

SelfInformed

Published by the National Association for the Self-Employed

August 2014



*NASE Member
Seneca Brookins*



Evaluating Associations & Networking Opportunities in Your Market Space

There is no getting around it: if you want your business to succeed you absolutely need to network.

Networking is more than just a way to accrue new clients. It is also a valuable way to gain access to mentors, valuable business knowledge, and entrepreneurial communities. Many professional associations also offer exclusive online resources and discounted publications, as well as annual or semi-annual events and conferences. In some cases membership in a professional association or industry can even carry political clout. Large national organizations often have

committees to track federal and state legislative developments that could have an impact on their specific business or industry, and these organizations very often have a considerable political presence and substantial political influence. The bottom line is that associations in your market space can be rich networking opportunities and can help you to grow your business. Here is what you need to know about evaluating and leveraging associations in order to hone your networking skills.



Networking Tips, Ideas, & Solutions for the Small Business Owner

Industry and professional associations are a powerful way to network within your market space. However, you can't just show up at an association meeting. Effectively networking requires a multi-faceted, pro-active approach. Take a look at these networking tips, ideas, and solutions for small business owners.

- **Seek groups that bring together a variety of industries and perspectives.** There is no doubt about it: industry groups can be incredibly helpful. Nevertheless, it is never a good idea to spend too much time with people in your own field, as they are typically your competition. They aren't going to buy your product or service. Seek groups that bring together a variety of different industries to broaden your network and establish new partnerships.
- **Cultivate a presence on social media sites.** Social media isn't just an excellent way to attract new clients. It can also be a powerful platform for networking. Use social media sites like Twitter and Facebook to connect with associations in your market space.
- **Recognize the value of reciprocity.** Building relationships requires reciprocity. If someone does you a favor the tactic expectation is that somewhere down

the line you will return it. If you see an opportunity to reach out and help some one, take it. This is an excellent way to establish connections and build a reciprocal relationship.

- **Remember to follow up.** If you meet someone in person at an association event or conference always follow up via email or telephone in order to cement the connection.

Joining a professional or industry organization can truly be an invaluable experience.

Leveraging Industry & Professional Associations

Joining a professional or industry organization can truly be an invaluable experience. It can help you gain access to valuable resources, knowledge, and mentorships. However, in order to effectively leverage membership in industry and professional organization there are several things that you need to do. Be sure to keep these tips in mind.

- **Make a time commitment.** Just because you're a card-carrying member of an association doesn't mean you will actually reap any benefits of membership. To effectively leverage your association you need to make a time commitment to the organization. This means attending meetings, interacting with other members, and actively participating. This requires effort and commitment, so carve out a chunk of your week and dedicate it to associations.
- **Reach out to other members.** Evaluate how you can combine your skills and resources to create



multi-lateral partnerships. Remember, industry and professional associations are a great way to meet other entrepreneurs and business men and women. In many cases these individuals might have skillsets that are different from yours, making them a truly invaluable resource. If you need some marketing advice or a bit of guidance don't hesitate to ask. Peer to peer learning is one of the best forms of entrepreneurial learning. If you can benefit from someone else's business experience there is no reason not to.

- **Take on a leadership role.** If you are serious about getting involved in industry and professional associations one of the best things you can do is take on a leadership role. There are leadership roles available within many professional associations, on local and national levels. If you decide that an organization is worth your time it's worth getting right into the center of the action. Serve on boards and committees, help to organize events, and most importantly develop meaningful relationships with other organizational leaders.
- **Get your name out there.** To boost your visibility in the local community it can be a good idea to publically link your name with industry and professional associations. There are a number of different ways to do this. A particularly great idea is to write articles in your local newspaper or on a prominent local website on behalf of your chosen

association. You could also publish articles in your association's newsletter.

- **Community involvement is key.** Industry and professional associations provide an excellent way to get involved in your local community. As an individual businessmen or businesswoman it can be difficult to find the time or the funds to devote yourself to a community cause. Luckily, partnering with an industry or professional association is a much easier way to dive into your local community and foster true civic engagement. Associations contribute to their communities in a variety of different ways, including providing scholarships, hosting career days and supporting charitable causes. If you are feeling ambitious you can even start your own project in the community and ask the association for manpower and resources. And as an added bonus community involvement will only boost your networking efforts, making both you and your business much more visible.

Resources for Micro Business Owners

According to the National Association for the Self-Employed (NASE) over three-quarters of small business in the United States are self-employed businesses. These micro-businesses are a one man (or one woman) show, comprised of a single self-employed individual who don't hire or manage any other employees. Micro business owners face a number of unique challenges. They often lack the resources and network opportunities that larger business have access to. Luckily, there are numerous resources for micro business owners that can provide links to business know-how and valuable networking opportunities.

Simple Accounting Tips

- **Keep all receipts.** Use an envelope to keep all receipts together and to facilitate recording the daily expenses. Cash expenditures are the most missed, this makes keeping receipts very important.
- **Record all expenditures.** With all expenditures recorded, a business has an accurate way to track the financial condition of the business.
- **Review all expenditures.** If you review all expenditures, you may find ways to save money. Finance or interest charges are easily overlooked.
- **Plan for large expenditures.** In planning for large expenditures you will reduce finance charges.
- **Record all deposits.** Tracking incoming cash helps to plan for outgoing payments. This can reduce late payment fees and interest charges.

- **Local mentoring from SCORE.** A non-profit dedicated to helping small businesses get off the ground and up and running, SCORE is supported by the US Small Business Administration (SBA). SCORE boasts a network of over 13,000 volunteers that share their expertise one-on-one with aspiring entrepreneurs, provide free, confidential business counseling, and run affordable local workshops and webinars. SCORE mentors are experienced professionals and can help you to grow your business, guiding you around some of the major pitfalls.
- **Money Smart for Small Business.** Developed jointly by the FDIC and SBA, Money Smart for Small Business is a new, instructor-led training curriculum

that consists of ten modules that teach the basics of business organization and management. The course is designed specifically for small business owners and micro business owners without any formal business training, and it provides a solid foundation for more advanced training and technical assistance.

- **Google for Entrepreneurs.** Google for entrepreneurs brings together startup communities and creates spaces for entrepreneurs to learn and work together. The program is structured around “campuses,” which bring together entrepreneurs to learn, share ideas, and launch companies. Google for entrepreneurs currently supports entrepreneurs in over 125 countries.

- **The IBM and IFC Small Business Toolkit.** Launched in 2007, IBM and the IFC (the private sector arm of the World Bank) collaborated to create this free small business toolkit. It is specifically designed for entrepreneurs in emerging markets, as well as minority entrepreneurs in the US. The toolkit provides lucky entrepreneurs with highly developed business information, tools, and training services. Specifically designed free tools include free web development and design software, an online calculator, community tools such as online conferencing, blog capability, group calendars, and a multilingual business directory to help small businesses link locally, regionally and globally.



SMALL BUSINESS LOCATOR
Member Directory

- No monthly fees, members get listed for **FREE!**
- Find service categories that fit *your* business.
- Generate Leads & Grow Your Business.

- Expert Support for PC's, Laptops, Software, Networking, Secure Backup & more.
- Get Protected with the best Anti-Virus Software - **Trend Micro.**
- Pay for service and support used, **No Contracts & No Setup Fees!**

Call NASE Tech Support
877-546-0789
or email
nasesupport@xtechgrp.com

NASE Member Benefit

The NASE is excited to welcome **Renaissance Dental** as the newest member benefit. Renaissance Dental has over 55 years of experience in the dental benefits industry, making them one of the top choices for all your dental benefit needs. You'll have exclusive access to dental plans that are designed to help you save money while maintaining a healthy lifestyle.

www.renaissancedental.com/NASE

PLANS FEATURE:

- The freedom to visit any dentist you choose. Members may save the most money by visiting a dentist in our vast nationwide network of over 200,000 provider access points, but you are free to visit any dentist.
- Coverage options for implants and orthodontics.
- Plan options for every type of budget level.

PLAN OPTIONS:

Too often, the lack of dental coverage forces individuals to delay needed treatment, and, when this happens it can impact your well-being. Members will receive dental and vision options that are both affordable and easy to use.

KEY FEATURES:

- Great coverage: Plan options for covered services that include preventive care like routine exams and cleanings, plus dental procedures such as crowns and implants.
- Freedom of choice: Visit any licensed dental professional you choose. Members may save the most money by visiting a dentist from our nationwide preferred provider organization (PPO), which includes more than 200,000 credentialed dental access points.
- Hassle-free benefits: PPO participating dental offices will complete and file claims for you, so you don't have to deal with paperwork or wait for reimbursement.

ALL DENTAL PLANS FEATURE:

- Preventive care: Preventive procedures covered at 100 percent or 50 percent with no waiting periods.
- Excellent customer service: Our dedicated customer service representatives are available to address any questions.
- Online assistance: Our online tools allow easy access to benefits information. Members can find a participating dentist, check benefits and amounts used toward maximums or deductibles, print ID cards and more.

PPO HIGH PLAN:

Our high option plan design is similar to most traditional group-sponsored dental insurance plans.

PPO LOW PLAN:

The low option plan design offers great coverage at a more affordable price. NASE members will be able to receive the coverage they need to maintain a healthy smile.

Please contact Renaissance Dental for Dental Benefit Highlights and enroll today (888) 791-5995.

www.renaissancedental.com/NASE





Ask The Experts

Q: *My LLC business is finally kicking into high gear and things are going really well. Is there a ballpark figure of income (gross or net?) where it becomes more beneficial to reduce taxes to begin filing as a corporation instead?*

A: Congratulations on your growing business and don't forget that most of the new jobs and most of the economic growth in the United States come from small business owners just like you so keep up the good work. The easy answer to the question regarding the choice of entity form is that there is NO benefit from a tax standpoint to change to a corporation. At the end of the day, as a sole owner, all of the income will ultimately end up back on your personal income tax return at basically the same tax rates. There is an intuitive support for this other than pure math and tax code detail in that if there were an entity form that is better from a tax standpoint than any other form, then ALL businesses would be that form. So at the end of the day, the entity form will NOT have a material impact on your overall income tax liability.

There are certainly differences such as the ability to deduct health insurance costs, various employee benefit factors, and even how you as the owner are paid but there most like will NOT be a material difference in the overall income tax liability if the underlying economic factors are the same. In addition, the more complicated entity forms such as the corporate entity form are typically more expensive to maintain. Additional costs such as a separate income tax return, state filings, payroll costs, etc. will most likely be incurred. The reasons to choose an entity form other than operating as a sole proprietorship can still be important such as liability protection, going public someday, marketing reasons, adding a partner or other investors, etc. but the idea of changing entity forms solely to save taxes is kind of an urban legend.

GET MORE ANSWERS

The NASE's small-business experts are here to help you understand the ins and outs of operating a successful small business. Access to these professionals is free with your NASE Membership!

Just go online to the [NASE Business Learning Center](#) where you can ask the experts questions about:

- Taxes
- Marketing
- Financial issues
- Employee relations
- Accounting rules
- And much more

The experts are available 24/7 and ready to help!

Rather than spend time, money, and other resources considering a different entity form, spend those resources on your continued success. Make sure you keep good accounting records so that you don't miss out on any deductions that you are entitled to. Be aggressive in searching for new deductions and more creative ways of saving those precious tax dollars. Find ways to reinvest your success in ways that create deductions such as new equipment or creating that next job to grow your business even further. Maybe that next job could even be an opportunity for your own child which could save thousands in tax dollars. And don't forget about your own future. Maximize your investment in qualified retirement options such as an IRA or SEP to build your own nest egg and save some tax dollars at the same time. Again, and more important than anything else, congratulations and keep up the good work. ■

Creating Success Stories

Seneca Brookins, founder of Jasudo, based in Chicago, Illinois, and has been a NASE member since 2013. His primary reasons for joining the NASE were meeting other entrepreneurs to build friendships and business relationships and to have a support network to help stay motivated and learn from. Seneca's company was founded on a simple idea; create success stories through information technology.

What inspired you to enter the field you are in?

My inspiration stemmed from studying IT Project Management as a grad student at DePaul University along with my lifelong interest in graphic design and computers. I have always spent a lot of my time contributing to causes that promote web development, entrepreneurship and higher education for youth.

When and why did you start your business?

I founded Jasudo in November 2012 to respond to the mounting need for entrepreneurs to have a presence on the web. I understood the benefits of how influential a high-quality and engaging website was to reaching potential customers who might not have otherwise known about the existence of the business or the products or services it offered.

Jasudo is a unique name, how did you come up with it, was it inspired by something?

If you're wondering what our name means or what a Jasudo is, you wouldn't be the first. For starters, it was not in the English language; at least not until now. Jasudo, pronounced [ja- soo - doe], means "the way someone gets things done now." When phonetically broken down, "Ja" means "yes" in German, "now" in Spanish and "already" in Portuguese. "Su" means "his," "her," and "their" in Spanish. "Do" means "execute," "accomplish" and "exert" in English and "way" in Japanese. My inspiration for the name emanated from the desire to appeal to a global audience while demonstrating who we are and how we deliver service to our customers.



What's the best compliment you've ever received from a client?

Client feedback makes my job worth it. I long for a candid response to how I can take a clients' idea and decode it into a tangible website or business plan. One of my best compliments came from a client who said, "I brought my start-up to Jasudo as an incomplete idea; I was not sure what my next steps were. They listened to my vision, putting my needs first, and explained every step clearly to make the process simple and so much fun!" Their compliment corroborated the goal we endeavor to meet with every single client we take on.

What challenges have you faced in your business? How have you overcome them?

The idea of starting Jasudo was exciting, but a bit overwhelming. Juggling all of the facets of getting established, believing in myself, making the personal investment of time and capital and building a team was difficult when I first set out. I overcame these challenges



by researching my business idea and developing a detailed actionable business plan to avoid jumping headfirst into my ambitions. I set a foundation to keep me focused and motivated on the goals of the business to withstand obstacles that arose naturally.

How do you market your business?

I make use of my personal website, senecabrookins.com, and my network of industry contacts and business acquaintances to engage and generate leads. These efforts supplement the marketing strategy that Jasudo employs via social media, landing page websites, affiliate programs, customer referrals and advertising.

Do you have any employees? If so, how many?

Jasudo is a small, yet spirited company with three part-time employees. We have a very lean and self-directed team of experts, coupled with talented vendors. We have strategic partnerships in five countries to aid us in delivering a 24 hours a day and seven days a week operational schedule so that our customers are never kept waiting.

Tell me about time management; is it difficult to run your business and go to graduate school simultaneously?

Some days are more challenging than others. However, it is no coincidence that I attend school for IT Project

Management. Learning the methodology prepares me to proficiently apply time-management methods for school and my business. I treat school responsibilities as a project. I allocate time each week for studying, attending classes and submitting homework on-time. Luckily, grad school helps me to be a better manager in spite of the daunting tasks that come with balancing my school commitments and projects for Jasudo.

What's the best thing about being self-employed?

Being self-employed is often seen as a favorable perception by most people, this allows me to carry a positive self-view about myself. But more importantly, I like the capability of contributing to someone else's success story by doing something I love to do through self-employment. I get to take an idea and turn it into a viable business concept. It's awesome!

What's the most important piece of advice you would give to someone starting their own business?

Research your business idea first! Ambition is essential, but glossing things over can land you in hot water. Do some careful exploration before taking the leap so you'll know the ins and outs from every angle. Knowing that you are knowledgeable and prepared is often more than enough motivation to start a business with confidence.



Learn More in the NASE Small Business Locator

Learn more about Seneca Brookins, Jasudo and other Self Employed businesses in the **NASE Small Business Locator** directory. You can add your own company to the NASE Small Business Locator in up to three categories at no charge – it is a free benefit to NASE members.



Contradicting Court Rulings on ACA Subsidies

On July 22nd, two federal appeals courts handed down conflicting rulings on the legality of premium assistance (tax subsidy) being provided to individuals/families participating in federally facilitated exchanges. The two courts, Washington, D.C. and Virginia, offered their contradicting rulings just hours apart, leading many to believe that the Supreme Court will have to sort out the issue during the court's next session.

The issue:

how the IRS interpreted the legislative intent of the Affordable Care Act, allowing for premium assistance to be provided to those participating in either state or federally facilitated exchanges.

The ACA provides tax credits (premium assistance) for those purchasing health insurance through an “exchange established by the state,” however since many states (36 in total) declined to establish state-based

exchange marketplaces causing residences of those states to participate in the federally facilitated exchange marketplace. The IRS interpretation allowed for tax credits to be given to participants in both the individual and federally facilitated exchanges. However, strict interpretation of the legislative language would lead some to argue that premium assistance cannot be provided to those participating in the federally facilitated exchanges, potentially impacting the five million Americans who purchased plans in the federal exchange. This was the position taken by a 2-1 majority of the Washington, D.C. federal appeals court.

However, the Richmond, VA federal appeals court unanimously ruled, 3-0, that the legislative intent was to provide subsidies to encourage individuals/families to purchase health insurance within the exchange, regardless of it being run by the state or federal government.

While the contradictory rulings have no immediate impact on the ability of individuals to access tax credits, it might require the Supreme Court to step-in and definitively rule on the challenge.

Katie Vlietstra is the NASE Vice President for Government Relations and Public Affairs; You can contact her at kvlietstra@nase.org