, as many client companies are not good at putting together clear information, or understanding how to structure it for use with hypertext. Some websites include forms and other areas for users to enter information. Programming skills in cgi scripting, database related languages such as ASP, and in Java, the programming language used to send small, self-running programmes over the Internet, are in high demand but the market for basic web page design is highly competitive.

MARKET RESEARCH

Once you have your business idea, you need to do some market research. If you are applying for any kind of outside assistance in starting up a small business, the questions which grant-giving bodies or banks will want answered include:

- ▼ What is the total market for this service and what are the overall trends in this market area (static, expanding, contracting)? Look for national surveys on market share and size – many are available from good reference libraries or on the web.
- ▼ How much of that total market is practically accessible to your service (eg if it is a geographically limited service, check out what percentage of the national market is in your "catchment area")? Research basic figures in your local library or on the web such as the population in your area, the percentage of people unemployed, the breakdown of types of employment into service, manufacturing, agriculture, and so on.
- ▼ How much of the accessible market could you reasonably hope to capture? This answer should take into account practical constraints (eg maximum number of productive hours in a year which you expect to work) and will look more convincing if you give a minimum and a maximum and then show that you are selecting a fairly conservative figure between the two.
- ▼ What competitors do you have? Their strengths and weaknesses? How much do they charge? To provide information on costs, there is little alternative to ringing around competitor companies to check out prices – few give this kind of detail on their websites. This is a horrible job but vital. Make sure you have a "project" for them to quote on or they will quickly realise that you are not a bona fide customer. Look through Yellow Pages to see how many companies are working in your area. Don't forget that your competitors may be listed in different sections of the telephone directory such as secretarial services,

BEATING THE BARRISTERS TO THE BAR

Jan Wood is an independent barrister's clerk who works from her home in Exeter clerking for a number of barristers located in different areas of the country. The clerk title she regards as a bit misleading to those not familiar with the legal profession. "You're more like a media agent, providing a shop window for barristers to get work," she explains. And of course, she also collects the fees.

"I actually started as an independent clerk in 1997 when the chambers I worked for closed overnight. I thought 'what if I do it from home for myself instead – with the Internet you don't need libraries – you've got CD-ROMs?' I checked it out with the Bar Council and got the OK to set up as a virtual clerk."

Barristers working with a virtual clerk much as they have always done. Bookings and messages, as well as background papers, are forwarded by email, phone or fax. The barristers can work at home and then email their pleadings to the instructing solicitors. Conference facilities (for meeting with clients) can be made available at the instructing solicitor's offices. When the work is complete, Jan receives a "work record sheet" from the barristers by email. She uses ACE software to generate the fee notes (invoices) for solicitors, and then has to chase up payment.

The results is that chambers overheads and travel expenses are avoided, and administration costs kept to a minimum. In return, Jan receives a nominal monthly clerking fee plus a percentage of the fees received. Jan's website, which was created by her son, has created interest from as far away as Hong Kong and Turkey. <http://www.the-virtual-clerk.co.uk>

computer graphics, desktop publishing, computer training, computer consultancy and so on.

- ▼ Ask existing customers, family, friends. Why would (or do) people use your services?

The information from your market research will be used to prepare your business plan.

BUSINESS PLANNING

Business plan structure

There are many books and guides available which will help you to put together a formal business plan (see bibliography). Many Business Links have advisers who can help with business plans, as do high street banks. The purpose of a business plan is to produce a document, probably only around 10 pages in length for a simple small business, which has four basic functions:

THE SALES SOLUTION

Telework Association member Bernadette Eaglestone left an excellent job and career behind her after the birth of her son. "The decision to leave was probably worst and best decision I have ever made". She came across the Telework Association website while searching for information on homeworking on the web. "I joined the association on a Wednesday morning. My membership details came through the following Monday and by the end of that week I had my first assignment through the association's listings of telework opportunities." Bernadette started out doing database cleaning – phoning to check contact details. Since then she has moved on to appointment fixing, sales and telemarketing and is branching out into market research. All these areas were ones in which she had some experience from her previous job. "I refuse to use the call centre approach and work with a script. You personalise the service so they don't think of you as a nameless person sitting in a faceless office – you are actually interested in them. I try and listen to what people aren't saying as well. I will leave it a while after a negative response and then ring back. Situations and people change continuously. A "no" today could be a "yes" tomorrow."

Helen Legg is also a Telework Association member and had worked in a high street bank as a customer services manager. Then her branch closed, requiring a long commute to a new location at a time when she had young children. She tried freelance telemarketing from home instead and has worked on various contracts selling water coolers, mortgages, printing services, website design and financial advice. She's had some bad experiences including a company that refused to pay her for two months work, leaving her with a £2,000 phone bill. Helen advises checking the contract on offer and trying to keep payment terms fairly short so you aren't running up a bill, and reports she is now happy working with Turnover Plus.

Nigel Francis of Turnover Plus says they they deliberately employ more mature people in their 40s to 60s for their appointment-setting business. They have ?? people on their books, mainly working on commission, and operate an office with staff who deal with account handling and administration. Nigel says "Maturity, persuasiveness, self-motivation and tenacity are the main qualities required". Prospective telemarketers need relevant experience (in market research or telemarketing) and a PC capable of email and handling Excel spreadsheets, so they can receive databases of client contacts. The range of earnings for full-time equivalent telemarketers is £16,000 to £20,000 on average, but most work part-time. "The average is about three days per week. Part-timers seem to do better at this kind of telemarketing – it can be quite soul-destroying to make a hundred calls before you manage to set an appointment, so short bursts are better than full-time working," explains Nigel. The telemarketers cover their own phone costs and are paid on commission for the number of appointments they manage to set. Nigel has started organising IT training courses and some coaching exercises in telemarketing techniques such as overcoming objections and getting to the key decision maker. "We'll definitely be running the training again – it was very successful," he reports. See <http://www.turnoverplus.com>.

THE VIRTUAL ASSISTANT

Angela Willis worked for other people for twenty years. Along the way, one employer went bust and another got taken over by an American company that “rationalised” it. Angela decided she could have a more secure existence by having a number of clients of her own. “I wanted to be more in control of my own work life and have more flexibility.”

Despite variations in workload, Angela now has a greater degree of stability, carrying out tasks for a portfolio of eight clients, including proofreading and editing, database management and even web design. Most of her clients are referred by word of mouth, and come from the local area, and she hopes that a forthcoming profile in the local newspaper will provide some more leads.”

The way that work is delivered has also changed in the five years that Angela has been a virtual assistant. “Some of it I pick up but a lot of the work arrives by email and disk,” she says. “Five years ago it couldn’t have been done but now I can even offer a “virtual branch” to overseas companies wanting a presence in the UK.”

“A lot of small business people are looking for support. I am a small business myself so I understand their problems,” she says. “The advantages to them are enormous. To employ someone leads to all the problems associated with PAYE and NI, not to mention finding space and equipment for them. A virtual assistant works as and when they need her from her own office with her own equipment. She gets to know their business, their clients and their way of doing things.” However, Angela does find that organisation is vital in balancing client needs. “Because you are multi-tasking, you have to be able to prioritise and keep track of everything.”

Angela is a member of an online support group for virtual assistants, ukvirtualassistants@yahoo.com. Email: angela@acwresource.co.uk or Web: <http://www.acwresources.co.uk>

- ▼ To help you clarify your thinking – focusing your thoughts and making sure you have done the calculations needed to ensure your plan is realistic.
- ▼ To establish that your business idea is financially viable.
- ▼ To provide an accessible, clear document which contains all the relevant information about your business idea for outsiders including advisers such as accountants, and people you want to invest in your business such as bank managers.
- ▼ To provide a baseline against which the progress of your business can be measured.

There are many different structures for business plans. Here is a simple one which covers the basics.

1. Principals: who are you? Why should anyone believe you can do this? Brief history and objective of your business. Past performance (if available).
2. Product: what will you sell and what processes are involved before you have something to sell to the customer? How is it different from other competing services? Is it ready to sell now or do you need to develop it in some way?
3. Location: where will you carry out the business? Why have you chosen that location and how does it fit in with how you need to carry out your business? Do you have specific premises in mind? Indicate the purchase cost or rental. If you are working from home, estimate the reduction in overheads compared to a conventional office.
4. Equipment: what is needed for your product or service? Give cost estimates and indicate if you already possess any of the relevant equipment.
5. Are any raw materials or consumables needed?
6. Employment: who will be employed by the business? On what basis? Full-time, part-time, subcontracted? Don’t forget you will need to cover the administrative tasks vital to continued successful operation, such as chasing debts and completing VAT returns.
7. Management: what will the management structure be? Outline the qualifications and experience of the key personnel.
8. Finance: where will you get the money from? How much will be invested by the principals? How much will be borrowed and on what terms? How much are you looking for in terms of grants (if any)?
9. Profitability: the figures bit. Provide audited accounts for the last two years if you have them. Give projected profit and loss accounts and balance sheets for the first two years of the project.
10. Marketing: how will your products or services be sold? Do you have any firm contracts or orders? Market surveys? Competitors?

Setting prices and quoting

Preparing a business plan can seem to be a bit of a circular process – how can you know how much to charge until you know what the running costs are that you will have to cover? Or how successful your service will be? But in fact, a combination of estimating running costs and researching the prices charged by others for similar services will give you a fairly good guide to what you should be charging. This may, in turn, get you to refine your ideas about your start-up costs – what you will really need to get going.

So start by doing the cashflows and other business calculations to find

out what you need to earn to cover your running costs. If you aren't sure of how to do this, refer to some of the small business guides in the bibliography or get professional help from an accountant or business adviser. Your selling price must be higher than this breakeven cost. Selling price in turn affects your choice of target market, means of communication, choice of name and so on.

Many teleworkers find quoting for jobs nervewracking initially. Applying common sense is the best advice. If you aren't sure, ask to prepare a small section of the work as a "free sample". Work out how long it takes you, and multiply up to the size of the whole job. Use the trial section of work to get the exact details of the job agreed with the customer. Novices tend to underquote – so think about adding on 20% to the final amount you arrive at. Some customers find it reassuring to know the underlying cost per hour that you are calculating from. Others want you to quote a fixed price for the whole job. Ask other established teleworkers for advice on quotes.

Legal structure

There are four basic structures for a start-up business.

Sole trader

A sole trader has sole responsibility for their business, is self-employed and can trade under their own name, or any name of their choice (a "trading name"). If you use a trading name you must display it along with your own name and address on all business premises and stationery. The sole trader option is inexpensive because although you have to make income tax returns, you can do this yourself and do not need to have a formal audit or even use an accountant (though unless you have experience in this field, professional advice during the startup period is recommended). The disadvantage of this option is that if your business fails, all your assets including your home, if you have one, can be sold to pay your creditors. You need to file a registration form with your local tax office within the first three months of trading – the form is contained in the information pack PSE 1, entitled "Thinking of Working for Yourself", available from the tax office. You will start paying most of your income tax and some of your National Insurance contributions in advance after your first year of trading.

Limited liability company

A limited liability company creates a separate trading identity which in turn limits your liability for debts to the amount you have invested in the company unless it can be shown that you have "traded recklessly". However banks sometimes ask for personal guarantees for loans from directors which are not limited liability. The company's owners are its shareholders. Private limited companies only need to have one shareholder and cannot

publicly trade their shares, which are usually held by employees, other businesses, family members and acquaintances. There must be at least one director and a separate company secretary. You have to register with Companies House (providing a Memorandum and Articles of Association, plus forms 10 and 12). You also have to have a meeting of the board of directors at least once a year, and your company accounts must be returned to Companies House each year. However, these accounts only have to be audited by an accountant if your company turns over more than £1m in a financial year. If there are any changes in director these also have to be notified. You can buy an "off the shelf" company where all these forms have been pre-registered for under £500. So you get protection, but at a price of reduced independence and increased bureaucracy and accounting fees. You pay tax on any income you draw from the company, and any profits remaining are also taxed. Directors performing administrative duties for the company must be paid as employees unless it can be shown that they have a separate business performing that same service. There is a special form of limited company called a company "limited by guarantee" which is normally used by voluntary organisations that do not distribute profits. Here the liability is limited to a nominal contribution such as £1.

Partnership

This is the form usually used by groups of professionals who work together. The format is similar to sole traders except that the partners are "jointly and severally liable" for any debts of the partnership – again, personal possessions and houses can be sold to pay off creditors. As with sole traders, partners are taxed as individuals on the income they receive and must make national insurance contributions. There is usually a written partnership agreement which can cover a number of topics and which should address an "exit route" for partners who wish to terminate the arrangement. If partners do not draw up their own deed of partnership, then the way the partnership operates will be governed by the Partnership Act which states that profits must be shared equally. Partnerships are easily set up and cannot be taken over. There is no requirement to produce audited accounts, though a profit and loss balance sheet is produced, and the Inland Revenue informed. On the downside, an individual can make a business decision without informing the other partners. Partnerships must be dissolved on the death, resignation or bankruptcy of a partner.

Limited liability partnership

This is a new form of company structure introduced in 2001 and intended to provide partnerships with a form of organisation that limits their personal liability. LLPs are taxed and structured as partnerships but in other respects are treated as companies. Charities and non-profit making

organisations cannot use the LLP structure – it is only available to businesses seeking to make a profit. LLPs are formed by members, like companies, rather than partners. There must be at least two members, and there are no restrictions on the maximum number of members. If one member behaves negligently, they will still be liable for debts but the liability of the other members will be limited. LLPs have to disclose information on their finances and membership to Companies House but the partnership agreement remains confidential. The partnership agreement determines the relationship between the members of the LLP, and provides more flexibility in this relationship than a limited company, which is governed by the Companies Act 1985. Tax and national insurance contributions are also lower than for a limited company. Incorporating an LLP is also simpler, and the administrative overheads are less than for a limited company.

RAISING FINANCE

How much do I need?

The next step once you have a business plan is to raise the necessary finance for starting up. Double check your business plan figures against the checklist of items that you may need at on p. 302 at the end of Chapter 8, *Technology and techniques*. Decide which are priority items, and which non-priority or unnecessary. Can you reduce costs by buying secondhand or borrowing? Remember to include VAT in the prices unless you are VAT-registered, in which case you will be able to reclaim many VAT amounts.



One important item you will need to decide on with your accountant or financial adviser is whether to register for VAT. You are required to register for VAT if your business turns over more than £54,000 in the UK, or more than 25,500 in Ireland for service-based businesses (the Irish manufacturing threshold is 51,000 but teleworkers by definition will be service providers). However, it may be worth your while registering even if you turnover is lower in some circumstances. For most teleworkers, the issues are:

- ▼ If you register then you can reclaim VAT on equipment you purchase.
- ▼ If your customers are VAT-registered, it will not inconvenience them that you charge VAT; but if they are mainly not registered (private clients), then it is actually going to cost them more to use you if you do register.
- ▼ If you register, you will need to learn how to set up and keep VAT accounts and make regular returns. In some ways this is a pain, in others it is a blessing in disguise because it forces you to keep your accounts up-to-date.
- ▼ Some prospective clients may regard VAT registration as a badge of credibility since it implies your turnover exceeds £54,000 (or 25,500).

You are more likely to be successful if you take a conservative approach to start-up costs and “make do” rather than going for expensive items and incurring large financing charges, but beware: a common error is to underestimate start-up costs.

Your financing will also need to include working capital – the money you need to start up and keep going until the first cheques come in. Bear in mind that, unless you are doing basic secretarial work where people call in to collect their work, and you can extract the money as you deliver the work, you are unlikely to be paid until at least 30 days from the date you invoice a customer. In many cases the delay between completion of the job and invoicing, and payment of the invoice, will be 45 or 60 days. Don’t strangle your business at birth by failing to finance these delays adequately. The most common cause of business failure is cashflow – so make sure that you invoice at the earliest possible instance, follow up with a statement to remind them, and then chase payment.

Where do I get it?

The options for raising finance are:

1. Your own equity (ability to buy shares in the business).
2. Other people’s equity (other shareholders apart from yourself).
3. Borrowing money.

4. Grants (almost without exception, grant-making bodies will require that you raise at least half of the cost yourself).

Start by thinking about what finance you yourself can raise, and by taking a careful look at which of your assets you would need to retain if your business went under. You may not want to mortgage your house as collateral for a business bank loan, but if you are lucky you may have other assets you are prepared to risk such as shares, jewellery, paintings, cars or land.

Now consider the possibility of investment (other people's equity). In general small businesses have difficulty raising equity capital or venture capital except from friends and relatives because the amount of money is too small (normally around £500,000 is the minimum that professional investors want to look at because of the expense of checking and setting up the operation).

Whatever the source of your equity finance, be very clear on the following points outlined in Brian O'Kane's book:

- ▼ Are you prepared to allow other people to own (and therefore control) part of your business?
- ▼ What reward can they reasonably expect for their investment?
- ▼ Can your business realistically offer the kind of return that would attract outside investors?

The amount of debt finance which you can raise will almost certainly be defined by what your bank manager is prepared to lend you and will be based on your business plan and available security. Bank managers are looking for the three Cs – character (your track record), collateral (security against any inability to repay) and cashflow (evidence that your business is financially viable). Arnold S. Goldstein's American book *Starting on a Shoestring* suggests that unless you know the answer to the following points before you go to see your bank manager you may not get very far:

- ▼ Why do you need the amount requested?
- ▼ What will you do with it?
- ▼ How do you know that it's enough?
- ▼ How much less can you live with?
- ▼ Who else will you borrow from?
- ▼ How do you propose to repay it?
- ▼ How can you prove that you can repay it?
- ▼ What collateral can you offer?

BUSINESS ADVICE AND FUNDING FOR TELEWORKERS

Business Link advice centres: Check the website

<http://www.businessadviceonline.org> to find your local centre plus lots of online advice on funding, but be warned, this website is slow. A subsection of the site, the Small Business Service section <http://www.sbs.gov.uk> is rather better and contains information on the Small Firms Loan Guarantee scheme, which is available to those unable to obtain conventional finance due to a lack of security or track record. This scheme provides loans of £5,000–£100,000 (and up to £250,000 for established businesses) over a period of two to ten years (Tel: 0114 2597308/9)

Chambers of Trade/Commerce – details of your local organisation are available from British Chambers of Commerce Tel: 020 7565 2000

<http://www.britishchambers.org.uk/>

Most high street banks offer direct loan schemes on an "instant decision", unsecured, phoneloan basis for amounts between £1,000 and £15,000, and supply packs of advice and information for customers or prospective customers thinking of starting their own businesses.

Prince's Youth Business Trust – assistance for businesses being set up by people under 30. Tel: 0800 842842 or see <http://www.princes-trust.org.uk>

Age Concern has set up PRIME, an advice service for the over-50s "grey entrepreneurs" – see <http://www.primeinitiative.org.uk>

A useful website to check out is <http://www.j4b.co.uk> - "our goal is to provide SMEs with a transparent, honest interface between grant applicants and grant providers". Lots of information on grants, awards and soft loans (loans with subsidised interest rates or reduced security requirements).

Don't overlook banks as a potential source of finance – most of the high street banks have overhauled their services to small businesses within the last few years and many produce packs of useful information.

Telework Association member Edwina Clough provided the following useful tip: "If you are planning to become self-employed and you need finance, try and get it before you leave your existing job as you will be able to get a personal loan rather than a business loan, and the interest rates can be more favourable".

MARKETING, ADVERTISING, PRESS AND PR

Very few start-up businesses include sufficient budget for marketing and PR in their business plans. Begin by formulating some idea of who you need to address, breaking down the audience into distinct groups. You need to create a short, clear explanation of how your service will work, be charged for, have its quality guaranteed, be delivered and so on. Then work out the most cost-effective method of contacting the different audiences – postal

mailing, phone, website, email, listings in directories, trade shows or a combination.

Antony Capstick of Instant Search gives the following advice: “With PR and journalism one has to think of a peg to hang the idea on when you are selling it to journalists. When Companies House opened up its service to people from the outside, I marketed the idea for my Instant Search business through that ‘peg’. I sent faxes off to the newsdesks saying ‘Companies House has opened their computer to the outside; however, you can get the service if you don’t have a PC because Instant Search are offering it as a mail order instant-access service’. The best publicity I got from that was the *Manchester Evening News*. They quoted me and I was flooded with calls from Manchester, lots of orders – it was very good.”

“It also helps in background credibility if your name is mentioned for example in the FT or a quality paper; somehow people think you are better. There may be direct sales as a result of editorial coverage, but it also helps when you approach people directly if they have already heard of you.”

You may want to advertise so that customers will be aware of your existence. This will depend on what kind of service you are offering. Many teleworkers have found conventional advertising or mailing too expensive in the long term, and insufficiently rewarding. This is probably due to the trust issue. People need to feel they know you before they are going to trust you enough to send work out.

The people who already trust you are those who have worked with you before – whether on a face-to-face or a teleworking basis. So your time and money may be better spent on chasing up former colleagues and employers (eg through web searches for their names, or just asking around about where they may have moved on to), or on networking (attending and speaking at relevant conferences, for example).

The best of all advertising is word-of-mouth. Keep up the quality of your service and you will be repaid by personal recommendations. On the downside, it has been estimated that if a customer has a bad experience of your service, he or she will probably report this to 26 other people.

If your service is something that would benefit from traditional advertising, think carefully about which media (newspapers, local radio) will work best for you, and compare prices. Contact details for most publications are available at <http://www.mediauk.com/directory/>. The basic options are:

- ▼ Newspapers.
- ▼ Trade magazines.
- ▼ Web – include costs for professional design, search engine registration

MEASURING ADVERTISING RESPONSE

Anthony Capstick of Instant Search comments: “The next area I went into was direct advertising in newspapers. I tried all the national newspapers, the *Sunday Times*, *The Times*, *Telegraph* and the *Observer*, particularly the small ad section in the back.

We run, for example, a six line ad in the *Sunday Times* advertising our services which costs something like £70 resulting in something like 10 or 15 orders per week, and it’s generally busy Monday or Tuesday. You need to run the ad for a specific period of time. I went in and out a couple of times at the beginning because I didn’t want to spend too much. But I did notice that when I left it in, I was getting a much better response. People often browse papers, and may see the same ad again and again. The fourth or fifth time they may ring you up. If they have just see the advert once they may think the company is not very reliable. Persistence pays.

But the whole thing is wasted if you do not ask every single person who rings in where they saw your service advertised, where you got that enquiry. Otherwise you are just throwing money away. I constructed a spreadsheet with the cost of the advert, when it appeared, the number of enquiries and the number of conversions from that enquiry. When people call in and their orders are taken, a code is entered about where they saw Instant Search advertised. At the end of the month, when I’m booking the next level of advertising, I can see, for example, that a £200 ad in the *Sunday Times* brought in £500 of business, whereas the *Daily Telegraph* cost me £80 but brought in only £60 of business. Stick to the Sunday papers if your business can go overseas – we have agents in Moscow picked up from a three-line ad in the *Sunday Times*.”

and maintenance, and help with publicising your website unless you are already an expert in this area. See p. 246 for further advice.

- ▼ Local radio.
- ▼ TV (if your budget is huge).

Try to think about how you will measure response to your adverts so that you will know where to spend your money next time. Keep asking new customers where they heard about you and record their replies.

Directories and networks

Many businesses use directories to market their services. The best known and most widely accessible publication is the telephone directory (Yellow Pages, or Golden Pages in Ireland). Before advertising in Yellow Pages take a good look at the entries for your area. A problem that many teleworking businesses come across is that there is no obvious place for their services in Yellow Pages at present – or rather too many. Some teleworkers would need to make entries in a number of categories to cover all their services.

For this reason Yellow Pages may be a good option if your business fits into a niche – such as market research – but very expensive if you cover a range of categories. Remember that you are entitled to a free basic text entry in Yellow Pages if you pay the business, rather than residential, tariff on your telephone. Make sure that you get that and that it is correctly worded – Yellow Pages entries for the whole country are now widely available on the web (<http://www.yell.com>) and via CD-ROM so this constitutes a useful form of advertising with nationwide coverage.

If you decide to pay for a more complex Yellow Pages ad, think through the different options and prices. Often a plain text advert in bold type will be more cost-effective and practical than a graphic. In general, companies are more concerned about reference clients than they are about the size of your Yellow Pages advert. Think of it in plumbing terms. If you are looking for a plumber, you might use Yellow Pages to find the number of a particular plumber, but you are more likely to select that plumber based on personal recommendation or reference from friends and neighbours than “cold” through any directory. So while it’s important to have your contact details accessible, it may not be so important to take a large ad.

Local business directories may also be worth buying entries for – your local chamber of commerce or library should be able to give you information on the directories operating in your area. Chambers of commerce and other business networking organisations also publish local directories themselves, and encourage their members to use the services of other members.

Individual teleworkers may find it worthwhile to register with employment agencies or recruitment websites as some are now taking on board the task of getting in contract work for teleworkers – though some will require you to set up your own limited company (see sections on employment agency law and IR35 in Chapter 9, *Staying safe and legal*). A number of agencies advertise on the Internet, but most of the requests are for permanent staff, not for temps or teleworkers.

Informal networks

Telework Association member Gill Price points out that there are many informal networks that you can use for PR purposes.

“If you have school-age children, become involved in the PTA group. You meet other working parents and I have made a few interesting work-related contacts via this route. Parents talk to a lot of other parents – this is a useful networking area which costs nothing and can spread very wide. I have also found that teachers network with other schools – another useful link.

Sponsoring local sports teams can be another helpful route. Last year I sponsored a junior football club and next year I’m sponsoring a dance

festival. I send press releases to the local publications telling them all about it – and most local clubs are delighted with relatively small sponsorship sums such as £50 towards a trophy.”

Malcolm Newdick of Riverbank IT Management, which provides IT support, develops the idea: “My top tip is selling by referral. We have got our best opportunities by forging alliances with similar but non-competitive businesses in the same market. For us it’s a training company and a web design company. We refer customers to each other. Referrals are a recommendation – you are welcomed as a trusted supplier, not a cold-calling salesman, and you’re usually bidding alone, not up against five other possible suppliers.”

Responding to enquiries

Whatever the package of information you decide to distribute, you will need to collect responses – perhaps by phone or through a website contact form and process any work enquiries, usually by providing a quote. Some of the responses will include fears, some criticisms, some good ideas, etc. They need to be analysed and responded to appropriately and promptly. Your prospective customers may list a number of common anxieties about using teleworkers. You need to have some responses thought out for their worries – for example:

- ▼ Computer viruses – can you guarantee that the disks you send to your customers are virus-free?
- ▼ Equipment backup – what would happen if your computer went down? Is alternative equipment available quickly? Do you have ample data backups of work in progress in case of disaster?
- ▼ People backup – if you are a small operation, how will you deal with the inevitable peaks and troughs in demand? What happens if you are flattened by ‘flu? You might deal with fluctuations in workload through a network of associated teleworkers, or perhaps through online networks such as the Telework Association email broadcast list. Set the system up before you are in a crisis!
- ▼ Confidentiality – what happens if another teleworker accesses commercially-sensitive information? Could somebody unscrupulous get hold of your client company’s stationery?
- ▼ Data security – make sure that your computer system is secure. Use security features such as passwords and file-locking to prevent unauthorised access of client’s files. Make sure that your office is secure. Lock away customers’ stationery and files if they are sensitive.
- ▼ Presentation – look at your website, fax cover sheets, letterheads, business cards. Do they reflect a professional image? How does your

office look if a customer drops in unexpectedly? Can customers hear radios, kids or pets in the background when they ring up? Are all staff trained in telephone answering?

These issues are related to quality control which is covered in more detail at the end of this chapter. Think up a system for tracking progress on all jobs undertaken (which could be as simple as a whiteboard list). Measure your response time and always prioritise new work enquiries unless you have reason to believe they are not serious.

Using the press

Properly handled, your relations with the local and business press can be one of the most cost-effective forms of marketing, but they need to be seen as part of your marketing strategy – just as with direct mail or advertising campaigns, identify the target and then look at the most effective means to reach it. To get to your target you must first convince an intermediary target – the journalist. The key to success is to treat press relations as a partnership in which both you and the journalist want to reach the same people. The journalist wants to give them an interesting, useful read. You want to make the audience aware of your product or service. Helping journalists to achieve their objective is the secret of success.

Step 1: identify the publication. It could be a business to business title, or a specialist trade paper. Be careful not to confuse business and consumer counterparts – mountain bikers don't necessarily read *Cycle Trader*, and turkey farmers may not have much interest in *BBC Good Food* magazine. If

THE IMPORTANCE OF BEING ANSWERED

Anthony Capstick of Instant Search comments: "One of the most important things we decided was that we would answer the telephone in a uniform way. Our standard greeting became: 'Good morning, Instant Search, Anthony speaking, how can I help?'. When you are working remotely from your customers it is vital to give the right impression. It is a bit like the impression you get going into a shop or restaurant. You are completely put off the place if there is a full ashtray sitting on the counter or a black plastic bag full of smelly rubbish in the doorway.

"In the same way it is completely unacceptable to answer the telephone by simply saying 'hello' or without introducing yourself. It gives off an amateurish air. Same goes for children screaming, dogs barking, doorbells ringing in the background. Completely unacceptable, along with voicemail messages that say 'Please leave a message and we'll get back to you' – oh yeah? In which century?"

Anthony Capstick's book *How to Change your Life with Technology* can be ordered at <http://www.instant-search.com>

you're unsure, the reference bible is the voluminous and expensive monthly *BRAD* (British Rates and Data) which gives information on almost every periodical in Great Britain and some in Northern Ireland and the Republic of Ireland (also try <http://www.mediauk.com/directory/> and *Willings Press Guide*, available in many libraries).

Step 2: draft your press release, always keeping in mind the famous acronym KISS – Keep It Simple, Stupid:

- ▼ Try not to exceed one page of generously-spaced A4 on your business letterhead.
- ▼ Use a short, clear headline that sums up the story in a few words.
- ▼ Get all the main details into the first paragraph. Further down include an interesting quote.
- ▼ Avoid journalese – you are writing to attract the journalist's attention, not to do their job for them. Expunge words like "revealed" or "shocked" and keep in mind the news angle – why might your story generate interest?
- ▼ Avoid jargon and stick to clear, quantifiable facts such as "This is the third government contract won by Anytown Design in two months" rather than "this places Anytown Design as an industry market leader".
- ▼ Try and make it interesting. Avoid burying the story in paragraph six.
- ▼ If you enclose a photo, try to ensure that it is a print, not a transparency. Label it clearly on the back with the name and job title of each person, and briefly describe what they are doing. Do not use felt pen or biro for this label – in a pile of photographs the ink may come off the back of your photograph and on to the front of the one below, and biros can also cause indentations that damage the photograph. Use pencil or a typed label. Don't expect to see the photo again, whether or not it is published.
- ▼ Date it and include your contact details and telephone number at the bottom.
- ▼ Most journalists now prefer press information by email – but don't send the information as an attachment such as a Word file. Use plain text in the body of the email because you don't know what software attachments they can read and they may not bother to find out if they can read yours. Also some won't accept unrequested attachments for fear of email viruses. If you have had a photo scanned, ask first if they would like to be sent it by email, don't send it unannounced or their antivirus/antispam regime may bin your message. Also, if the image file is very large, they will not thank you for blocking up their email connection.

Step 3: make sure you're sending it to the right person. A call to the paper to find out, for example, who covers local business may get you a name. If you don't have a name, send it to a relevant-sounding job title such as Industrial Correspondent.

Step 4: if a journalist calls you for further details, remember they don't bite.

- ▼ Be courteous and don't patronise in explaining your story. Today's trainee journalist could be a valuable contact on a national paper in a few years' time.
- ▼ Don't lie or exaggerate – journalists aren't particularly interested in the skeletons in your cupboard until you lie to conceal them.
- ▼ Avoid going “off the record” – giving information which you do not wish to be published. Although journalists rarely abuse this privilege, mistakes sometimes happen.
- ▼ Understand that you have no veto over what is printed – there is little point in demanding to see an article before it's published.
- ▼ Don't antagonise journalists by complaining. Errors are sometimes made – if they are trivial let it lie rather than be branded as a time-waster. For a major mistake, write a polite letter to the editor.

Step 5: If at first you don't succeed, try again. Keep your name in the eye of the public, and in the eye of other journalists. If there's a subject where you have expertise, you may gradually become established as what's unkindly known as a “rentaquote”, so that whenever a feature in your area comes along, you're the first person who comes to mind as an interviewee.

Internet marketing

There are several ways that you can use the Internet for marketing.

- ▼ Find companies which might give you work by using Internet search engines and then inspecting their websites.
- ▼ Use targeted email shots to advertise your services to prospective customers.
- ▼ Use web-based recruitment agencies and worksearch companies (jobsites).
- ▼ Create your own web page to advertise your services.
- ▼ Use personal emails to good prospects to advertise your services.
- ▼ Use e-zines to inform existing and prospective customers about your services.

ALAN AND IMOGEN'S GUIDE TO DIY PR

Alan and Imogen have nearly twenty years of experience between them as top teleworking rentaquotes. These are a few tips.

- *If you are going to pay for coverage, do it through targeted, professional PR – it's usually better value than advertising, particularly for placing press releases through better contacts and getting someone else to harass publications for you.*
- *Local media are usually quite easy to get into because you have the local angle, and they have space to fill. But is your market local?*
- *Get a decent photo, scan it and make sure it's available as a good quality .jpg file*
- *Almost all publicity is good publicity. But think about the coverage you are likely to get from an interview – the Association once did an article in a tabloid and got an huge response which cost a lot to deal with – but almost no new memberships.*
- *We have found broadsheet newspapers the best format to get across a complex message because people can re-read the information, leading to a more considered response. The same applies to the TV and radio programme you target.*
- *Don't keep going for the same newspaper just because you have contacts there – the readers will get bored with you and you won't get any enquiries.*
- *For radio or TV interviews, make sure you have some idea what the programme is about so that you can strike the right tone.*
- *If you are being interviewed over the phone, just concentrate on what the interviewer is asking and think of it as talking to one person, not to millions.*
- *Note down one or two key points or statistics in advance if you think you'll need them but don't read out an essay or rustle papers.*
- *If it's a group interview write down the names of the other interviewees to avoid having to refer to “the bloke with the deep voice”.*
- *Try to get your plug in early without being too blatant. Be careful with websites – introduce them as a source of further information. Make sure the URL is short and try to avoid having to spell it out – boring!*
- *TV interviews can be very disconcerting. You're probably perched in an uncomfortable location with lots of external noise, your earpiece threatening to drop out, and sweating from the lights. When you see the result, particularly if it's pre-recorded, you'll be amazed how little space they crammed the item into. Response from TV is often poor quality as people don't seem to listen properly.*
- *Partnerships are a great idea – team up with other organisations that have a common interest, especially those with their own press department.*
- *Used carefully, letters of support from famous people can be very effective.*
- *Trust the press despite their press – mostly they are just trying to do a job. Yes, occasionally you will get misrepresented but there's little point in complaining unless the problem is serious – you will need that contact again some day.*
- *Don't talk about things you don't know about. It will come back to haunt you.*

First a warning: do not send unsolicited cvs to people by email. It is most unlikely to result in any work but will probably annoy the person you send it to. If you think, perhaps from looking at their website, that they are likely to have suitable telework to outsource, send a short, polite enquiry first (not more than two paragraphs) explaining your skills and asking if you can send your details.

The obvious exception to this warning is a jobsite that asks you to upload your cv. Many of the more sophisticated jobsites have features where you can specify what kind of work you are looking for and receive email notifications or alerts when any suitable job comes up. Unfortunately few of the jobsites specify whether jobs are suitable for teleworking, so dealing with the resulting email can be time-consuming.

The Telework Association runs its own mailing list detailing teleworking job opportunities which is published weekly – this is part of the Telework Association subscription. For more details see <http://www.telework.org.uk> or ring 0800 616008. Telework Association Online also provides news items on teleworking, and lists press coverage relating to teleworking.

The jobsites listed in this chapter all have some relevant opportunities at the time of writing. However do take care – there are also many “get rich quick” sites as American telecommuting expert Gil Gordon summarises:

“I think there are three things going on.

1. Because demand for these jobs – sometimes from legitimately desperate people – vastly exceeds the supply, alarm bells go off for every sleazy operator under the sun. I think it is nothing less than unethical preying on the desperation of others.
2. Slowly but surely there are some semi-legitimate sites developing, mostly in the area of freelance networks of sorts. They try to act as brokers or intermediaries rather than information providers. But these are few and far between.
3. Nobody is monitoring all of this. The sleazeballs operate well below the radar of the enforcement agencies. By the time someone makes a complaint to a local authority, it's too little too late.

“What really surprises me more than anything is that here in the US where the unemployment rate is under 4% you would think that even the dumbest employer would wake up to the fact that there are scads of willing and able people out there who won't make themselves available for full-time in-office work. But it's not hard to overestimate the intelligence of most employers.

“Oddly, one of the missing links is that neither the employers nor the would-be telecommuters know how to make the marriage. The workers envision that they can magically submit their resumé to a company clear

TELEWORK ASSOCIATION ONLINE – WEEKLY NEWS AND WORK OPPORTUNITIES

The Telework Association produces a weekly email bulletin of news and telework opportunities, compiled by executive director Alan Denbigh. Telework Association Online goes to around 1000 Telework Association subscribers – if you are a member of the Telework Association, joining instructions can be found on the website. In addition to summarising any news coverage of teleworking issues, Telework Association Online also provides two-way communication between the association and its members. If an issue arises Telework Association Online provides a quick way for the Telework Association to find out whether it is something affecting a lot of teleworkers or only a few.

The work opportunities are also listed in the Telework Association's bimonthly magazine *Teleworker*. One employer commented: “it's very encouraging. We were really struggling to find people to work in a remote position and when you put something in the magazine we had a stream of good people. The quality of what was coming through was very good indeed.”

across the country and then start working for a huge salary from the comfort of their bedroom. The employers envision that this same unknown entity will want to live cross-country and never show up”

Gil's website contains a compendium of work opportunity links – as he says “I have a bunch of these listed and have tried to screen them but don't vouch for them.” See <http://www.gilgordon.com>

After a lobbying campaign by the Telework Association, the UK government's Employment Service is now to include an indicator to show jobs which can be teleworked. However, the change is not deemed a priority and is unlikely to take place until 2003. Check out <http://www.jobcentreplus.gov.uk> .

Sites aimed at freelance teleworkers seem to fall into three categories,

- ▼ Auction sites where a project is listed and teleworkers “bid” for the contract.
- ▼ Job-sifting sites that go through everyone else's jobsites, pick out the teleworking ones and often charge you for providing the details.
- ▼ “Support” sites offering access to work opportunities alongside forums for teleworkers, access to distance learning, etc..

Many of the sites do charge and it can be hard to work out what you are being charged for. Almost all require you to “register” your contact details before you can access most of the site features. Some have clear privacy policies, but others may make some of their income by selling email addresses. Overall, as with all homeworking schemes, the advice must be that any site which looks for the worker to pay a fee (rather than the job advertiser) should be treated with caution. Also beware of getting involved

in contracts outside your area of expertise as it will hard to be sure that you are getting the appropriate remuneration or that you can provide a competent service.

One possible exception to the warning above is some of the specialist work-broking sites such as Smarterwork.com. Originally an auction site for work, Smarterwork has decided to go “upmarket” by charging teleworkers 250 to become “service providers”. According to CEO Milton Lewis “One of the things service providers like is that they can prove that they have been through our certification process, obtained the Smarterwork certificate and share our value for professionalism and customer service. This aids client confidence and helps differentiate the providers from their competition.” Smarterwork itself has recently downsized again and is now practising what it preaches, going from 30 fulltime staff to 17 freelance staff and 5 full-time.

Creating web pages

The Internet is the focus of a great deal of marketing activity because it is cheaper than conventional print advertising or direct mail, and the content of the “advert” can be altered at any time, although it is still extremely hard to measure the response to web advertising, or “cost per hit”. Many Web sites are really PR activities rather than conventional marketing tools, despite the “buzz” about e-commerce and online trading.

Web pages are normally “hosted” by an Internet service provider (ISP) – they have to be available 24 hours a day, so renting space on existing servers is cheaper than setting up your own. ISPs will also design pages for you if you don’t want to learn to use HTML authoring tools or don’t have graphic design and editing skills. Most people use an authoring package which allows you to specify the structure of the document (heading levels, graphics and so on), and then inserts the correct codes to produce the desired effect, checking for adherence to the HTML rules as it goes along. Web authoring tools include:

- ▼ Adobe GoLive – <http://www.adobe.com/products/golive/overview.html>
- ▼ Macromedia Homesite – <http://www.macromedia.com/software/homesite/>
- ▼ Macromedia Dreamweaver – <http://www.macromedia.com/software/dreamweaver/>
- ▼ Microsoft Frontpage – <http://www.microsoft.com/FrontPage/>

In addition to web authoring software, you will also need “ftp” software which is used to upload the finished pages on to your ISP’s web server. There are several pieces of shareware which can carry out this task such as WS_FTP (<http://www.ipswitch.com>).

ALAN AND IMOGEN’S GUIDE TO LOOKING FOR WORK ON THE WEB

We have kept a watching brief on various “telework websites” for several years now, and have concluded that most of them are of little use. Skills registers have also proved something of a space waste. Many of these projects have been carried out over the last decade. Most have languished except where they have:

- *Aimed at high level skills.*
- *Actively sold the teleworkers through a dedicated marketing operation.*
- *Taken steps to control the work quality of the teleworkers on the register.*

Instead we recommend using search techniques on the conventional jobsites. Try entering “from home” or “at home” or even “telework” as a jobsearch criterion – and don’t forget “teleworking” and “homeworking”. Be prepared to spend time sifting through the results.

Register for the *Telework Online* e-zine at <http://www.telework.org.uk>.

<http://jobs.guardian.co.uk> – try the searches above and expect to find a number of voluntary sector jobs (not-for-profit organizations) that are based from home with some degree of travel.

<http://www.nfp.org.uk> – again, voluntary sector jobs, some based from home.

<http://www.fish4jobs.com> – a reasonable number of hits but also one or two “too good to be true” ads. Watch out for ads which require response to an expensive 09 or 0870 number. Try also searching for telephone canvassers/telemarketers as some of these are home-based.

<http://www.jobsite.co.uk> – consulting engineers, recruitment consultants, sales and some IT opportunities.

<http://www.jobserve.com> – well organised into different sectors.

<http://www.monster.com>

<http://www.peoplebank.com> – you have to register.

<http://www.topjobs.ie> – good search facility but no telework jobs when we looked.

<http://www.totaljobs.com> – about 44,000 US vacancies of which we found around 50 appeared to offer work at home opportunities. Mostly in IT, some human resources, some construction/project management. Management consultancy, marketing, advertising, PR, creative and media also had some entries. Oh, and a post for a chat line operator to talk to male callers.

<http://www.working-options.co.uk> – part-time work, particularly in the legal profession.

<http://www.flexexecutive.co.uk> – including part-time work and jobshares for marketing and HR staff.

http://dir.yahoo.com/Society_and_Culture/Issues_and_Causes/Employment_and_Workplace_Issues/Telecommuting/ – catalogue where you may find other sites.

When designing Web pages, it is important to keep information short and well-structured, and not to go overboard with complex graphics which slow down browsing for the user. Use the facility of hypertext – instead of creating very long pages, make smaller separate pages with logical links that users can select to get more information on a particular topic.

The Internet also provides facilities to create online forms for collecting feedback from users. The information in these forms has to be processed on the computer where the Web pages are hosted, so if you want to use forms you will need to create what is known as a “cgi script” to process the form information. Because such scripts can cause havoc on the local server if they go wrong, most ISPs won’t let you use this approach without some help from them in ensuring that the script is bug-free.

Most people can learn quite easily to create simple web pages. But if you need to create an extensive website with much interaction between pages, especially if you do not have experience with graphics, information provision, cgi scripting and HTML, you should consider paying someone to prepare the pages for you.

Also bear in mind that a number of disabled rights group are campaigning to ensure business websites don’t discriminate against disabled people. The practical effect of this is that your HTML must be programmed correctly so that software tools for processing HTML and “reading” the contents through an artificial voice can function correctly. To check your pages for accessibility, try the free Bobby software downloadable from <http://www.cast.org/bobby>.

Reaching your audience

Once you have created your pages, you need to signpost them so that people can find you. You can use a service like Jimtools <http://www.jimtools.com> to do a number of search engines automatically – and the list of similar services is growing. Some require that you pay a small fee although Jimtools is free. Some of the most important search engines need to be completed “by hand” *ie* by visiting the site and submitting a URL by answering a series of questions, including Altavista and Yahoo. Many search engines make use of the Open Directory Site <http://www.dmoz.com> so you should also submit your URL to this website directly.

Whichever search engine you are dealing with, before posting details of your site make sure that you have used the Meta tags features in HTML to indicate (invisibly to the user) the content and keywords of your site on your home page – this will help search engines to index your pages properly. Use of the meta tags should be explained in your HTML editing package and there is a short tutorial on meta tags on most of the search engine help pages – such as the straightforward explanation at

<http://www.jimtools.com>. The specialist website

<http://www.searchenginewatch.com> keeps tabs on how the search engines rank sites to help you keep at the top of their listings.

E-commerce

Because this is a complex subject with many pitfalls that changes constantly it is not covered in any detail in this book although a number of references to useful books and websites are given at the end of this chapter. Bear in mind that you do not have to have a secure site with credit card details to make money from the web. By skilfully presenting your services and products but combining this with traditional invoice/cheque or faxed order methods you can provide fast response without the financial and technical burden of running a true e-commerce site. There is a DTI guide to the various European directives that those involved in e-commerce must be aware of at:

<http://www.ukonlineforbusiness.gov.uk/cms/template/popup-content.jsp?id=94836>

Affiliate marketing

It is possible to set up links from your web page to other people’s sites that will earn commission for you. A much-used example is Amazon – links direct to a book on Amazon will net you about 15% of the price the book sells at. Another method is to have banner adverts on your page which earn you a few pence any time a visitor clicks them.

Think hard before doing this. Your website is for you to contact your customers. Only you are in a position to judge whether affiliate links will annoy, or be useful to, your customers.

Useful websites for affiliate marketers include:

TradeDoubler <http://www.tradedoubler.com>

Commission Junction <http://www.cj.com>

Ukaffiliates <http://www.ukaffiliates.com>

Yourcheque <http://www.yourcheque.com>

Email marketing

There is a very fine line between the responsible use of email as a business tool and blatant “spam”. Collecting email addresses is something which has to be done tactfully and constantly – always request permission to add an address to your database. Ask customers to fill in registration forms on your website – but bear in mind that this may put some people off using the site at all. Include a query on email addresses with your bills. If you are exchanging business cards, ask if you can add them to your list.

Try to ensure you are giving something useful in return for permission

to send material to an email address. And keep your list current – at the moment about 50% of people change email addresses every two years. The figures are even more drastic for web-based email services like Hotmail.

Email marketing expert Denise Cox (<http://www.allrealgood.com>) gives the following advice:

You should ensure that your email software sends plain text ASCII_messages without HTML or RTF formatting because some of your customers won't be able to read the formatting. The emails should be about 65 characters per line with a hard break following each line. Avoid using the tab key – use spaces if you have to – and don't use columns. To ensure that email software creates "live" links where you have entered a URL or an email address, put `mailto:` before the email address and `http://` in front of the URL (eg `mailto:info@newteleworker.co.uk` or `http://www.newteleworker.co.uk`). Avoid sending uninvited attachments (especially if these are large). Do include automatic signature text which gives all your contact details (most email software has a signature function).

Denise suggests you might consider using the following email communications with your customers:

- ▼ Updates – new services or contacts.
- ▼ Special interest mailings – subdivide your customers and provide them with useful, relevant information.
- ▼ Order confirmations – many people find that they get no response to enquiries sent to websites, and are unsure whether or not their order has been accepted. Follow up by email.
- ▼ Autoresponders – if you receive too much email to provide a suitably speedy personal response use autoresponders to give information or to let the customer know that there will be a delay before they receive a reply.
- ▼ Participating in, or originating, discussion groups.
- ▼ E-zines – (email magazines) - but make sure the information is useful and give people an easy way to unsubscribe if they don't want it. Limit the size to 15k (maximum 2,500 words).

Newsgroups and discussion forums

Paul E. Bennett is a Telework Association member who specialises in electronic systems design engineering. He has found that participating in online discussions can also be a fruitful form of marketing.

"The best method to get known is to be seen to be helpful to others whilst being careful not to offer too much for free. After a while, people on newsgroups will come to know you as helpful and offering sound advice,

and they may feel inclined to pay you for your personal attention to specific problems.

"It is important not to be too blatantly or forcefully commercial and to follow good netiquette at all times.

"I have had some interesting work come in over the past five years from newsgroups including a European assignment in Brussels, one for medical systems, two in the energy sector and three in rail systems. To make this work you should:

- ▼ Have a short but informative email signature that includes your website details on all your newsgroup posts.
- ▼ Make responses to selected requests for help in the form of indicators to the general direction of the solution, but don't give the whole solution (which is what you want to be paid for). If the questioner needs more assistance they'll ask and you can discuss terms.
- ▼ Don't be disappointed if they shy away from spending money. The Internet is full of people who are basically freeloaders but the results when you do weed out genuine potential payers are worth it!"

Mailing lists

Traditional postal mailing lists may not sound as exciting as Internet marketing but they work when used intelligently. Software tools allow records of contacts to be easily held, and the production of vast quantities of marketing materials that can be personalised to the addressee. However, mailshots can have a negative effect if they are not correctly written and targeted, or waste your resources if they are not well planned.

First, you need to know whom you are going to contact and why. Use your business plan and market research to build up a profile of the likely customer. If you are selling to businesses, your next step will probably be to purchase a mailing list from a specialist company that holds regularly updated and indexed lists of companies such as Kompass (<http://www.kompass.com>). As you pay "per name" you will need to build up a brief for the mailing list company which may include parameters such as:

- ▼ Number of employees.
- ▼ Market sector (most mailing list companies have a series of ID codes for different market sectors).
- ▼ Person to contact within the company (eg finance director, human resources/personnel).
- ▼ Service, manufacturing, or export sector.
- ▼ Number of years established.

CRIME AND PUNISHMENT FOR AFFILIATES

Telework Association member Guy Clapperton runs several websites including one for crime books – at <http://www.crimebookshop.co.uk>. He comments on the importance of providing value for your customers if you use affiliate schemes:

“I make no claim to publish, pack or dispatch any books at all. I just read loads, review and recommend the best, get input from authors when I’m lucky and find customers the best discounts from a basket of booksellers. Consider why you’ve set up your website and don’t divert from that, but do add value where you can – the punters will like it and you can make some beer money.”

Guy’s tips and suggestions are:

- *Keep other companies off your front page unless there’s a reason such as needing a graphic. Where you do use the front page, make it a pay-per-click scheme rather than a commission scheme that won’t product income unless their product is selling.*
- *Keep all affiliate schemes relevant to the topic of your website.*
- *Look for complementary rather than competing schemes.*
- *Keep any links in positions where they will appear on the first screen of information so that users don’t have to scroll down to find them.*
- *Beware of US schemes – there are VAT implications.*
- *Be realistic about the returns – this is beer money not winning the lottery.*

Guy’s main website is <http://www.clapperton.co.uk>.

- ▼ Ownership (*eg* foreign-owned or domestic).
- ▼ Geographical location.
- ▼ Telephone number (vital for qualifying the list – see opposite page).

Mailing list companies want to get you to buy as many names as possible, whereas you want the smallest number that will give you a good response rate. To avoid this poacher/gamekeeper conflict you may wish to use a mailing list broker. Bill Moss, an experienced broker, explains: “Mailing list brokers get a discount from suppliers because they buy in bulk. They also know the various mailing lists extremely well. So you can get professional advice from a mailing list broker to produce a well-defined list, get the broker to obtain the list for you, and pay the same amount as you would have done buying direct – the broker pockets the difference between the discount and the standard retail price as the fee for his or her advice.” (<http://www.bill-moss.com>)

The broker will also be able to help you ensure that you get the names in a format that you can use. The safest format to ask for is CSV (comma separated variable), which will work with most spreadsheet and word processing programmes. You will probably need to put the list into spreadsheet format whilst you qualify and sort it before using it with your word processing mail merge feature. Some suppliers will provide lists in mail merge format for specified word processing packages.

Bill has a checklist for those buying mailing lists, whether direct or through a broker:

- ▼ Does it matter where the client is located?
- ▼ What contact name (job function) is needed if any?
- ▼ Do you need telephone or fax numbers?
- ▼ How is the list you are buying compiled, and how old is it?
- ▼ Is the list owner registered for data protection?
- ▼ Is the list owner a member of the country’s Direct Marketing Association. If not, think twice about employing them.

Before you even consider the logistics of sending out your mailing, you must qualify the list. This is a tedious process which consists of telephoning the company and checking that the person on your list is indeed still the managing director, human resources manager or whatever, that you have their correct title, and that they are responsible for the area of activity you are interested in.

Be polite, patient and persistent with receptionists – they get many such calls each day and sometimes can be a bit short with the latest enquirer, whom they think is either a salesman or yet another jobseeker. If they offer to put you through to the person in question, grasp the opportunity. Briefly explain why you are contacting them and tell them you will be sending a mailing shortly. Don’t get depressed if they express no interest – you’ve just saved yourself a wasted stamp and follow-up call.

The next step is to set up a sensible schedule for mailing and follow-up. Be realistic – most mail-outs have a very low response rate of around 3% so build this into your workload projections. For business-to-business services it is highly unproductive to send out several thousand mailings at once, a large proportion of which will go straight in the bin. Instead, send out small batches in stages, and follow up by telephoning again a few days after the mailing to ask whether the mailing was received, and whether they are interested in your product or service. If they are not interested, ask whether they would mind explaining why, so that you can better target your marketing in future. This approach may elicit useful information

about what's wrong with your service; however some respondents will treat this tactic as a hard-sell technique and refuse to elucidate – don't push.

For consumer or retail services, it may be more effective to use geographical mailings to all houses in a district, usually organised through the Post Office on a cost-per-copy basis. Such campaigns are almost always more effective if press coverage or advertising is used at the same time. Most post offices can arrange to frank large mailings for you but normally you will have to prepare the mailings with all envelopes the right way round. For mailings of over 2,000 you can use the "Mailsort" service which considerably reduces postal costs, but is only available if the postcode is clearly included in the address labels. Some companies can act as bureau services for Mailsort. In Ireland franked mailing is available at main sorting offices only and must be paid for in cash or by banker's draft – no cheques.

In either case, before embarking on a mailshot be sure you have costed it properly and that you have put aside resources for the follow-up, and for capturing details of any prospective customers who contact you as a result. Amongst the costs are:

- ▼ Mailing list purchase.
- ▼ Time and telephone costs for qualifying the mailing list.
- ▼ design, editing and printing of the mailshot material.
- ▼ Envelopes, laser labels and postage.
- ▼ Responding to enquiries.

As a rule of thumb, you should expect around a 10–15% response rate if you also follow up the mailshot by phone – have you planned for the expected increase in demand for your services? If you send out 100 mailings, and you get 10 jobs as a result, will half the new contacts be wasted because you aren't able to give a timely service due to overwork?

As well as keeping track of your responses, you will need to have some method of estimating the overall conversion rate between the money you have spent on the mailing and the increased business which directly results from it.

Avoid fax shots because the level of negative reactions from people receiving unsolicited faxes outweighs the cost.

TYING UP THE LOOSE ENDS

So you've made the sale, agreed the brief for the job and the price – what next? In some situations, for example if you are working for a large company or government agency, they will probably send you two copies of a contract outlining the work, the payment schedule and other factors. You read it and sign on the dotted line if you agree, returning one copy to the

customer. But for most business-to-business transactions, unless you act to ensure that there is a written agreement, the job may go ahead on an ad hoc basis which leaves you in an extremely vulnerable position.

The Irish government's Code of Practice on Teleworking suggests that you draw up your own description of the job including the following information as appropriate.

- ▼ Clear contacts information identifying the purchaser and supplier and their addresses.
- ▼ General description of the work to be carried out including purpose and scope, timetable, delivery format and delivery date.
- ▼ Details of the payment and payment timetable during or following the completion of the work including VAT liability.
- ▼ Details of any systems or procedures to ensure the confidentiality and security of the work *eg* responsibilities under the Data Protection Act.
- ▼ Statement on the ownership of any resulting copyright or intellectual property rights.
- ▼ Arrangements for loan or supply of equipment, including insurance.
- ▼ Arrangements for cover in the event of illness, incapacity, holidays or other absences, and for subcontracting if permitted.
- ▼ Quality assurance procedures. If group working is involved, identify the individual responsible for quality within the group.

It may be worthwhile to ask your solicitor to help you to draw up a "template" contract document. Send the document to your client by fax, post or email, ask them to read it, sign a copy and return it to you to indicate their agreement before you start work. This kind of clear written agreement will help you to avoid disputes, unnecessary work stress and nonpayment of bills.

Before you do sign on the dotted line, if you are dealing with a limited liability company, consider a trip to the Companies House website at <http://www.companieshouse.org.uk>. It costs nothing and you can check to see how long the business has been going, and whether the accounts are overdue which could save you from a payment problem in the long run. The Thomson's Directory CD lets you see how long a company has been in the same building. Be a little suspicious of sole traders who set up as limited companies – there is generally no reason to do this other than to avoid losses due to bankruptcy. If you feel that they need you more than you need them, you might consider adding a clause into any agreement or contract stating that one of the directors of the limited liability company is

personally liable for any monies owing to you in the event of company liquidation.

Keeping your customers

Working long-term for a company but not being an employee requires diplomatic, constant attention. The rule of thumb is that 80% of your new business leads will come from existing customers, so look after them! If your contact moves job or leaves, you've probably lost the contract, so if you can, try to pick up work from other people in the same company to make your position more resilient. This should be easier than approaching new companies because you already have a reference client (the first contact) to establish that you are competent and trustworthy.

Keep a good eye on corporate politics if you can – who's in, who's out, who's moving departments. Spend extra time building up relationships with new staff – go in for face-to-face meetings, explain in detail what you are doing by email because they probably know less about the procedures in place than you do. They may also be new to managing teleworkers so you have to politely train them in what information you need so that you can get your part of the job done. Overcommunicate and reassure them of your reliability. Assess their level of competence in IT and email – if the new person only likes to deal by fax, then that is what you are going to have to use because they are the customer, even if you think it's timewasting.

Also keep your receipts – archive all email and other communications so that if there is a dispute about an instruction or any aspect of a job, you can show exactly what communication you received from the client. It's an unfortunate fact that self-employed teleworkers can end up in the middle of in-office disputes because they are in a weak position and are



“expendable”. Once people know that you always keep your receipts they are much less likely to try to scapegoat you for any problems encountered.

Cultivate receptionists, secretaries and accountancy staff – make their lives as easy as possible and ensure they have a favourable opinion of you. Be sure you understand the client company's purchase order and billing systems and stick to them. If they only do one cheque-run on the last day of each month, then don't bother hassling for a cheque in the middle of the month unless there's some overriding reason why you need that money. If they require your invoices or quotations in a certain format in order to assign them to a particular cost centre in the company, make sure that that information is clearly printed on every document.

If your business is one where customers are likely to have a number of transactions, build a customer database. Give everyone a customer ID and let them know their number so that when they phone or email you can have their record in front of you immediately.

QUALITY CONTROL FOR TELEWORKERS

One of the key characteristics of successful businesses is a “culture of quality” – the participation of all staff to ensure that the product or service delivered constantly satisfies or exceeds the customer's expectations. Most teleworkers have limited time for sales and marketing, so building strong customer relationships and encouraging repeat business makes sense.

Many small businesses carry out work at superlative levels of quality without needing to think about these issues – quality is inherent in their method of working. But as businesses get larger, or where a company is part of a more complex supply chain, then it often becomes important to address quality management issues if consistent levels of customer satisfaction are to be achieved.

All businesses whatever their size should adopt some quality management measures. This might be as simple as putting in place some basic mechanisms for carrying out the main business functions which may not necessarily be documented. At the other end of the scale, a company may use a formal, documented quality management system (QMS) that has been audited by an independent organisation and shown to comply with a recognised standard such as ISO9000. The approach will vary depending on the nature and size of the business.

Where do I start?

The first step to putting place a quality control system is to understand the key processes operating within the business. Then you can put in place mechanisms to manage these processes if needed. For a self-employed teleworker, there are various key processes.

- ▼ Estimating/quotations/tendering.

- ▼ Handling of sales orders.
- ▼ Tracking the progress of work.
- ▼ Despatch and invoicing.
- ▼ Document version control.
- ▼ Checking of work before despatch.

For a one-person business operating from home, there may be no need to formally document these procedures. A simple system could be established based on a hard copy order book, or on spreadsheets for recording and progressing enquiries and sales orders. In larger businesses where teleworkers are operating in a variety of locations and where work co-ordination is an issue, having the procedures documented and understood by everyone becomes essential. Larger businesses are also likely to have a broader range of key processes that need to be managed.

- ▼ Purchasing.
- ▼ Assessment of supplier performance.
- ▼ Material inspections.
- ▼ Management of subcontractors.
- ▼ Payroll/HR.
- ▼ Project planning.
- ▼ Handling of customer returns/complaints.

Quality requirements need to be built into the working methods and procedures of the business. A properly designed quality management system need not be a burden but an inappropriate system can become a bureaucratic overload that is expensive for a small business to maintain. Such systems are inflexible and stifle creativity and innovation. Improving internal procedures should instead result in greater efficiency, improved customer service and improved customer satisfaction.

What are the quality standards?

If you feel your business needs formal certification of its quality standards you will need to produce and apply a system that conforms to the internationally accepted quality standards, known as the ISO9000 series. The ISO standards comprise a number of model quality systems together with guidance notes indicating which quality management system is applicable, depending on the key processes within the business. Most teleworking businesses fall under ISO9002 except for those involving design/software activities that will also need to take note of the design control requirements of ISO9001:1994.

GLOBAL CUSTOMER CARE?

Phil Hart, formerly a UK resident, teleworks from Australia for researchers in Arizona, Australia and the UK designing software. Over the years he has developed a number of useful techniques for keeping customers:

“About three quarters of my time is spent at home, building and testing software. A small part of my time is spent managing my own business – IT issues, accounts and training. The remainder is spent meeting existing and potential clients.

“With larger organizations, I find it useful to assume people do not talk to each other. If a manager tells you something significant, s/he might not have told your regular contact the same thing. Checking can save embarrassment for everybody. I also find it helps to report back to each active client on a fortnightly basis – this can be informal or formal depending on the client organization.

“Getting paid can require tact. When I’m working through an agency it’s easy – I send in timesheets, the money appears in my bank account. When dealing directly with clients I find it helps to discuss my invoice with the client before sending it in.

“Logging time is very important – if I’m not careful, something I thought would take five minutes so I didn’t need to log it can take two hours and need invoicing. But if I make a silly mistake that involves four hours of rectification work, I don’t charge the client.

“You need to consciously replace being on the grapevine to pick up informal information. Also security arrangements (power protection, backups, encryption, etc.) physical resources such as hardware and software, and training, are now your responsibility. This means a data backup system, a LAN, a CD-writer, up-to-date anti-virus software and regularly visiting the websites of the big players in my specialist area to keep informed of changes and events.”

These standards provide a useful measure of best practice, and for many companies it will be sufficient to base their quality management system on an ISO9000 standard without going for certification. However, some customers require that an independent check or certification is made of the quality management system. This check is usually by means of an audit carried out either by the customer or by a third party. There are a number of third-party organisations accredited by the DTI to carry out these audits and a successful audit results in your company becoming ‘registered’ to ISO9000.

Is quality management different for teleworkers?

In a standard industrial quality system, a company controls its subcontractors or suppliers by insisting that they deliver in accordance with a documented specification defining the scope, timescale and standards applicable to the materials or service supplied. Teleworking often relies on

less formal, and more personal, relationships with customers. Many teleworkers operate on a reimbursable contract basis, receiving payment at an agreed rate for the number of hours, or days, worked. Under such arrangements, the teleworker is likely to be operating under the customer's QMS, almost as an employee, rather than working under their own quality system.

Simon Burke of ISO9001-registered company Intermec Ireland agrees that ISO9000 is probably inapplicable to individual teleworkers or very small businesses of less than five people. "The effort involved and the corresponding documentation of the business processes could be enough to kill the business." Instead, Simon recommends making sure that you can comply with your client's vendor assessment procedures. "A company like ours divides its purchases of goods and services into primary items that can affect the quality of our own products and services, such as software developments. Other purchases are secondary, such as office stationery and consumables. All primary goods and services must be purchased from other companies that are listed on an internal Qualified Vendor List. This list is compiled by the company, usually on the basis of a quality related questionnaire, sometimes called a Vendor Appraisal Form. This must be completed prior to trade between the two companies. If the vendor is ISO9000-registered then there is no problem. If not, samples of goods or services will be tested, or they will be accepted through a reputable third party recommendation. A vendor is normally on the list only for a given product or service. If a vendor is qualified to supply one item, it does not qualify them to supply everything."

So for small teleworking businesses, the best advice may be to be aware of your client's vendor assessment forms and make sure you can comply with their quality management system.

Telework Association member and document image processing consultant Geoff Preston of clickManuals Ltd also points out that by preparing documentation on your procedures as Windows Help files you can ensure they are easily searchable and accessible (as opposed to files gathering dust on shelves), and make them available to employees or contractors at other locations. There are a number of software products available for authoring Windows Help files including Robohelp and Doc-to-Help.

CHECKLIST

There's a lot to be considered when starting up a small business. Here's a short checklist to help you measure your progress along the way.

Plan the business

- ▼ Assess your own strengths and weaknesses eg write your own cv or job application.
- ▼ Establish your business and personal goals eg where do you want to be, how many hours do you want to work and how much do you need to earn?
- ▼ Assess your financial resources and sources of risk.
- ▼ Determine the start-up costs.
- ▼ Decide on your business location – home?
- ▼ Identify possible business ideas.
- ▼ Do market research.
- ▼ Identify customers.
- ▼ Identify competitors.
- ▼ Identify running costs.
- ▼ Discuss your conclusions with family and people whose advice you respect.
- ▼ Write a business plan.

Get professional advice

- ▼ Pick a solicitor.
- ▼ Choose the form of business organisation (limited company, sole trade, partnership, etc.) and register if necessary.
- ▼ Pick an accountant.
- ▼ Prepare a business plan.
- ▼ Pick a bank.
- ▼ Open a business account/apply for business loans/ apply for overdraft facility.

Practical necessities

- ▼ Get insurance.
- ▼ Get business cards.
- ▼ Make sure you have planning permission for your premises if required (this is not usually an issue for single home-based teleworkers).
- ▼ Notify mortgage company and home insurer if working from home.
- ▼ Get furniture and equipment (see p. 302).

- ▼ Get suitable software to prepare VAT accounts (if needed) and tax accounts.
- ▼ Get memberships of relevant professional associations.
- ▼ Set a starting date and arrange your marketing plan around it.

And finally, don't forget that many large surveys, such as those run by the European Foundation for the Improvement of Living and Working Conditions, show that self-employed people work longer hours and have less access to training than those who are employed. On the other hand they have a lot more control over their time and often report higher levels of satisfaction with their working life. Is this the trade-off you want to make? Be sure to look before you leap.