



Jennifer Trayler and Danielle Nesbit are the co-owners of On the Rocks, a Vancouver-based ice distribution company.

WEEKEND EXTRA | Being your own boss main motivation for self-employment

But success depends on being able to sell service or product rather than specific skills or talents

BY DARAH HANSEN
VANCOUVER SUN

If Danielle Nesbit has learned one lesson in her two years of self-employment, it's never to miss a marketing opportunity. Exhibit A: Her email signature.

As co-owner of a small, Vancouver-based company that distributes premium ice, Nesbit signs off on all her messages with a variety of cheery, brand-appropriate tags, like "Cool yet warm regards," "Keeping it Cool," or "Keep it cool, Ice Princess."

Of course, Nesbit and business partner Jennifer Trayler, both 32, have learned plenty more than that since launching their business, On the Rocks, in 2009.

Their foray into entrepreneurship has been an intense education on all fronts as they look to build their sales, now primarily concentrated in Metro Vancouver, across Canada and beyond.

Much of the challenge they enjoy: networking, interacting with clients, and the opportunity to call the shots.

But not everything has been rosy.

Self-employment has also meant no dental plan, 14-hour work days, and far fewer dollars than the two women were used to earning in the corporate sector.

"Starting a business is not an easy thing," said Nesbit. "You have to do a lot of things that you are maybe not so comfortable with ... and push yourself every day to keep going. It is definitely not for everyone."

And while that may be true, it's still something an increasing number of Canadians seem willing to do.

A recent report by CIBC World Markets found self-



Rabinder Kooner, business plan adviser with Small Business BC, says income is rarely the main factor in starting a business. Instead, it's more about lifestyle and having control over one's life.

employment in Canada grew by two per cent last year, double the pace of regular employment. At the same time, real disposable income stalled, prompting the report's author, Benjamin Tal, to raise the alarm over the direction of job quality in the country.

"The surge in self-employment reduces the overall quality of employment, largely due to the fact that, on average, a self-employed person earns 10-per-cent to 15-per-cent less than a regular employee," Tal concluded.

In British Columbia, where the self-employed make up about 17 per cent of total employment in the province, economists share the same concerns.

"I would add that there is a positive relationship between firm size and worker compensation: larger organizations, on

average, pay higher wages/salaries — and provide more non-wage benefits — than smaller ones," said Jock Finlayson, executive vice-president of the Business Council of B.C., in an email.

"In the B.C. context, we need to realize that having more large enterprises operating in the province will have a positive impact on worker and thus household incomes. A higher rate of self-employment will tend to have the opposite effect."

But is job quality really only about the number of zeros on a paycheque? And if so, why are so many British Columbians making the leap to become their own bosses?

Rabinder Kooner has heard it all in his 15 years' experience as a business adviser with Small Business BC, from the ambitious graphic artist looking for more creative say to the out-of-

work office professional who wants to become a consultant.

"It's a broad cross-section," Kooner said of those drawn to the challenge of self-employment. Income, while important, is rarely the primary driving factor behind the decision. Rather, it has more to do with lifestyle: the ability to make decisions, and have control and flexibility over what they do and how they do it.

"That compensates for less income," Kooner said.

That experience is consistent with the findings of a 2007 Hewlett-Packard-Ipsos Reid survey that ranked self-employment above other career options in terms of job satisfaction. Working in the public sector and for large companies scored the lowest satisfaction rating.

The survey, which was commissioned by the Canadian

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BUSINESS PLAN ADVISER,
SMALL BUSINESS BC

Federation of Independent Business, also found that more than half (58.3 per cent) of business-owner respondents cited the top reason for becoming self-employed was the opportunity to be their own boss and make their own decisions.

As well, 39 per cent felt that owning their own business fit well with their lifestyle, while 36 per cent believed their skills and knowledge would be better utilized.

That's all true for Nesbit and Trayler, who formed their business partnership in direct response to what they felt was a lack of flexibility and stability with previous employers.

Nesbit, an interior designer by training, had twice been laid off when the economy soured in 2008, while Trayler, an artist turned saleswoman, found the corporate world a mismatch for her strong

social beliefs and interest in volunteering.

"We talked about how it would be so cool to start our own company, something we could be proud of and reflects our own core values. That is where the conversation started," Nesbit said.

Both women say they are pleased with the results yielded by all their hard work over the past two years, and look to add employees of their own, beyond their current two-person operation, as their client base and profit margin steadily grows.

In the meantime, Nesbit said, "We really do, at this point, anything we need to do to make our business work."

"Neither of us regrets making this decision," she added.

Kooner said that in his experience, interest in self-employment gains steam when the economy is weak. Between 2009 and 2011, for instance, inquiries to his office for help and advice increased noticeably as the labour market contracted and companies shed workers.

That trend has slowed in the last six months, he said, in keeping with a more positive employment picture in the province.

Regardless, Kooner warned that self-employment, for whatever reason, should not be entered into lightly.

Success depends on so much more than being talented in a specific skill set or trade.

"They have to be a business person first. They have to have excellent skills in marketing, networking, bookkeeping and accounting — having a good sense of finance," he said. "It's not following your passion, making furniture or whatever. It's you, on the phone, trying to make the sale."

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