

The VA Biz 101

Starting Your Own Virtual Assistant Business



Pro VA

Your Work, Your Business, Your Life

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You Know You Want *IT!*

You are reading this because you want *it*; something you don't have and you think there might be tools, resources to help you get *it*. Then you can be successful, profitable and have fun too. Am I on the right track?

But what is *it*?

If you are here then *it* is probably what you think a Virtual Assistant Business is and the lifestyle that comes with it. *It* may not be very clear for you, *it* may be a hazy, vague dream of what your life could be like or *it* might be a very well defined plan but either way you are here because some or all of your grand vision of *it* is missing or incomplete.

I've lost track of the number of times I've told someone I am a Virtual Assistant and, after I explain what that means, she says, "Wow, how can I do that?" I've also lost track of the number of VA's who quit. They had great skills and experience but they just couldn't get past some of the hurdles in their way. Maybe they couldn't get enough work or they had "bad" work or clients. For some their family and friends didn't understand their vision and others were lonely working at home alone.

Does this sound familiar? Have you ever thought about being a Virtual Assistant so you can have your own business, good income and balance work, family and play? Do you have good, marketable skills (or are willing to get them), but you need help with the business structure side of things? Maybe you have been working as a VA but have not seen the success you thought you would enjoy. Or maybe you have heard about this mysterious "thing" called a VA and you want to know if it might be for you?

Well, you are in the right place and I'd love to help you get *it*.

Why?

Because being a Professional Virtual Assistant has been a wonderful experience for me. I have a son with Autism and being able to work at home and be with him when he needs me has been such a blessing. I have worked with so many wonderful clients and learned so much about so much. It has truly been an amazing journey. And if that journey is right for you then I would like to share what I have learned with you.

So...

I wrote this eBook to help you set up and manage a Virtual Assistant Business and learn how to market and manage it.

Are you ready for *it*? Ok, then let's get started!

Next Up...We'll talk about just what a VA is and the VA Industry.

Food for Thought:

*Two roads diverged in a wood, and I –
I took the one less traveled by,
And that has made all the difference.*

-Robert Frost

Chapter 1

Virtual Assistant - The Definitive Definition. Or not.

***Topic Objective:** This topic explores just what a VA is and the industry that is growing up around it.*

The Virtual Assisting Industry is still new and evolving very quickly. While this means great opportunities abound, it also means that definitions and best practices are evolving. This can be a bit confusing but fun and rewarding, too - you can put your own personal imprint on the industry!

The most basic and generally accepted definition is that a Virtual Assistant is someone who provides administrative services to business people from a remote location. The term is often used to reference teleworkers, remote workers (employees) and freelancers who perform a variety of tasks such as marketing support and web development and design. In the strictest sense, however, a VA's work is administrative support in scale and scope. They are not consultants or coaches, not marketing specialists and not bookkeepers. However, much of what we discuss here will apply to anyone who wishes to work virtually no matter where they fall on the definition spectrum.

It is important to understand that Virtual Assistants are business owners who provide a service. VAs use technology to replace much of the "bricks and mortar" logistical framework. They do not have employee status and are responsible for their own taxes. Clients may report their income via a 1099.

As a VA, you might choose to specialize in a niche, targeting a specific market such as authors, sales people, entrepreneurs, or real estate agents. Clients often find this helpful, as the VA understands the language and logistics of their business. We will discuss how to market to niches in more depth in the marketing topics.

VAs generally charge by the hour or offer rate packages and some require a retainer. The rate, while determined by the VA, is influenced by what the market will bear. Like best practices, fee structures are evolving as well. In other words, you may feel you are worth \$50.00 per hour but if no one will contract with you at that rate, it

won't matter what you think! But - you don't want to undervalue your services either.

Here are some guidelines to setting your fees. We'll talk about this more later too.

Administrative Support

- General Office
- Clerical VA's
- Range \$8.00/hour to \$25.00/hour

Internet Business VA

- Web and tech savvy
- Shopping cart set up and maintenance
- Website maintenance
- Auto responder management
- Social media marketing
- Range \$20.00/hour to \$50.00/hour

Online Business Manager

- More of a partnership role with client for a mutually beneficial relationship
- \$25.00/hour to \$100.00 per hour
- Or base plus bonus/commission

It may take a little getting used to but it is imperative that you keep in mind that you need to reinvest in your business and yourself. The income into your business minus business expenses and business savings equals your paycheck.

Best Practices and Industry Standards

As I mentioned earlier, the industry is still very young, not quite in its infancy any more; it is more like toddlerhood. It is still seeking a common identity and terms are not universal. There is much confusion in the media and even within the industry itself. A tour of current industry and VA websites and blogs shines a spotlight on this identity crisis.

The VA Industry also faces competition from outsourcing companies (BPOs) and this adds to the confusion, as some clients do not make a distinction between the two.

The Future of the Industry

The United States is historically a country of entrepreneurs. Everyday we read news stories about corporations downsizing and more people becoming self-employed. With more home-based and small businesses starting up, the need for VAs is growing. These new entrepreneurs know their product/service but need help with the business logistics. As a VA, you can help your clients with more than word processing and spreadsheets – you can share what you learn here to help them develop strong foundations for their own business. You have the opportunity to develop a strong relationship and play a key role in their success. From personal experience, I can tell you, it's a very rewarding experience - and lots of fun too!

This is your business - you are an entrepreneur.

Next Up...Is a VA Business right for you?

Food for Thought:

"Twenty years from now you will be more disappointed by the things that you didn't do than by the ones you did do. So throw off the bowlines. Sail away from the safe harbor. Catch the trade winds in your sails. Explore, Dream, Discover."

- Mark Twain

Chapter 2

The Business of Virtual Assisting – Part I

Topic Objective: *Is a Virtual Assistant Business right for you?*

Someone once shared this with me; they saw it posted on an internet message board:

“I’ve tried several VA’s ... and they were all unprofessional. They weren’t rude; they just weren’t real business owners. They were people who seemed to have decided to become a VA and didn’t know how to run their businesses, let alone help me with mine.”

It’s easy for people convince themselves that having a business is easy – you don’t need a plan, just do it. They only think of it as a job, freelancing, or being an independent contractor – those aren’t really businesses, right? Well, no. Not if you want to have a long term, sustainable and successful profession. You have to kick it up a few notches!

In “The E-Myth Revisited” by Michael Gerber, he talks about what happens when employees have “entrepreneurial seizures”. You’ve had one, that’s why you are here. Your prospective clients have too. That’s why they are your prospective clients. They understand their product or service but they need help with the “rest of it” because if the rest of it isn’t done it doesn’t matter how many widgets they sell, they won’t have a business.

Let me tell you about my own entrepreneurial seizure. It was the mid 90’s and my kids were in pre-school. I was looking for a way to stay home but still have a professional life and bring in some income. A friend saw an ad in a tech magazine looking for people to start businesses refilling toner cartridges. My husband and I thought we could do this. I would run the business and he could do the refilling work in the evening after our kids had gone to bed.

The challenge hit when we became successful. I know, it sounds a bit strange but the problem was there weren’t enough hours in the day for us to each do what we needed to do to sustain the business and certainly not enough to grow. I floundered because I just didn’t understand how to tie the various “departments” into smooth running systems. I understood the trees but I didn’t have a clue about caring for the forest. If I had understood the value of systematizing, not just organization, I would have been able to accomplish a great deal more. I would have been able to hand off some, if not all of the work to someone else.

When your client comes to you, it is because they have had an entrepreneurial seizure. You can help them design and implement systems so that they don’t have to

go through what I did. You can use what you learn here about business foundations and systems to not only build your own business but to help them build theirs.

Realistic Unrealistic Expectations

There is so much talk today about life balance and we all seem to understand intellectually what this means and why it is important. The challenge seems to be in the execution. What kind of lifestyle do you want? What are your priorities? Soccer Practice? Car Payment? Savings? Choose the work you want to do, when you want to do it and with whom you want to work.

It is very important that you ask yourself if work is what you do or who you are. I'm fairly certain what you will answer but beyond your answer, you need to make yourself a promise – to yourself and for yourself – to enjoy your work. Do something you find fun and makes you proud. You are the only person who knows what this means and you alone are responsible for making it happen.

What is the difference between a successful VA and one who gets by? Or worse yet, gives up? It's the difference between a job and a business. A successful VA owns a business and the difference is in mindset and business structure. You need to be proactive and develop a partnership with your clients. Structure and market your business so that it attracts the type of clients and work you want and meets your needs.

Understand that you are not going to get rich overnight. You have to lay the foundation to build on, and then do the business. Repeat. Again...

Virtual Relationships

Is your virtual business image professional?

Maintaining a professional image at all times is vital. Your client doesn't want to hear that the baby was throwing up all night. Clients want to build a relationship, yes, and it doesn't have to be rigidly formal but their priority is still their business. Follow their lead and use a healthy dose of common sense.

Conflict and Resolution in a Virtual World

A major key to the success of any relationship is communication. In dealing with your clients, you do not have the benefit of body language and you often don't have voice tone and inflection either. While written communication helps to create a virtual paper trail, conflicts may still arise. Don't hide from them, meet them head on. My motto has always been "fair, firm and friendly".

So, do you have what it takes?

I'm not talking about your tech skills – like do you know WordPress or how to use a CRM. Those are skills that can be learned. What I'm talking about here are your natural abilities and personality.

Are you enthusiastic? Are you detail oriented and organized? Do you enjoy assisting others and being helpful so that they succeed? Can you stand up to the naysayers and dream stealers? Are you willing to step out of your comfort zone? Do you understand that your success comes from their success? Are you willing to be fearless and to be proactive? Can you be a good listener and ask questions? Do you have focus? Are you confident in yourself and your abilities? Are you persistent and tenacious? Will you be dedicated and loyal to your clients? Do you have integrity and are you willing to be held accountable? Do you have good communications skills, relationship skills and emotional maturity? Are you willing to learn, improve and grow? And, most importantly, I think – do you have a sense of humor?

Does this sound like you? Be really honest and do some deep soul searching. Don't talk yourself into this.

Clients know their product/service but they don't know (or don't want to spend time doing) what you know. This eBook will help you learn not only how to establish your own business systems but theirs as well. You will know how to help them set up their own foundation. Share what you learn here and increase your value to your clients.

This eBook will help you develop your systems to be cost effective and time efficient but you must have good work habits – structure your day and do it. My father used to say, "There is always something to do." If you don't have work to do for a client but it is your scheduled work time, then work on your marketing or take a training course. You must take this seriously or you will not succeed. You can bet your clients are serious. Remember the message on the internet board? If you don't run your business as a business, your clients will not trust you to help them with theirs.

Skills and Abilities

Now that we have explored the difference between working as a VA and owning a VA Business – let's take a deeper look at the work side.

Once you determine this is what you want to do and any gaps in skills you need to fill, then we will set up your business. As with a job there are certain skills required. If you don't have them you can learn them – but should you?

Make two lists – right now. Take out a piece of paper and jot down a list of things you are good at doing. Now make a list of things you like to do. Are they the same thing?

If the lists aren't the same, what do you need to do to make them the same? How do you get to one list titled *Things I'm good at that I like to do*?

For example, did you list bookkeeping as something you are good at but list customer service as something you like to do? Maybe you need to work as a bookkeeper while you get training and experience in Customer Service.

What skills do you need to learn or improve? Take a look at your resume. What is missing? What skills need to be updated or polished? Check out VAClassroom.com and consider making an investment in yourself.

Whatever you want to do, whether it is general administrative support or a specialty such as bookkeeping, you need a strong foundation of the basics like Computes, the Internet, and Social Media. From this foundation, you can learn specialty applications. You also need to have good general business skills.

To grow your business you must have goals, direction and focus, strong business systems and be willing to learn and grow both personally and professionally. In every industry, continuing education is vital but even more so in a young industry so tied to technology that is literally changing every day.

Once you have listed skills you need to develop, don't let yourself get overwhelmed. First of all, you don't have to know it all. You need a basic familiarity and know where to go to find the answers. All of these applications have help files. There is also training offered at Community Colleges and online. I mentioned VAClassroom.com before and I highly recommend their programs. Don't forget that you can also ask for help in their forums. Don't look at the other VA's there as your competition. Together we are better, the industry is better and we all succeed – we are all connected.

So – is this for you?

Next up: *From employee to Business Owner*

Food for thought:

Success in Life is when your kids want to spend time with you when they are adults.

-Paul Orfalea

Kinko's founder and author of Copy This!

Chapter 3

The Business of Virtual Assisting – Part II

Topic Objective: Explore the transition from employee to Business Owner

So – is this for you?

You are the only one who can answer this. Take a close look at yourself, your life and this business. Only you can decide – only you can choose. Working as a Virtual Assistant is a choice. What do you want? What is your vision?

I've been blessed to be successful in this business and I want to help you be successful as a VA too. I know you cannot just do the work of a VA and expect long-term results. You must implement the systems and add your uniqueness to design and create your own business based upon your vision.

To have a successful Virtual Assisting Business, you must have a strong foundation, know who you are, what you want for yourself and your business. This will enable you to weather the cyclical nature of business, maintain a steady client and income stream and sustain a long-term successful business.

Remember being a Professional VA is not who you are, it is what you do professionally. Design, develop and operate a VA Business, not a job that runs you. If you are ready to commit to becoming a Virtual Assistant and building your VA Business then let's get going!

Moving Forward

I have said, and it bears repeating, that planning and systems are crucial to your business foundation. You have already developed your vision and hopefully given some thought to your goals (we'll look at goal setting in depth later in the book). If you are working full time at an outside job, you need to develop a transition plan to move to a full time VA Business.

If you have any doubt you must ask yourself, "What am I really afraid of?" Now, if that happened, what is the worse case scenario? You tighten your purse strings? Maybe you use some of your savings? Maybe you get a part time job?

Whatever happens – the earth will not stop spinning on its axis. You have to ask yourself if not now, when? There are always excuses why not but if your why is bigger than the why nots – now what?

The truth is that everyone is self-employed and everyone is in sales. So are you going

to run your business or let a business, someone else's business, run you?

I have reviewed many VA Training programs. In one program I reviewed the trainer remarked, "This ain't no 9 - 5 job". Hmm...well it isn't if you don't want it to be. If my kids were small, I would work around their schedules more. Mine are older now but I still need to work around track and cross-country meets. That means working the occasional evening or Saturday but you don't have to be available to your clients 24/7/365. You have to set your boundaries or your clients (and your kids!) will set them for you. You cannot be all things to all people all of the time. The idea behind this business is to design - and then live! - life the way you want to!

The Transition Process

There are several things to consider when evaluating how you will move from your current situation to that of a business owner.

1. Full time job and part time business:

Can you work full time and build your business in the evenings or weekends? I really don't recommend this unless it is absolutely your only option. General Office and Administrative Assistant work generally requires that you are available for communication during regular business hours. If you are doing project-based work such as web research, you may be able to pull it off.

Consider your other commitments such as your family. Working this much is very difficult to sustain so you need a lot of support if you have a family. You need to have a clearly defined strategy so that this is only a short-term situation. \$ for \$ you end up with two full time jobs, no sleep and lots of stress. It's not something you can do for a long period.

2. Using your Savings:

Take a look at your financial reserves. Is it worth using some of your savings to support yourself and your family while you build your business?

3. Other income sources: Do you have income from a spouse who is supportive of your goal to be a VA?

4. Are you willing to make some lifestyle changes?

This might not be fun but consider the payoff. Can you choose to eat in instead of out? Or maybe have a family game night instead of going out to the movies? Get a cheaper cell phone instead of one with all the bells and whistles? Are you really going to take calls at soccer practice? Should you take calls at soccer practice?

Choose - high speed internet connection or new shoes? What price are you willing to pay to build your successful business, to build your vision?

5. Should you take out a loan or use your credit cards?

I don't recommend going into debt to start your business. It's not worth the risk to your family and the stress of debt can zap the joy right out of you replacing it with fear. You don't want to be a slave to your business. That's what a job is!

6. Part time (or temp) job and build your business:

Could you work a part time or temp job while you build your practice? If you have another source of income this may be a great way to transition. I had a pizza delivery job and I really enjoyed it! I made excellent use of my library card to get books on CD and really furthered my education. What others pay for with tuition – I got free!

The Cyclical Nature of Business

Business tends to run in cycles and this is something you need to be prepared for. Forecasting and budgeting won't always predict bumps in the road. When I started out as a VA, I had a client who appeared to be very stable and have very deep pockets. I worked about 20 hours a week for them and I had a part time job. Everything was cruising along swimmingly and then one day, my client disappeared. Vanished. The website was down, they didn't answer the phone and they owed me for two weeks of work. Luckily, I still had my part time job as well as another new client. It meant hanging onto my job for longer than I wanted but at least I had that income. As the Boy Scouts say – Be prepared!

A word of caution – be sure you are committed and willing to make the time, energy and emotional commitment needed to starting and growing your business. Remember when I asked you if you are willing to be fearless? Are you? Are you really?

Still here?

Good – and to keep going you must remember that in addition to taking care of your business and your family and the snacks for your daughter's soccer game and the fliers for your son's dance recital and...all that other stuff...

Self Care is not selfish

Don't forget that there is someone else who needs to be cared for – you!

Be sure to set time aside for just plain fun. Go have coffee with a girlfriend. Read a book, just for fun. No, not one about building your business but an actual novel!

Also, be sure to get up from your computer and stretch every hour! Check out this [stretching routine on about.com](http://about.com). Set reminders if you have to, but do it!

Refresh and re-energize – take care of yourself or you won't be able to take care of your clients and family.

Ready, Set, Go!

Don't get stuck in get ready to get ready mode – jump on in!

There is a lot of information and a lot to consider in setting up your own business, even if it is a virtual one. Don't let this overwhelm you – remember that the mindset and the attitude are your choice.

So, if you are still reading this...

Great! You are probably asking yourself – “Will I be successful?” With a strong foundation, support, tools and resources – it really is all up to you! It's your choice!

What are you willing to invest to be successful? Your time? Your energy? Your money?

What is success to you?

Then trust your gut and follow your heart.

Next up: *You, Your Life and Your Business Plan*

Food for thought:

“A real entrepreneur is somebody who has no safety net underneath them. That really truly has an idea and has a vision, and sticks to his convictions. You've got to have the courage of your convictions. If you did everything by consensus, you wouldn't do anything at all. “

-Luke Arthur
Fit Fuel Founder

Chapter 4

You, Your Life and Your Business Plan

Topic Objective: *Develop a Common Sense Business Plan that fits you and your life.*

In this topic, we are going to develop a business plan that fits you and your life because you want something. But what? And Why? You need to know because here you will develop a Life Plan not just a business plan. It's a plan, a guide, a living breathing document! Don't run out and buy a book on business planning or some fancy software package. This isn't a plan for investors and Venture Capitalists; it's for your eyes only!

Where are You?

First, take a close look yourself and your work, recreation, relationships, finances and other priorities. What do these look like now? What do you want them to look like? Look back on the notes you made when you were exploring the VA business. Why did you decide to start your business? What is important to you and why? Develop a simple purpose statement. You can call it a Mission Statement or anything you want but make it real. It isn't something you are going to frame and hang in your office to impress visitors. This is for you.

Now take a look at what you like to do (where's that list you made?). What do you like to do? What are you good at doing? What do you have experience doing?

Do you enjoy a supportive role and have good office administrative skills?

Can you work without constant supervision?

Are you Tech savvy?

Do you like working with independent professionals such as Real Estate Agents or Entrepreneurs?

Do you like customer service and helping people solve problems?

Can you do data entry fast and accurately?

Do you like to do research?

Are you a bookkeeping wiz?

What are you doing to fill in the gaps? If you have skills and experience at stuff you don't like to do, are you willing to pay the price and get the skills to build experience at what you like to do?

Where are You Going?

Ok, let's set some goals. First of all, when you set goals be clear about what you want. It must be something that can be measured. Set milestones to measure your

progress. This will not only help you stay focused because you can see your next step but encourage you to keep going because you can see how much you have accomplished.

For example, say your ultimate goal is to set up your VA Business.

You can break that up into goals like this:

Complete *The VA Biz Book* by this date.

Have Business Plan complete by this date.

Enroll in MS Office skills course and complete by this date.

Interview and select Accountant and Attorney by this date.

Set up blog by this date.

Within these goals set milestones. For example: Complete one topic in this book per week doing all of the foundation work in each one (for example, write your Business Plan, set up your website, etc.)

Goals and Rewards

For each goal, also write down what the reward is. Why is this important to do? It is impossible to commit to doing something if you are not absolutely clear on why you are doing it.

Oh, and then set a fun reward too – maybe for each milestone completed you make a date for coffee with a girlfriend. Remember – Self Care isn't selfish!

Your Support Team

Don't forget to let your support team know how you are doing and how they can support you! No one succeeds alone.

A word of caution here – there will be those who just don't get it. They will tell you that no one can really make money working from home, that working from home is just a scam and my favorite, "get a real job." If you have people like this in your life, you must not let them steal your dream. You don't need to let them know what you are doing or how you are doing. When your business is set up and you have a strong client base – then tell them! But don't gloat. Well, not too much anyway!

Branding

We'll talk more about this when we get to marketing but you will want to keep this in mind when writing your purpose statement and your goals. Branding is more than a logo it is the sum of all you do. It is your Business DNA. It encompasses your purpose, your unique selling proposition, your personality, and the services you are offering. It is your business essence.

Think about Coke or Microsoft or Old Navy. What comes to your mind when you think of them? What is the personality of those companies and their products?

Your Good Name

Of course branding starts with your name. If it's just you, be clear. For a long time I just used Sandra Pearson, Executive Virtual Assistant. When I marketed on sites like Elance I used SandraEPro for my user name. If you use a name, like Stellar VA Services, make sure your marketing materials are clear that you are an individual VA (unless you work with a team, of course). I have seen several VA websites where it looked like a team of VA's as opposed to an individual VA. This is completely misleading and inappropriate. And it's not necessary. For every prospective client who wants a team there is one who wants an individual. Be honest and straightforward in your marketing or you will seriously sabotage your success - not to mention your integrity.

Also – don't get too hung up on this. Dr. Smith didn't spend days brainstorming a name for her medical practice. She hung out a shingle that said: Dr. Smith, MD Family Practice. 'Nuff said!

Logo smogo

While you want to build a brand, I also don't think it is necessary to invest in a logo. You aren't Microsoft. If you have the funds and want to, fine. But don't let not having a logo stop you from moving forward.

(Shhh...don't tell – my logo? It's just a screen shot .jpg of my company name done in Open Office. Nuthin' fancy but it gets the job done!)

A Business Plan for you, by you and about you!

Ok, so now you have lots of notes about what you are going to do any why and when and all that good stuff. Now let's get it into a format you can use. Remember, it's for you, not lenders, not your jealous sister-in-law. You. Just you.

Assemble all of your notes and plug them into this outline (feel free to adjust as you see fit). Don't worry if you don't have some of the information, such as marketing details. We will be doing that later in the course and you can come back to fill that in with more detail.

Name of your Business

- Purpose Statement
- Basic Concept – what are you doing in general
- Market Research – is there a need for what you are doing? What is the competition like? For example, do you plan to market yourself locally? Are

there other VA's in your area? Are you going to use Elance to market yourself?
How will you stand out in the crowd?

- Why are you uniquely suited to fill this need
- Your experience
- Your education
- Your preferences (web research vs. customer service)
- Your offer – describe your services and pricing
- Your Business Profile – how you plan to go about your business. Focus on the specialized market you intend to serve.
- What do you still need to do?
- What training do you need?
- What equipment do you need?
- Budget – We'll get into this more later but for now keep in mind that the money your business brings in is not what you will feed your family with. Your business will have expenses such as internet connection and a business phone line. Once these expenses are paid, then you draw your salary.

You can see that each of these steps affects the others. It's is more of a circle than a list. If you see something in Market Research that makes you rethink your USP (Unique Selling Proposition) then change it. But don't get stuck in analysis paralysis. This document can be changed. After all, you are typing it into a word processor, not chiseling it in stone!

This format may seem overly simple but you will add to it and refine it as you go. Don't move forward, however without filling in the basics of what you have already determined. You need to have a clear vision of where you are now to figure out where you want to go.

Next up: *The Home in Home Office*

Food For Thought:

People who soar, are those who refuse to sit back and wish things would change.

-Charles R. Swindoll

Chapter 5

The Home in *Home Office*

Topic Objective: *In this topic, we'll explore how to keep harmony in your home while working in your office.*

Once upon a time, not so long ago, homes were filled with generations who worked on the farm. The men ran the farm, the women ran the home. Then along came the Industrial Revolution and an exodus to the cities. Men went to work in factories and offices and women still ran the home. In World War II, Rosie the Riveter was born. Men went to war and women went to work. After the war, many women continued to work outside of the home. They decided they liked having a professional life.

But now girls are watching their mothers trying to work, be mothers, run homes and keep up with a frantic pace that is often stressful and unfulfilling. They are not willing to make this sacrifice. They want more than the hectic pace and having their kids raised in day care.

Now technology is giving us alternative work options and making it easier to outsource and develop virtual teams.

More and more people are looking to jump the chasm from gainfully employed to self-employed. They want to simplify life and settle down. Priorities have changed and people have decided to take more control of how they work and play. We want and can have the best of life before the Industrial Revolution but with modern bells and whistles.

The technology is here to enable us to live, work and play at home (or the beach). But sometimes it's not as easy to manage as it seems. Boundaries are not as clear. So how do we juggle it all?

Support

Beware the Naysayers

When you told your spouse or your Mom about your vision of a VA Business did you hear things like: You're being frivolous, irresponsible, it's a scam, or you're just dreaming, you need to get a real job? Maybe you have even said these things to yourself?

Do you have support from your family? This is really crucial. They may not understand and wonder why you refuse to pack the kids off to daycare and stress over someone else's business but, in the end, they must at least be willing to accept this. Otherwise, your home could be far more stressful than any office. I'm not saying

give up your dream, but I am saying be realistic and willing to work with your spouse instead of against.

Organization

Here I want to explore how we can be whole people – mothers, wives, friends, VAs and all at once. How? – flexible compartmentalization! - Organization with a healthy dose of common sense. This doesn't just apply to Stay at Home Moms who want to be Work at Home Moms but also to Baby Boomers who have skills and experience and aren't ready to sit around and play Bridge all day. It also applies to Dads who want to be home with their families too.

I used to have a client who drove me nuts with the cliché, “prior proper planning prevents poor performance”! But I can't deny the truth behind it. There are tech tools to help you work efficiently and we will get into that more in the next topic. In order to work at home you will have to handle distractions, set boundaries, manage your time and balance family and work. Sound like working outside of the home? Yes – and no.

So how do you do it?

Systems!

Schedule stuff!

Do things such as dirty dishes and laundry easily distract you? Think of it this way – if you worked in an office, how would you handle these tasks? You'd do them after work or on weekends. The same applies here. Block time for your business, your housework and, um, one other thing...what was it? Oh yea! Fun! Don't forget to recharge your batteries!

Now you may be thinking that you want your own business so that you don't have to have a schedule but that's not very realistic. Having a schedule can actually be very liberating – get the work done, then you can play with a clear conscious!

Boundaries and expectations

Do you want those naysayers to take you seriously? Set the tone - Teach people how you want to be treated. Don't be afraid to set boundaries and expectations. Be fair, firm and friendly, not just friendly!

Have you ever noticed that when you are on the phone, your kids suddenly need you? They aren't even aware of your existence before or after but pick up that phone and BAM! You will be the most popular mom in the world!

When my kids were younger, we had a great system. I scheduled calls while they were at school but sometimes I had to be on the phone when they were home so I

would close my office door and hang a red tag if I was on the phone and a green tag if I just needed some peace and quiet. They knew if they saw the green tag that they could come in if they really needed something, like help with homework. But if the red tag was on the door, they knew that someone better be bleeding before disturbing me. Well, maybe not quite bleeding but they understood that it needed to be pretty close to an emergency. Then they would take the red tag (unless someone really was bleeding!) and slide it under the door and knock gently (not beat down the door). I would know then that I needed to get off the phone as quickly as possible.

What evolved was a very smooth system. We expected each other to follow the system and we all got what we needed. We trusted each other. They also knew that if they didn't respect the system, I would not be able to work at home and they would be in day care.

Setting clear expectations and boundaries is crucial to making this work. I also think there are some very valuable lessons for kids in this – but that's a whole other topic!

A Job Isn't Just for Work

Do you find yourself “addicted” to sites like YouTube and Twitter? – All in the name of marketing research of course. The fact is that humans are social animals. Working in a bricks and mortar office fulfills another very important role besides providing a living. It provides part of your life – part of your social life. We need face-to-face interaction with other people.

Working at home doesn't eliminate human interaction but it is a bit different. I communicate with people literally all over the world every day but I rarely see any of them face to face. If I do, it is via a web conference and it doesn't happen very often. Sometimes I just need to be around people. I have a friend I get together with once a week. Sometimes I'll just grab my work and head to Starbucks for a while.

I also have some online forums I “hang around” for support. No, they don't provide face-to-face contact but I can be very “picky” about who I hang out with. I can get support from other Moms or other entrepreneurs when I need it. I can also learn a lot from my “virtual friends.”

Working virtually may take a little getting used to but remember – just like working in an office, you need to get your work done, but you also need to have a harmonious home and a social life. Remember that “balance” thing? It may take a little getting used to but the payoff will be worth it. You'll be there when your daughter comes home in tears because her crush snubbed her. You'll be there to celebrate when your son makes the basketball team. You'll be there.

Next up: *The Office in Home Office*

Food for Thought:

"If you can dream it, you can do it.

Always remember, this whole thing was started by a mouse."

-Walt Disney, 1901-1966, Artist and Film Producer

Chapter 6

The Office in Home Office

Topic Objective: *In this topic, we'll discuss what you need to set up your office.*

Tools of the Trade

Your office space and equipment aren't luxuries; you need them to be effective and efficient. You need them to be on your A-Game or no one is going to want to play with you!

Your Office

Obviously, you need a quiet space to work, preferably a separate room completely dedicated to your business. If you can set aside a separate room, it should have a secure lock. At the very least, have a locking file cabinet and your computer should be password protected.

Comfortable Desk and Chair

These aren't frivolous items. If you don't take care of your body, it will hurt. If you hurt, you can't think clearly. Not sure what to buy (don't worry, its tax deductible)? Check out: <http://ergonomics.about.com>

Computer

Of course, this is at the top of your equipment list. Be sure it is your own computer. This is for your business not for the kids to play games or do homework. Professionalism shines through in many ways. Having a computer dedicated to your business will come through not only in your image with your clients but in your attitude. It will help those naysayers take you seriously – especially if you are one of the naysayers!

Another thing to consider – in order to deduct your computer expenses from your taxes, the IRS will expect that it is only used for business. Go figure!

As I mentioned before, you must keep your computer secure and password protected. Would you give someone confidential business information knowing that it was going to be left around his or her house for anyone to access? No, you wouldn't and your clients don't want to either. Of course, they may never know – but what if your home is broken into and someone steals your computer? Oh, and please don't write your passwords on a sticky note and put it on your monitor. I don't mean to be insulting but I've seen some very smart people do some not-so-smart things!

The stuff that goes with it

I'm not a computer expert and I wholeheartedly recommend you engage the services

of a qualified computer consultant. Be sure they are not only familiar with the latest and greatest technology but also with the quirks that go along with home office computer systems. Your house was built to be a home, not an office. There may be some infrastructure issues they need to work around. That being said, there are some must haves I want to address:

- Broadband internet – no dial up! Your clients don't want to pay you for the time it takes for a dial up connection to do what DSL or cable can do so much faster. If dial up is your only option, keep this in mind when marketing your business. Work with clients where online tasks and communication is minimal.
- CD-ROM drive – for Software installs and backups
- Windows 7– If you are still running XP be prepared, time will run out, and you will need to move up to Windows 7.
 - If you are an Apple lover be prepared to jump through some document conversion hoops (non-billable time, by the way) or possibly even lose clients. As technology advances, this will be less of an issue. Even now it may only be perception, but it could be a deal breaker with less tech savvy clients.
- Memory and Hard Drive capacity – check with your Computer Consultant to be sure you have adequate resources. If you have a Broadband Internet connection but your computer doesn't have the resources to handle it, what's the point?
- All-in-one machine – One of these days you won't need a copier, scanner or fax machine but right now you do. Many of your clients will be using your services because they aren't tech savvy and they don't want to be. They want you to be. They will need to fax stuff and need you to make copies. One day we may be a paperless society but we aren't there yet!
- Shredder – and since we aren't paperless and since you will be handling confidential information, be sure you have a shredder! This is as much for your protection as it is your client's.
- Backup systems – Yep, I said systems – plural!
 - You can back up vital files on your hard drive to a CD (via your Control Panel if you are using Windows). This is very helpful if your hard drive crashes. But what if, heaven forbid, someone steals your computer or there is a fire or...?
 - Speaking of fire - Backup online! There are several good, secure online systems. Personally, I recommend Mozy.com. I had a near miss last year. Luckily, there were signs my hard drive was ready to retire and move to Florida. If I hadn't had those clues and you don't always, I could have lost my business. I don't want to seem melodramatic but if I had lost my client's data, I would have lost their trust. I could have lost everything; including the home my office is in.
 - Redundant systems may seem, well, redundant. But consider this: do

you really want to risk your business and your livelihood in the event that something happens to your client's vital work?

No, I didn't think so!

- Business Telephone Line – Have a separate phone line in your business name, Skype and Vonage both some great packages. The IRS is going to have a bit of a problem with you deducting your phone expenses if your business line is also your home line. And your clients aren't going to be too happy if your kids answer the phone.
 - Phone headset – It's a must! You need to have your hands free to make notes and access information.
 - Voicemail
 - Be sure to have a professional greeting for your outgoing voice mail message. This isn't the place to show off your cute kids.
 - Your voicemail isn't just for your convenience when you are out of the office. It is also a necessary time management tool. Unless you are answering live inbound calls for a client (which I would discourage you from doing), John Doe doesn't want you answering Mary Smith's call when you are entering in his expenses for the previous month.
- Business Address – Invest in a Post Office Box. In this day of technology, you might not use it much but you will need it occasionally. You don't want to publish your home address if you can avoid it.
- Calendar/Task Management – Microsoft Outlook and Google have great systems but avoid the trap of having separate calendars for business and personal tasks. It's an invitation for chaos. Set reminders for appointments, block time for checking your voicemail and email, and batch tasks.
 - Be sure to schedule management and marketing time. It's easy to put this stuff off but don't! You may not be able to directly bill this time to your clients but good organization makes you more effective during your billable time, which makes for very happy clients. Of course, if you don't do your marketing, there won't be any clients and if you don't do your billing, there won't be any revenue!
- Stretch – Every hour you sit at your desk! Trust me; you'll save a lot of trips to the chiropractor in 20 years. It is also important to give your brain a break! Of all the stretching "routines" I've had over the years, I like this one the best - <http://ergonomics.about.com/od/treatmentprevention/ss/essentstretches.htm>

Systems

It may seem like you need to spend a lot of time setting up these systems but they will pay off down the road when you can do more work in less time with less stress. Transferrable skills are not enough to be a successful VA; you need to run a highly organized and efficient business.

Remember those 5 P's - Proper Planning Prevents Poor Performance? One hour of effective planning will save you four hours (I read that somewhere).

Communication

There's a line from a movie "What we have here is a failure to communicate" – and it's a deal breaker. Nothing will lose you clients faster than poor communication. Remember the common sense thing? Good communication does not mean you need to take calls while you are at the Grocery Store or having a Mocha with your girlfriends.

It does mean respond in a timely manner, even if just to say, "I need to get that information and I'll get back to you." And then do it. Clients need to know they have been heard.

Connecting with your client – One of the biggest challenges with working virtually is building a relationship with your client. There is a fine line between impersonal business and too much information. Human Beings are social animals and we want to have a certain level of personal relationship mixed in with the business relationship. This level is different for everyone, though. People love to talk about themselves so follow their lead. Bond with them, but don't bring them home for dinner – literally or virtually.

Your paper trail – You need to keep careful records but putting notes in client files on your computer isn't always easy or efficient when you are on the phone. Keep a notebook by your phone to record pertinent information. I like to use steno pads for this. On the left side, record the date, time and the client. On the right, record the details of the conversation in bullet points. When the call is over, email your client a summary of the call. This will not only confirm the facts with your client but it will also give you a paper trail. You can keep the email in your clients email folder as a permanent record.

Even though you will then have a virtual record of the call, save your notebooks. I can't tell you how many times I have gone back to clarify my notes.

Email Management – Use folders to keep emails organized. I suggest one for each client with subfolders as necessary. You might use project folders or pending and completed. This will depend upon the nature of the work you do for the client and what is most convenient and efficient for you. When a client becomes a past client, move their folder to a "past clients" folder so it's not "in the way" but you still have the emails. I also recommend you set filters so that emails automatically go into the appropriate folder when they are received.

Instant Messenger – Avoid it like the plague. Period. But...You may have clients who are having trouble making the transition from an in-house employee to a virtual

independent contractor. They are used to just “yelling down the hall” when they need something and Instant Messenger is their virtual replacement. If you have a client who insists on using IM and you choose to work with them, be absolutely sure you set clear boundaries and expectations. You must let them know that you are also working for other clients and will respond as soon as possible. Use your status message so they know what to expect. I always used “Please leave a message and I will respond as quickly as I can.” Then I would treat it like my email and respond when I checked my email.

For many clients they just want to send you a quick message and it’s a bit simpler than email. Then they know they have told you and they can cross that off their To Do List. Don't forget your virtual paper trainl – be sure to archive conversations just as you do your email.

Skills and Abilities

Now that we’ve set up your office and your systems, let’s take a look at you. What are the skills and abilities you need to have in order to be a successful Virtual Assistant? Abilities are things that come naturally to you. Some can be learned skills but they may be harder for you to do well. For example, I am not by nature a detail-oriented person. I’m a forest kind of person but I have had to force myself to also look at the trees in order to be a successful VA.

Vital abilities and sometimes learned skills

- Good spoken and written communication – some of this is natural ability and some is learned skill.
- Attention to detail – as I said before, if it’s not natural, then you have to develop finely tuned skills and this only makes your systems more important!
- Organized – if you aren’t naturally organized, think of this like putting together a jigsaw puzzle. Make it fun!
- Do you like to help and play a support role? – This may seem a bit of a contradiction; after all, you are an independent, entrepreneurial spirit. You don’t want to be someone’s employee. But you are also providing a service and the hallmark of any good service provider, from doctor to gardener, from janitor to lawyer, is that they want to help. If you aren’t passionate about helping others solve the problems they have brought to you then this isn’t the business for you. But we talked about that in the beginning so I trust you are passionate about service and that’s why you’re are still here. But I just thought I should check!

OK, so those are the abilities you need so let’s talk about your skills:

Skills

You must be computer savvy. No, I don't mean you need to know the difference between a Mother Board and a Sound Card but you must be proficient in the tools that computers allow you to have. And be comfortable exploring and using them. You can't be worried that every time you press a key they system will blow up!

Most clients use the tools listed below and if you know them, you will be able to pick up others easily. Your clients don't expect to pay you to learn how to insert a hyperlink in a document or add a formula to a spreadsheet. If they ask you to do something you don't know how to do, figure it out. But, don't charge them for the time to learn it.

As with any rule, there are exceptions. If a client wants you to do something that is unique to their business and you aren't likely to ever do it for another client then charge them for the time to learn it. You probably won't find this with standard software systems but you may have a client who wants you to use a little known program or proprietary system. In this case, they should be paying you for the time to learn it for them.

- Microsoft Office or Open Office – You should be at least an intermediate level user with all Microsoft Office products. You should also know your way around the help systems.
 - Open Office is a free, open source alternative to MS Office. Most of your clients will still be using MS Office and you may need to sell them. It won't be hard when MS Office requires an upgrade costing a few hundred dollars. You can save Open Office documents in MS Office formats too.
- Internet – know your way around both Internet Explorer and Firefox. I finally made the transition to Firefox, I fought it for a long time. I'm glad I did, though – I like it better!
- Windows Operating System – The more proficient you are with your operating system, the less time you will spend doing unbillable “management” tasks like “disk cleanup” and scheduling your backups.
- Virus Protection software and Anti-spyware – you not only want to protect your business but your clients need to know their information is safe with you. Check with your ISP, many offer complimentary versions of Norton or McAfee.
- Google – get to know Google's online tools. Google Docs is an excellent tool that will help you share documents with your clients. You can even use it as an alternative to Microsoft Office Suite. Oh yea, it's free too!

There are a lot of programs out there that are common and your clients may want you to use. Some are free and some have free trials – take advantage of them Be willing to roll up your sleeves and get your hands dirty!

- Other common software programs – explore ACT!, Salesforce.com, Zoho, AWeber and QuickBooks. Familiarity with these products will also allow you to offer your clients solutions if they come to you with something they need done but don't know how to do it
- Virtual communication tools – Be comfortable with handling Conference Calls (check out FreeConferenceCall.com), online meetings, remote log in programs (logmein.com has a free version) and file sharing (see Google Docs).
- Virtual Faxing – Even with the move to paperless, sometimes a hard copy is all that is available. Having virtual fax (eFax is probably the most popular) capability to receive hard copy from your clients will also save you paper, ink and storage space.
- PDF's – you must be very familiar with handling .pdf files. At the very least, you need to have Adobe Reader but there may be times when you will need to create your own .pdf files. There are a number of programs available and even some opensource solutions.
- Base Camp is an excellent project management system – simple, interactive, collaborative and a great “value-added” solution to provide your clients.
- WordPress is the industry standard in blogging platforms/software. It is easy to use, and free. Many clients may want you to set up or maintain their blog so a good working knowledge of WordPress is essential (and know the difference between WordPress.com and WordPress.org).
- Check out DocStoc.com – an amazing collaborative collection of documents for every situation. Save \$ by having your attorney review a document or contract instead of write it. And it's a great resource to share with your clients!

Don't let all of this overwhelm you. Chances are that you already have much of this in place and only need to tweak your systems a bit. Reread this chapter and make a list of everything you have. Make a second list of things that need some work. For example, if you have Excel but haven't used it much check out their help files or YouTube for tutorials and improve your skills. Now make a third list of everything that you need to do from scratch. For example, set up your business phone system. Now prioritize your lists and just go through them one-step at a time and you'll have it done before you know it!

How do you eat an elephant (assuming that you want to)?

One bite at a time! :)

Next up: *Money Matters!*

Food for Thought:

“The truth of the matter is that you always know the right thing to do.

The hard part is doing it.”

-Norman Schwarzkopf, US Army general

Chapter 7

Money Matters

Topic Objective: *In this topic, we'll discuss taking care of the financial side of your business.*

Disclaimer – yea, you know that part of the commercial where the announcer reads five minutes worth of information in 10 seconds?

Here it is:

This is a general overview of tax and related financial issues. It is not intended to be a substitute for professional legal, accounting, or tax advice.

Now that we have that out of the way...

And before we get into some how to stuff, I want to address a very important point – probably the most important point of this entire course. **The goal of a business is to make a profit – not to make money.** This may seem obvious when you read it but I believe it is the single largest misunderstanding that people have when transitioning from employee to business owner.

Income into your business is not the same as cash in your pocket. You must allow for your business expenses and tax reserve before you draw your “salary.” If you don’t, you won’t have enough money to run your business and you’ll be back hunting for a j-o-b.

Start by creating a spreadsheet of all of the expenses you will have that are just for your business. For example:

- Phone line
- Internet connection
- Supplies
- Online subscription services (i.e. backup services)

- Equipment
- Training
- Marketing/Advertising
- Startup costs such as business cards and website set up.

This will be a work in progress for the life of your business. Don't worry that you might miss something, you can add it later.

Billable vs. non-billable time

Another point that may seem obvious but is often overlooked is that you will not be earning direct income for everything you do. For example, you won't be billing a client for time to do your bookkeeping tasks or marketing. This is usually referred to as non-billable time. Keep this in mind when working on your budget and projections. Don't project earnings based on 40 hours per week unless you plan to work 40 billable hours.

Taxes and the Self-employed

The IRS says you are self-employed if you have a trade or business as a sole proprietor, partnership, or LLC that files a Form 1065.

It can be a part time or side business – but it can't be just a hobby, you have to be able to show intent to make money.

You are an Independent Contractor (as opposed to an employee) If the client has the right to control only the result of the work and not *what* will be done and *how* it will be done or the *method* of accomplishing the result." Just because you work at home doesn't mean you are an Independent Contractor and many employers/clients don't understand that. It is crucial that you understand it. You may need to do some client education here and you need to be prepared to make a choice to either say goodbye to the client or become an employee, OK, a telecommuting employee, but an employee nevertheless.

As an independent contractor or sole owner of an LLC, you are considered a sole proprietor for tax purposes. Your income is not reported on a W-2. Your clients may

send you a 1099 but if they don't you still need to report that income.

An EIN (Employer Identification Number) is used to identify a business entity. As a Virtual Assistant, you should have one. Keep in mind, however, that the IRS uses other criteria along with the EIN to determine employee/Independent Contractor status. You can apply online fast, free and easy on the IRS website.

<http://www.irs.gov/businesses/small/article/0,,id=98350,00.html>

In addition to income tax, your earnings will be subject to 15.3% self-employment tax. This replaces the taxes employees pay for Social Security and Medicare. You are both employer and employee so you pay both halves but to ease the pain 50% is tax deductible.

You may be required to pay estimated taxes every year based upon your previous year's taxes. It's not as complicated as it sounds and probably won't come into play until you have been in business at least a year. Add this to your list of questions for your accountant.

Home is where the deductions are!

You've probably heard the pros and cons of claiming Home Office deductions for expenses related to the business use of your home. Some tax pundits say it is a red flag for an audit and some say it's not. You can save a lot of money taking the deductions and if you play by the rules then don't worry about an audit.

This is the IRS we're talking about so there are some "rules and regulations" involved. Your office space must be used exclusively for the normal course of business. You can't deduct your entire family room if you or other family members use it for non-business activities. You can however, deduct the corner of the family room where your desk and office equipment are if they are used just for your business. If your office is 10% of the total square footage of your home, you can deduct 10% of your rent or mortgage and household utilities. You can deduct any expenses relating *directly* to the use of your home office.

Typical Home Office deductions include:

- Real Estate Taxes
- Mortgage/Rent
- Utilities (the portion that applies to your office space)
- Office supplies
- Office furniture and equipment
- Software and subscriptions
- Mileage or Auto expenses
- Travel related expenses
- Meals and entertainment
- Telephone charges
- Retirement
- 1/2 of your Social Security contribution
- Maintenance and Repairs to your office
- Painting

Organizational costs such as setting up your legal structure and consulting with an accountant are deductible. Be sure to check with your City and County regarding licensing and filing a Fictitious Name Statement (DBA).

Health Insurance premiums may be deductible if you have no insurance or access to other insurance, i.e. through your spouses employment.

Other deductions that may apply:

- Home Owner's/Renter's Insurance
- Mortgage interest
- Depreciation of home

The IRS must agree with you that a business expenditure is “ordinary and necessary” to deduct in the year you purchase. Purchasing MS Office Suite is obvious but if you want to deduct more specialized software such as Photoshop, be prepared to show how you used it in your business.

Start up and organizational costs are generally deducted over 15 years (180 months). There is an exception that allows you to deduct up to \$5000 for start up

costs and \$5000 for organizational costs in the first year. This should be more than enough to cover a VA business, even if you are starting from scratch.

Consider the real cost of what you buy (how the deduction will affect your taxes) and the true income that will result from the revenues generated. For example, the cost to develop your website or blog is tax deductible and generates revenue.

You must have made a profit; you cannot use your business to create a loss. There might also be tax consequences if you sell your home and you've been depreciating the home office space.

So if you're thinking, "Hey this is way too complicated" think again. It may seem overwhelming but it is worth digging a little deeper. Check out the IRS Publication, [Business Use of your Home](#) for more details. OK, yes, a lot more details! The best idea is to consult with a tax professional but be sure you find one who really knows their stuff when it comes to Home Based Businesses. In other words, you might want to consider a Home Based Accountant. It's highly probable that not only do they know every little deduction and how to claim it but they are also pretty savvy on how not to be audited! Paying for such expertise is money well spent.

Worth it? YES!!!!!!!!!!!!

Contracts

It is very important to have a clear and documented understanding of your agreements with your client. You don't have to get into pages and pages of legalese in a contract but you do need to have the who, what, where, when and how clearly outlined. Many of your clients are going to be sharing some very confidential information about their business. Be sure to have a Non-Disclosure Clause in your contract. You might consider a separate NDA agreement as well. Often a client will need to share confidential information before you ever get to the contract stage.

Terms and Conditions – think about what you will offer:

- Money Back Guarantee

- 24 hour turnaround
- Or?

You can find some good samples at DocStoc.com to get you started but once you have drafted your own template, have an attorney review it.

Don't let this scare you. At the end of the day, can you put your name (therefore your reputation) to your work? If the answer is yes, then don't worry about it.

Recordkeeping

Detailed records are essential not only to manage your finances but every aspect of your business. This is another reason to keep that notebook handy and to save your client communications. Google Docs and Google Calendar are excellent free tools to use to manage projects. You can also check out project management tools like Basecamp.

Use a program like QuickBooks or keep a ledger spreadsheet with a record of all business transactions. Keep supporting documentation well organized. You need to keep anything and everything related to your business such as invoices, deposit slips, and receipts. If you buy anything online either print a receipt or keep the email confirmation in a separate email folder.

You must have a business checking account separate from your personal account. This not only makes it easier to evaluate your success but also makes it easier to do your taxes. Most importantly, it helps to validate your business. The IRS isn't going to take you very seriously if you keep sloppy records and co-mingle business funds with personal funds.

The financial risk you incur by not keeping good records far outweighs the time and cost. Having good detailed financial records makes preparing for taxes practically painless.

Accepting Payments

I strongly encourage you to accept payment via PayPal. They have a very easy invoicing tool and you can export your information to QuickBooks. There is no monthly fee or start up cost although you will pay a small percentage of the payments to PayPal but these fees are tax deductible. In my experience this is better for the low volume of a VA business (you aren't doing 100's of transactions/day) and gives your clients the option of paying with a credit card. It's quick and easy. If your client insists on paying by check, you can invoice with QuickBooks.

Tip: if they aren't going to pay with PayPal – get a deposit or retainer up front. PayPal has a good rating system and buyers want to protect their reputation. I have never had a PayPal client disappear but I have had it happen with a monthly billing client. Be clear on your payment terms and don't let them fall too far behind. Set clear expectations (included in the contract) letting your client know that if payment is late, work will stop. You don't want to have to ask your accountant how to write off bad debt.

Keep an Activity Log – you can just use the notebook system we discussed before or use something more sophisticated like Basecamp's time tool. Whatever you use, be diligent about your time records. It may be difficult to get in the habit at first but keep at it. This will not only ensure that you charge your clients correctly but that you are paid fairly.

Realistic Rate expectations

Determining your rates can be a challenge and there is no real guideline to follow. As you gain experience within the industry you will see that rates among VAs are literally all over the place. I discussed rates in a previous topic but here's a good guide to project income potential.

- \$500.00/mo – Beginning VA part time just building clientele and “learning the ropes”
- \$3000.00 plus for an experienced full time VA
- Rates range from \$10.00 per hour to \$50.00

Tip: Use Elance as a guide. Yes, the rates may sometimes seem low but it's a good “rule of thumb.”

VA's typically charge by the hour but for project work – retainers usually work best. Be sure to have clearly defined milestones and an estimate of hours.

Pros

- You can make more money as you gain experience because you will get faster.
- You will be paid by the milestone, i.e. after X number of hours or X task has been completed.
- You may also be able to outsource some of the work. For example, let's say you are working on an article-marketing project for a client. You could outsource the research and writing. You edit it and create the marketing/submission plan. Then outsource the task of posting to article sites.

Con

- I haven't found any!

Remember: You are ultimately responsible for the project. Be sure to supervise and review work before submitting to your client. I don't advise subcontracting work until you have some experience as a VA and working with project management.

This is also a good opportunity for new VAs to gain experience. Find an experienced VA and offer to assist them with their overflow work.

Your clients want results not # of hours. As a client once told me, "I don't care how my watch works, as long as it works."

Story Time

I had a client; I'll call him Mike. Mike hired me as an Executive Assistant and sent me a lot of confidential info such as bank account and credit card numbers.

We were cruising along beautifully for about three months. He had given me excellent feedback and had increased my hours. Then...he disappeared – with about

10 hours left of his retainer. No contact, no response, no nuthin'.

I needed to replace him but because he had paid a retainer and had a balance in the account – I had a cushion of time to replace him.

Hourly clients disappear too and you have nothing, even though you were fulfilling your part of the agreement in good faith.

If a client doesn't like it, you need to decide if you will waive the retainer or move on to the next prospect. My advice? Move on!

Check with your accountant on how to write off bad debt on your taxes. In my experience, it is a rare occurrence but it is part of being in business and a cost of doing business. And yes, I've had it happen to me too. I had a client who wanted me to edit their website. I did the work, spent about 10 hours on it. No payment. We had a contract and I could have sued but it really wasn't worth the time or hassle. I figured my payment was the lesson I learned to get a retainer up front.

The moral of the story: Play by the rules. They aren't as hard as they look. You have a good thing going – don't jeopardize it by cutting corners

Additional resources:

- SBA (Small Business Administration <http://www.sba.gov/>)
- SCORE – score.org

Next Up: *Tell Everyone!*

Food for Thought

Everyone is self-employed, no matter who signs their paycheck.

-Zig Ziglar

Chapter 8

Now What? Tell Everyone – Part I

Topic Objective: *In this topic, we will focus on why you need to tell them and what you need to tell them.*

The Need for Virtual Assisting

Way back in 2000 (a lifetime in the internet world) The George Washington University Forecast of Emerging Technology released a report stating that Virtual Assisting was a \$130,000,000,000 – yes B for Billion – industry. So, this must mean that by now the VA Industry is pretty mainstream right? Yea, not so much. This Industry is still defining itself and I think there are several more (r)evolutions to come.

Clearly the industry will continue to grow as long as:

- Tech tools increase in sophistication – they will
- Companies seek to decrease overhead – they will
- There is a decrease in corporate allure - absolutely
- Entrepreneurship increases – it will
- Women choose not to choose between family and career – they are

As I write this, the general economic atmosphere is full of doom and gloom. The economic sky is falling! This gives business owners two options:

1. Cut expenses
2. Increase revenue

And really, it doesn't matter what the economic picture is, savvy business people are always looking to cut expenses and increase revenues.

As a Virtual Assistant you can help clients do both. Your clients still need the work done and you can help them be recession proof – or at least recession resistant! So your market needs to be educated not only about the Industry but about you and your services.

Who is your Target Market and who is your ideal client?

In the title for this topic I said, “Tell Everyone” but let's define everyone. You cannot be all things to all people and you really don't want to be. Remember that one of the

reasons you chose this path is so that you can do the work you enjoy. What do you enjoy? + Whom would you like to work with? = Your target market.

Do you have a niche specialty?

Many things make having a niche specialty valuable to your client.

- You know the vocabulary and language of the industry.
- You read the publications, blogs and magazines.
- You know the events, conventions, trade shows and have maybe even attended them.
- You know who the industry experts are.
- You have industry expertise and training
- You understand the challenges of marketing to this group
- You understand the culture

Niche markets are easier to reach and it is easier to build your reputation. You can set yourself up as an industry expert, i.e. Real Estate Virtual Assistant or eCommerce Manager, and actually get more work with less marketing because you are focusing your efforts.

Now keep in mind that it isn't necessary to drill down to the microscopic level here. You may want to be very broad in your approach and market yourself as a general administrative assistant. Many Virtual Assistants do this until they get more knowledge of the industry and experience.

Who is your ideal client?

Do you want to work with other Freelancers? Perhaps you are a wiz at Social Media Marketing and you want to help freelancers in your niche specialty spread the word about their services.

If you are a Customer Service Specialist, do you especially enjoy working with the customers of online services?

Think about your abilities and skills and how they fit potential niche markets. How could you help clients in these niches?

Translate Features into Benefits

Your primary marketing task is to educate your market on the benefits of hiring a VA and specifically you.

1. You do what you are good at so they can do what they are good at.
2. They only pay for actual work time, not the time it takes you to change the radio station or let the dog out.
3. Your fees are a tax-deductible expense.

In general, there is just a lot less hassle!

People don't need to know how their watch works; they need to know that it does work and that they can depend on it to continue to work. If it doesn't work, they need to know what to do about it. Your clients need to know what benefits they will derive – that is what they will base their buying decision on.

Educate Prospective clients on the Benefits of Hiring You

1. Determine the features of your services

To market your service effectively you need to know your value as a Virtual Assistant and your individual strengths – what separates you from other VAs?

Start with your resume. What expertise, experience and education or training do you have that would be of value to a client.

Include:

- Your home office equipment
- Software tools you can use
- Communication and workflow management
- Training courses and certifications you hold
- Previous jobs and clients

2. Turn Features into Benefits

People don't buy features – they buy benefits. They want to know WIIFM – What's In It For Me? How can you make their lives easier and their business more successful?

Take all of the features you listed and turn them into benefits statements: "I have a state of the art computer system with a broadband internet connection" becomes "I save you time and money so you can focus on building your business." Or "I maintain your business so you can build it." (Oohhh! Great tagline there!)

Keep these benefits statements handy – you'll be using them in your marketing.

Your Elevator Pitch

According to [Wikipedia](#)

"An elevator pitch is an overview of an idea for a product, service, or project. The name

reflects the fact that an elevator pitch can be delivered in the time span of an elevator ride (for example, thirty seconds or 100-150 words)."

Developing your Elevator Pitch at this point helps you to clarify your direction so that your marketing efforts have laser focus. It must quickly convey the *benefits* of what you do and entice the listener or reader to want to know more. It's not just a tagline though, it should actually bring your tagline to life.

Here is a sample:

I am a Virtual Assistant – I help small and home based business owners with administrative tasks so they are free to focus on the core work of their business. For example, all the day-to-day administrative functions need to be done but if the business owner is doing them, they are out of business.

An elevator speech should be 100 to 150 words. This one is only 55 words and very generic so there is plenty of space to put "you" into it. Add your personality and your USP (Unique Selling Proposition).

If you are going to be marketing locally, you will definitely need business cards. Add some power to your card by putting your Elevator Pitch on the back.

Once you have developed your pitch – know it! Own it! Shout it from the Mountaintops! Well, maybe not the mountaintops but never be afraid to use it. And if successful, the other person will be so curious that they forget what floor they wanted to get off on. Take advantage of this by engaging them in a conversation about them. Find out what they do but don't tell them how you can help them – yet. Make the conversation all about them. Then get their business card. If they ask for your card, great, but be sure to get theirs. This lets you follow up. Use this to start a relationship. Send them a handwritten card expressing how nice it was to meet them. Check out their website – do they have a blog? Leave some helpful comments on a few posts. Subscribe to their RSS feed.

Nurture the relationship but whatever you do, please do not just take the card and add it to your collection. A business card does no good if you just save it like a stamp in a collection. Ok, so once again this sounds like common sense but as I've said before, that doesn't mean we do it!

Your Marketing Plan

Now let's take the pieces of the puzzle, your skills, your abilities, and your niche specialty if you have chosen one – everything you translated into benefits statements and develop a marketing plan.

1. Give careful thought to what you want your Marketing Plan to accomplish. You need to be very focused and clear. Do you want to:
 - Generate leads?
 - Develop a drip marketing strategy?
 - Strengthen your ability to close when you pitch?
 - Use Social Media to market your services?
 - Use a Freelance job site to market your services?
2. Develop your strategy recognizing that you are looking for long-term benefits and that not all methods work for every person or in every niche.
 - Grassroots – do you want to network with your local Chamber of Commerce?
 - Advertising – do you want to place ads in your local newspaper or on websites that target solopreneurs?
 - Social Media – do you want to use social media such as LinkedIn to educate prospective clients?
 - SEO – will you use Search Engine Optimization to bring search engine traffic to your website?
 - PR/article marketing – will you write articles educating your clients on the benefits of outsourcing their work?
 - Freelance sites – will you place your profile on a freelance site and build your reputation there?
3. Do It! – This is often the hardest part. This is where the fear can set in. Take it slow if you need to but now that you have a plan pick one marketing method and jump in. You don't need huge results. You want a steady flow of good, solid clients. At this point, it's just you so you don't want 100 new clients in a month.

Be sure to track your results and the return on investment (ROI) and adjust as necessary. Don't give up too quickly but don't throw more time, effort and money at a failing strategy.

For example, do you want to join your Chamber of Commerce? If you live in an area that has a lot of home based and small businesses, joining your Chamber can be a great way to spread the word about what you offer, find local services and products you need and provide some of the socialization you won't have from a traditional office environment.

It can take some time to establish yourself in a new organization. I have been a member of my local Chamber of Commerce and done sales and marketing for them as well. This is definitely a situation where slow and steady wins the race. So give it a year. Keep records of the time you spend at events and the money you spend. In addition to your membership there will be other expenses such as luncheons or a

booth at the trade show. Keep track of the clients you bring in, how much you net from them, the caliber of clients you bring in and the pipeline you build. At the end of the year assess the experience and determine the ROI – not just in terms of dollars made but potential for more; are you getting quality clients and referrals?

Next Up: *Tell Everyone! Part II – How to tell them*

Food for Thought:

"I want to make a difference, with someone who wants to make a difference, doing something that makes a difference."

-Author Unknown

Chapter 9

Part II – How to tell them

Your primary marketing tools will be online, even if you are doing face-to-face networking. Remember – you are a *Virtual Assistant* so virtual communication tools are crucial not only to the management of your business but to your marketing efforts as well.

Your web presence will be a way to showcase your services. Think of it as an online, interactive brochure but don't let the idea of a full-blown website scare you. You can start with just a profile on a freelance site while you “get your feet wet” but at some point, you will need more.

Should you have a website?

I didn't have one when I got started and no, I wouldn't recommend doing it that way now. Back in the old days (six years ago :)), the tools to easily set up your own website or blog did not exist. The website development tools were more like using a chisel and stone compared to what is available today. When I started, I used Work at Home sites (that listed one legitimate job for every 100 scams) and Elance.com. My profile on Elance was my web presence.

Today I recommend you set up a blog. With very little effort or money you can have a very professional site that not only displays your talent, it demonstrates your professionalism. Think Show and Tell for the business world. Your readers can interact and ask questions in a risk free environment. And others will read that communication and be inspired to continue the conversation. This not only helps you build relationships but it helps you see what clients and prospects need so that you can serve them better.

The important thing to remember is that your website is not about you – it's about them. It's an opportunity to highlight the benefits of using your services and helps prospects make that mental transition from thinking about hiring a VA to working with you.

Setting Up Your Blog

Your blog should demonstrate your talents so make sure you show a polished image. You don't want it to look like someone's online diary. Producing a professional looking blog is easy to do with the tools available today.

I recommend [WordPress](#). There are other blogging platforms but WP is the industry standard. It is extremely robust and user friendly at the same time. [eProVirtualAssistance.com](#) is run completely on WordPress and I did it myself. Trust

me, I'm not a tech person! It was simple to do and a lot of fun to create.

Another great reason to use WordPress is that by developing your site you will learn another valuable tool that you can then market to your clients.

Be sure to use Wordpress.org not Wordpress.com and get your own domain name and hosting. The .org version of WordPress is still free but it's a bit more powerful. Also, hosting it yourself, while it may cost you about \$10.00 a month, gives you more control. Having your own domain – YourNameVA.com is much more professional looking than YourNameVA.wordpress.com. When clients see the latter, they may wonder if you are a serious professional or if you will disappear in the middle of a project. It's all about that professional image! There are SEO advantages as well.

For more on the technical basics of setting up a WordPress blog I highly recommend you follow the free videos at WP101.com. I also recommend their [paid courses](#). I use namecheap.com for domain registration and HostGator.com for hosting. Both have great customer service and I am very pleased with their services.

Blogging as a marketing tool

You don't want your blog to be too stuffy, be more business casual. Your visitors should feel like they just walked into a coffeehouse and now they want to get something nice to drink, sit back, relax, and have a great conversation. So don't clutter it up; it should be very clear what they should do. Sites that have so much visual noise I don't know what read first or where to click annoy me and I leave. Most people do. We don't want to spend time trying to figure out a site. Help your visitors by using professional images and soothing colors; have clear navigation, and be user friendly. Tell visitors what you want them to do but act as a guide not a drill sergeant.

Add an "About me" Page as your online Elevator Speech. In fact, your Elevator Speech is a great foundation for your online biography. Add some personal information as well as contact information. A photo is a great idea because it helps people to connect with you. Be sure to have a "Contact Me" Page so prospective clients can request specific information regarding your services and their needs.

Share testimonials if you have them but don't get fussed if you don't. And they don't have to be testimonials about your work as a VA. They can be from former employers too. Think references.

You can also develop your blog into another revenue stream with Affiliate Marketing. Share products that you have personally used and might benefit your clients. For example, does your online backup system have an affiliate program? This should be a value added service but not the main focus.

Search Engine Optimization

Don't let all the hype about SEO scare you. You aren't trying to rank # 1 in Google for Virtual Assistant (unless you plan to build a very strong team or network of VAs). Use an SEO plug-in like All-In-One SEO pack and then don't worry about it. Focus on providing good, solid, relevant content. Be consistent and persistent. This demonstrates your services while letting Search Engines know you are real. Learn Social Media tools and use them to build your business and your reputation. Readers will find you.

Once you have the basics down you can concentrate more on SEO but for now, just build a solid foundation for your site. SEO is simply a marketing tool – and it's not necessarily the best one to market a services business such as Virtual Assisting.

Let your blog sell your services

Blogging is an opportunity to show 'em what you're made of! You've heard the old adage that actions speak louder than words so demonstrate why you are what you say you are. Do this well and prospects will become clients.

Write about topics that help your readers. Blog about the latest online backup systems and how they provide peace of mind. Demonstrate your knowledge. Review the top CRM's for your visitors and explain how having you manage their CRM benefits their business.

Consider this – Market your blog and let your blog sell your services. With this approach, your sole focus is to drive traffic to your blog and let prospects see you in action. In other words, don't tell people what you do, show them. Your blog is a unique opportunity for you to demonstrate your expertise.

Be authentic and provide value. Build a loyal readership and they will become your sales force. Give them value first and then ask for the sale or referral.

Local Marketing

If you choose to market in your local community check out local business organizations or non-profits for networking opportunities. Go to MeetUp.com and check out the groups in your area. Then use your Elevator Speech to capture attention and business cards. Business cards usually have email addresses and that's what you really want. Follow up with the people you meet by sending them an email with a link to your website and then nurture the relationship. If they have a blog, check it out. Leave insightful comments. Go beyond "great post, thanks."

Online Marketing

If you choose to focus on an industry niche, find the top blogs and forums and jump

on in. Build up your circle of influence. If you are specializing in Real Estate, network on [Active Rain](#). Check out the groups on Facebook and LinkedIn for your niche. [Alltop.com](#) is also a great resource.

Freelance sites

Sites like [Elance](#), and [Guru](#) are great places to jump-start your VA Business. Clients like them because they offer some protection to both parties in case there are problems. They do have some fees but think of it this way – you are hiring the freelance site to do your marketing and provide your billing and payment processing system. These sites provide an opportunity to build your reputation with social proof (feedback and income) and help you bridge the gap from gainfully employed to self-employed.

Be Persistent and Consistent

Sales and marketing tend to have a bit of a “psychological barrier” for many people but don’t let it scare you. You do not need to come across as the stereotypical salesman to be successful. There is a need for the work we do so you aren’t serving anyone by keeping quiet.

Be sure to do some marketing activity on a daily basis. Block out the time in your schedule and stick to it!

Don’t be afraid to ask for what you want, give a reason why it will benefit the client and create a sense of urgency.

Next UP: Client Relations – Win-Win and Beyond

Food for Thought:

Who you are screams so loudly I can’t hear what you are saying.

-Ralph Waldo Emerson

Chapter 10

Client Relations in the Virtual World

Topic Objective: *Explore the challenges of working virtually.*

*Never forget – You are working with **people** even if you aren't face-to-face with them.*

There is a bit of a challenge to working with people you don't see and have probably never met face to face. Numerous studies have been done showing that Body Language accounts for as much as 75% of communication. When that element is removed then you have to compensate in other ways. The next largest element in communication is vocal. While you will probably talk on the phone with your clients periodically, it is likely that the majority of your communication will be via the written word and even that channel is severely limited.

Think of the greatest novels. The authors of these works weave their stories with the power of words. When you are emailing your client they don't want the next New York Times Bestseller. They want the facts, just the facts, ma'am. So you are left without body language, without voice inflections and with a limited use of vocabulary.

The Power of your Word

In all aspects of your business, and indeed your life, keep the mantra *Fair, Firm and Friendly* uppermost in your mind. Doing this will create a positive atmosphere for your business relationships.

Your clients need to feel safe with you. They need to know you will do what you say you will, that you will charge them fairly and that you will meet deadlines. Following the *Fair, Firm and Friendly* mantra will help to generate respect and build trust. Whether you are entering numbers into a spreadsheet or creating a Business Plan to be presented to Venture Capitalists always be a professional.

Getting started with a new client

Having some systems in place will help minimize potential problems and begin to build your relationship on a solid footing.

Proposal – When a prospect inquires about your services, provide the information as succinctly as possible. Explain what you will do to accomplish their goals, list potential obstacles, give a time frame for completion and overview of policies and procedures. Cover all the necessary information with as much brevity as possible.

Consultation – Review the proposal in detail on the phone – preferably in a video call

(Skype is great for this). Make any amendments and adjustments agreed upon and submit a revised proposal based upon this meeting.

Contract – Once your proposal has been accepted draw up your contract. Keep your agreements clear. Be as explicit as possible on the who, what, where, how, why and when. Amend agreements as necessary.

Orientation – Set up logistics to move forward. Do phone calls and emails need to be forwarded? Establish reporting procedures; how do they want to receive information? Do they need a daily summary of your work or a weekly phone call? Much of this will depend upon the nature of the work you are doing but also on your client's preferences.

Training – Your client will need to train you to the specifics of their organization and systems. Be very clear on this in your contract. What will be involved, how much time is anticipated, and will the client pay you?

A Work in Progress

Keep in mind that your relationship will be constantly evolving. Strive to eliminate ambiguity as much as possible & create a paper trail of all communication. This is a simple matter with email but if your client prefers phone calls then create Call Summaries. After each call, send a summary to clarify and acknowledge that both parties understand what was discussed and the action plan moving forward.

Ending a client relationship

Cancellations happen; it's just the nature of business. It is easier for a client to release a VA than fire an employee – both legally and emotionally. There may be times when you go through the entire process and just as you are getting started, the client gets cold feet. You have invested time and expertise but everything falls apart just as you get to the point where you can log billable time. The more clearly you communicate through every step from Proposal to Training, the less likelihood there will be of a cancellation. Even so – it happens. It's just a part of doing business. When it does happen take an honest look at what happened and revise your systems and policies if necessary.

Firing Clients

Sometimes you will have a client that you just don't click with. Don't be afraid to let them go. Clear space not only physically but emotionally for a good client.

Story time:

I had a client, I'll call her Mary, who hired me to be her Executive Assistant – she was

unorganized and wasted my time and hers. She wanted me to get her organized but just wouldn't listen. I felt like I was spinning my wheels. She would get frustrated with me because we weren't making progress. She had allotted 10 hours per week but we wasted so much time with redundant emails (Her: Did you check on X? Me: Yes, I sent you that information last week, here is a copy.) Yes she was paying me but I didn't enjoy the work and felt frustrated. "Firing" her made room for a wonderful client I enjoy – a client who I can help and has increasingly made me more money.

The Moral of the Story? Use your common sense – always

- Be open and honest about your capabilities
- Netiquette – mind your manners
- Honor your standards
- Mind the details
- Be reliable
- Follow through
- Be a Self-starter
- Set clear boundaries
- Be flexible
- Set office hours – communicate changes as appropriate
- Establish a clear communication policy
- Take responsibility – don't play the blame game
- Listen – as Mom used to say, "You have two ears and one mouth for a reason."
- Communicate clearly and calmly
- Complaints – Remember: Fair, Firm and Friendly
- Mistakes – be honest
- Add Value – take initiative and think beyond the task system your client has set for you
- Offer solutions
- Brain storm
- Be creative
- Make yourself an invaluable part of the team
- Set fair rates - If you don't value yourself, your clients won't either
- Keep your promises – your skills and abilities mean nothing without your integrity
- Trust must be earned and sometimes this is harder in a virtual setting
- Praise – be gracious

A Few Words of Wisdom

In the Seven Habits for Highly Effective People, Steven Covey defines the 7th Habit must as "Sharpen the Saw". Tony Robbins calls this CANI – Constant And Never ending Improvement. Yes, you will be doing this on your time and dime – but it is well worth the investment!

Resources

These are all courses and services that I personally use. Yes, these are affiliate links but I wouldn't recommend them to you if I didn't think they were excellent; I wouldn't risk my good name.

[WordPress 101](#) – Great videos on how to use WordPress.

[VAClassroom.com](#) – This is an excellent resource to learn new skills and keep them current. There is also a very supportive community of Virtual Assistants to network with.

[Namecheap.com](#) – for Domain Registration

[HostGator.com](#) – Hosting Services

Food for Thought

Winners vs Losers

A winner is always part of the answer.

A loser is always part of the problem.

A winner always has a plan.

A loser always has an excuse.

A winner says: "Let me do it for you."

A loser says: "That is not my job."

A winner sees an answer for any problem.

A loser sees a problem for any answer.

A winner sees a green near every sandtrap.

A loser sees two sandtraps near every green.

A winner says: "It may be difficult but it's possible."

A loser says: "It may be possible but it's too difficult."

-Author Unknown

Now get out there and make it happen. I wish you much success!

And don't forget – Have fun!

Sandra

ePro Virtual Assistance