

Recipe For Starting A Sideline

This printable version of the Student Sidelines Recipe has the latest, and most complete set of instructions. The Steps are like a Recipe, except you decide on the ingredients that go into the creation you want to “bake” for others to enjoy. This 8-section guide provides just enough structure for your Sideline so you don’t leave out any key ingredients, but you have lots of flexibility to add and subtract ingredients and, if necessary, scrap your original idea and replace it with another. Have at it!

Step 1 – The Idea: Identify a part-time activity you enjoy, that you are [or could be] good at doing, for which people would pay you at least \$1 to receive. (Let passion guide your initial thought, not practicality):

Now add some ingredients: Take no more than 10 minutes to make an initial assessment of 6 time and money factors that influence the profitability of your idea. In each of the spaces below, estimate the numbers that you think reflect how much time or money will be required to make your idea profitable. It’s fine to make educated guesses. After you’ve entered the numbers, follow the directions to calculate your initial “guesstimate” of weekly profit and your approximate hourly earnings, assuming you do all of the work to bring this item to your customers.

Initial Earnings and Profit Estimator	
A. Minutes required to complete each item [or service] you intend to sell:	
B. Materials Cost per item:	
C. Number of items (or service) that can be delivered each week:	
D. Price to customer for each item sold, excluding tax:	
E. Number of anticipated units sold per week:	
F. Estimated Cost/Expenses to operate this Sideline per week:	
<hr/>	
G. Estimated Total Revenue per Week (D x E)	
H. Cost/expenses per week: (F + B x E)	
I. Profit per week: (G – H)	
J. Hourly Earnings Estimate: (I / (A x E)/60)	

Step 2 – Quick Review of the Idea: You now have a rough initial estimate of how profitable your Sideline idea is, and the hourly wage you might expect if everything you’ve estimated proves to be accurate. Remind yourself – this is just a first try estimate – the numbers will change for sure. Now review your initial ingredients – if these Estimator results show an earnings rate and a satisfactory number of hours per week for your situation, continue on to Step 3. However, if the Estimator results show no profit, or unacceptable to you earnings and time, take a few minutes using the question below to rethink and re-estimate your idea. (A typical guideline you might use is earnings over \$10 per hour, and 8 or fewer hours per week.)

Question: How might I simplify my proposed item to be cheaper or easier to make, or completed with greater quality so I can charge a higher sales price? Don’t dwell on an answer – think simple. If you’re stuck, we recommend you go to the blog and review the post “*How to Simplify a Sideline?*” for a couple of examples. After that, ask yourself again, “Which 1 or 2 factors would it be easiest and best for me to change and simplify right now?” Pick adjustments from this following list: [check up to 2 factors]

Sideline Simplification Suggestions	
Reduce or increase the quality of my item?	
Alter time required for me to provide this item to a customer?	
Serve different customers than originally planned?	
Alter the sales price of my item?	
Sell the item in a different way?	

For the adjustment you selected write an explanation about how you intend to make a change and what the impact would be on the 6 Key Numbers in the Estimator:

Now re-compute those parts of your Initial Earnings and Profit Estimator you intend to change and see how the numbers come out. If you now have Earnings and Hours required numbers that meet or exceed your needs, move on to Step 3. If you are not able to generate a positive result, rework Step 2 after reviewing additional blog suggestions.

Step 3 – Focus on your customers: Let’s take a much closer look at who will be your intended customers, and why you picked them as your primary target.

Write down 3 things about your desired customers that you know to be true, which would likely cause them to want to buy your item:

Customer Preference 1: _____
 Customer Preference 2: _____
 Customer Preference 3: _____

Question: Given the 3 qualities identified above, what Customer Preference Measure will your buyers most likely use to judge how well your offered item satisfies their needs, recognizing that customers are more likely to speak with their wallets than their mouths to directly disclose their preferences. Be as specific as you can at identifying an observable, measurable preference measure they will likely use to decide if they want to buy your item, hopefully multiple times. [See Examples on the web site]

Customer Preference Measure: _____

Step 4 – Identify Your Deliverables: Given the question you just answered about how preferred customers are likely to judge whether your item meets their needs, how might you narrow and refine your item’s design or function so your preferred customers are even more likely to want to buy from you? Here’s a helper hint: in trying to assess and please your customers you can usually apply only two of the following three customer requirements. Pick the two you are targeting:

Price? _____ Quality? _____ Efficiency? _____

Question: On what basis did you pick these two customer preference indicators and how does this affect your thinking about refining and narrowing your product or service idea?

--

Step 5 – Identify Your Approach to Delivery: Now that you’ve spent some time narrowing and focusing on your desired customers and how they will likely judge your work before deciding to buy, how do you intend to best deliver this product or service? The most common answer is to do all the work by yourself to ensure the quality you seek, even if it takes a lot more hours to get there.

Before settling on doing all the work yourself, rank these alternate delivery methods where #1 is the most important method and #4 is the least important method you might consider using:

Do all of the work myself, regardless of how much time it takes, so I can ensure quality results	
Do most of the work myself, but farm out a few parts of the work that are either too complex, or very simple for another less costly person to do	
Do less than 50% of the work myself, but find/train other(s) who can complete the necessary work at a cheaper rate	
Find a way to do almost none of the work myself, but train/delegate the work to other(s) who can do it at least acceptably	

Before moving on to Step 6, review your understanding of labor substitution [[See Labor Substitution in Studio section](#)] in delivering your sideline idea, rather than doing all of the work yourself

Step 6 -- Progress Thermometer– After you’ve added all the ingredients to your recipe and are ready to cook your idea, it is very important to use both temperature setting and cook time to gauge how well your recipe is turning out – to see if your Sideline is profitable, and preserved as a part-time activity, requiring no more than the amount of time per week you initially signed up for. The Temperature setting for your Sideline is represented by an Effectiveness Metric – that shows you’re doing things right. And a Success Metric – that demonstrates your doing the right things.

An **Effectiveness Metric:** measures how well your Sideline idea is progressing, like food baking in the oven. It examines how much and how well you are taking actions largely under your control that significantly contribute to your profitability and customer satisfaction. It measures things you’re doing things right. If you offered an on-call bicycle repair service near campus, an Effectiveness Metric might be the number of free bike tire pressure checks and fills you made near a campus entrance to inform students about your service. You don’t make money directly checking tire pressure, but you do show prospective customers you are ready to serve them and are quick in helping them out.

What would be an Effectiveness Metric for your Sideline? _____

Success Metrics: address how well your idea has “cooked”. It records not only profitability measures, but also tracks progress in customer contacts, referrals, positive reviews online and other indicators. Using the same student on-call bicycle repair service, one Success Metric might be the number of referrals per month made to you by already satisfied customers.

Describe a Success Metric for your Sideline: _____

Step 7 – Recalculate financial feasibility: Use the Sideline Profitability Calculator below to more carefully review whether or not to proceed with your Sideline Idea:

Sideline Profitability Calculator (At end of first 3 months of operation)	
A. Total minutes required to complete each item [or service] you intend to sell:	
B. Minutes YOU intend to spend per item:	
C. Minutes per item delegated to others:	
D. Material cost per item:	
E. Price to customer for each item sold, excluding tax:	
F. Number of anticipated units sold per week (at end of first 3 months of operation):	
G. Hourly rate paid to others:	
H. Total weekly monies paid to others: (C x G)	
I. Total minutes required to advertise and attract the number of customers, per week:	
J. Anticipated cost of advertising per week:	
K. Estimated Cost/Expenses to operate this Sideline per week: (H + J + D x F)	
L. Estimated Total Revenue per Week (E x F)	
M. Hours YOU spend per week: (B x F + I)/60	
N. Estimated Profit per Week after 3 months of operation: (L – K)	
O. Your hourly earnings estimate: (N / M)	

Step 8: Future Staging Description: [to be completed 2-4 weeks after your Sideline has commenced] As you begin implementing your Student Sideline, it will be important to complete this step where you are to take up to 500 words to describe if and how you intend to “stage” your Sideline to the next level of success. Whether or not you include all 7 of the prior Sideline Recipe components, or just a revised Profitability Calculator in this Future Staging Description, please do include quantifiable explanations of at least two steps you will take insure that this Sideline remains a part-time activity in your life?

Go Sell Your First CUSTOMER!