

41b – Business:

Get a Job

Research

- online job postings/searches
- trade journals
- school/alumni listings
- place ads
- posting resumes on-line
- talk to colleagues about opportunities
- “cold call” a location?
- job fairs (GO to the TLC Job Fair!)

Employment Contracts

Employers often won't have one but it is useful guide in your interviewing and for clarifying important points. These contracts often cover the following:

- Services expected
- Duties required
- Work hours - expectations
- What employer agrees to provide – re: supplies, physical environment and administrative/marketing services
- Clarity concerning outside of employer work
- Fees, Terms of Payment, Benefits

Employee vs. Independent Contractor Status

You are likely to legally be an **employee** if you:

- Must comply with company re when, where & how to work
- Are paid in regular intervals
- Use tool and materials furnished by employer

You are likely to be an **independent contractor** if:

- You determine type of work done, how it's performed, when and where, you determine fee structure, you receive the money from clients, you provide the equipment and supplies, you pay for client-related expenses, you generate the clientele.

Understanding Legal Status & Legal Entity

(this is relevant for tax filing purposes when you are NOT filing taxes solely as an employee!)

Legal Status: The standing, state, or condition of an entity in the eyes of the law.

Legal Entity: A legal construct that allows a group of people to act as if they are a single person.

(definitions from Business Mastery, 5th Edition; Sohnen-Moe, C.)

Legal Status

Sole Proprietorship – if not incorporating, creating partnership or LLC, your business is automatically a sole proprietorship.

- *Benefits* – easy to form, possession of profits, control of decisions, simple financial record keeping.
- *Drawbacks* – responsible for all business aspect, difficult to get financing, unlimited liability.
- You are not an employee- you pay self-employment taxes and income taxes. You must file a Schedule C with your 1040 form and pay personal income taxes on the profit

Partnerships – can be tricky, “jointly owned”. But you’re still personally responsible for all liabilities. There are no particular advantages to a partnership.

Legal Entity

Corporation – a legal entity separate from its owner(s).

- Better if you are joining with one or more persons
- You must consult with a lawyer before setting up a corporation and you will likely need to pay them as the liaison to set that up.
- *Drawbacks* – more expensive and involved to start and maintain
- Must adopt and file articles of incorporation
- Develop corporate bylaws
- Hold board of directors meeting and prepare meeting minutes
- File for IRS employer i.d. # (free; can set-up on-line)

Legal Entity

(Corporations continued)

Benefits:

- Limits liability – in most cases incorporation protects your personal assets from being taken by creditors; but it doesn't shelter you from lawsuits.
- Ease of business transfer
- Ability to raise capital by selling stock shares
- Possibly lower health and life insurance premiums, tax-sheltered retirement plans.

Types of Corporations:

- C corp – you pay tax on the profits of the corporation; then if you pay yourself dividends on the profit (you pay tax on those too).
- S corp – you pay only for the profit you take from the corporation (not also taxes on the corporation).
- LLC – Limited Liability Company - Sole owners of an LLC are taxed as if they are self-employed. This is usually not the best tax position for a business owner. Higher administrative costs to setup and run than partnerships and sole proprietorships. Personal liability is usually limited (varies state to state).

Business Name

see *Business Mastery, 5th Edition* (pp. 204–205)

SOUND IT OUT!

If not including your legal name, you'll need a "DBA"

(i.e., a "Doing Business As" designation)

[*see pp B-40,41 in Student Packet*]

- Cost: should be \$25 or less.
- Visit your county clerk's office to see if there is another business in your county that's already using your proposed name.
- Call your county clerk or visit their website to obtain the Texas Assumed Name Certificate application.
- Complete the application. Provide basic contact information for your business. The address you provide should be the one where your business primarily operates. Declare how your business is structured. For example, does it operate as a proprietorship, general partnership, sole practitioner, limited partnership or other type of legal structure? Fill in the name and contact information of all business owners.

Business Name: DBA

(continued)

- Take your completed assumed name form to a notary public. Ask your county clerk if they will notarize your form in their office. Many will perform this service during business hours for a small fee.
- Use a cashier's check or money order to cover the cost of applying for your Texas assumed name. Texas county clerks will also accept cash when paid at their location. Fees are based on the number of applicants listed on the form. Ask the county clerk if there is an additional charge to have a copy of the approved form returned to you. Most counties charge extra for this service.
- Give the DBA form to the county clerk's office. You can scan or photocopy the assumed name form and mail with payment or leave it in person at their location.

Interviewing

- Be prepared for tough questions (see *Business Mastery, 5th Edition* pp 170-172).
- Ask good questions.
- Common questions?

Interview Tips

- Be professional - punctual, polite, enthusiastic, confident, centered, relaxed, dress appropriately.
- Be prepared - have appt. book, show resume, 3 references, prepared to discuss everything on resume, have ca. 3 questions to ask interviewer, prepare response to “Tell me about yourself”. Have list of unique skills, education & attributes you can bring to this business (usually in resume).
- Be present - good eye contact, listen carefully, know what sets you apart, have list of unique skills, education or attributes you can bring to this business, know your strengths/weaknesses & how to compensate for them.

Interview Tips

(continued)

- May or may not discuss salary/benefits in first interview. May or may not be asked to give sample message in first interview
- Look for closing signals. **Thank your interviewer!**
- **Send a thank-you note/email afterwards!**

Practice Interviewing

- Do mock interviews with employer in groups of 3 (an observer/note-taker, an employer, an interviewee). Take turns in each role.
- Record
 - learnings
 - challenges
 - surprises
 - satisfactions

Writing Resumes

- Heading
- Education
- Work Experience
- Optional - personal

Cover Letters

- Show knowledge of employer so they know you've done your homework.
- Show your strengths through graphic design, word choice and content.
- highlight your reliability, your professionalism, your flexibility, ethical nature, and brilliance!
- And keep it succinct
- Could be used for introductory email.