

# A Simply Business Guide To:

# Starting a Handyman Business.



# Contents Page

04–11	<a href="#"><u>Wait! Before You Start Your Handyman Business</u></a>	29–30	<a href="#"><u>Creating a Constant Supply of Customers</u></a>	47–48	<a href="#"><u>Before You Start Thinking About Money...</u></a>
12–14	<a href="#"><u>Do You Need a Business License?</u></a>	31–33	<a href="#"><u>Finding Your First Customer</u></a>	49–51	<a href="#"><u>Coming up with Your Hourly Rate</u></a>
15–18	<a href="#"><u>The Cost of Starting Your Handyman Business</u></a>	34–36	<a href="#"><u>Turning One-Time Projects Into Long-Term Clients</u></a>	52–54	<a href="#"><u>Creating a Project Estimate</u></a>
19–20	<a href="#"><u>Setting up Your Handyman Business</u></a>	37–38	<a href="#"><u>What About Finding Customers Online?</u></a>	55–56	<a href="#"><u>(Labor Costs + Materials) ÷ Markup = Final Quote</u></a>
21–23	<a href="#"><u>Your Business Plan</u></a>	39–41	<a href="#"><u>Which Online Bidding Sites Are Worth It?</u></a>	57–59	<a href="#"><u>Hiring Your First Employee</u></a>
24–26	<a href="#"><u>Getting Small Business Insurance</u></a>	42–44	<a href="#"><u>The Secrets to a Successful Bid</u></a>	60–62	<a href="#"><u>You've Got Your First Employee - Now What?</u></a>
27–28	<a href="#"><u>Getting The Tools and Equipment You Need</u></a>	45–46	<a href="#"><u>The Good Stuff: Making Money</u></a>	63	<a href="#"><u>Ready to Get Started?</u></a>



## Chapter One

# Wait! Before You Start Your Handyman Business...

**...You know you're ready to start a handyman business  
- but are you *ready ready*?**

There's a key difference between knowing that you've got a money-making skill ("Hey, I'm really good at installing cabinets") and mapping out each step of starting your handyman business. That's why this section is dedicated to walking you through the exact questions you need to answer so you can set yourself up for success.

Let's get started!

## Question 1

# What Are Your Specialities?

**By definition, a handyman is supposed to be “handy” with everything. But if you really want to start a successful business, it pays to narrow down what your specialties are. For example, are you really awesome at rewiring homes? Do you have a knack for fixing any plumbing problem? Is yard clean up no match for you?**

If you only have a couple of specialties, consider expanding your horizons so

you have more to offer customers. You should have a pretty solid list of tasks and activities you can perform. For a little inspiration, check out the websites of a few top-rated handymen in your area. See what services they have listed on their sites - notice how detailed they get? Remember, you want to write these services in such a way that your customers understand what you’re offering.

For example, instead of saying “residential remodelling,” you could

substitute it with “remodelling kitchens, re-doing bathrooms, finishing basements, updating living rooms” - notice the difference there? When you list your specialties in a way that makes sense to your customers, you could end up getting more work.

## Question 2

# Is There a Market for Your Services?

**You've got the skills and the confidence. All that there's left to do is actually get your business up and running - right?**

Stop right there! Before you launch your handyman business, consider this: One of the most common mistakes that handymen make is that they don't determine if there's a market for their services.

Think about it: If you live in a city where there's a handyman on every block,

chances are you're going to be facing stiff competition for clients. If, on the other hand, there's not a handyman for dozens of miles, you could quickly establish yourself as the go-to expert for handyman services.

So how can you tell if there's a good market for your handyman services? You could do a little online research, but we'll cut the learning curve down for you. [Take a look at this article](#), which lists the states where handymen are in highest demand.

Keep in mind that this isn't an exact science, and should definitely be coupled with more online research.

So what's the bottom line here? Simple: Make sure you understand if there's an appetite for your handyman services. Otherwise, your business could end up going under within your first few years.

## Question 3

# Are You Prepared to Run Your Business?

**You've got the handyman side of the business down pat - but are you ready for all the hidden tasks that might eat up the rest of your day?**

Running a successful handyman business means you're going to fill a lot of roles. You'll be an accountant, a bookkeeper, a lawyer, an office manager, and a marketer - and

that's just what you should expect on a daily basis. Many handymen run into the danger of not anticipating all this extra work, which is just as important - if not more so - than actually doing handyman work.

If you want a handyman business that will stick around, you'll need to account for all of this extra work. During your first few months of business, you'll rarely spend an eight-hour day

doing just handyman projects.

**Just consider all the tasks you'll need to complete in order to tackle your first job:**

- Find and market to clients
- Create invoices
- Register your business
- Build a website
- Open a business bank account
- Save receipts and invoices
- Buy tools

This information isn't meant to dissuade you from becoming a handyman; it's designed to help you prepare for the most successful start possible. Expect and plan to put in a lot of admin work now, rather than fitting it in after a long day of working. That's when you could potentially run into trouble.

## Question 4

# Do You Have Money to Start With?

**While you don't need to have lots of money to start a handyman business - especially if you already have a few tools to your name - you should have some runway money to start with.**

Between registering your business, setting up your marketing, and buying other equipment (including a reliable source of transportation!), You may need enough of a financial cushion to cover your start-up expenses.

Make sure you understand where your start-up costs are coming from. If you're using personal funding or a line of credit to finance your business, map out your expenses to ensure you know exactly how much you're spending. Save all of your receipts and track expenses, as many of these can be tax-deductible. Don't forget that you'll need funding to spend on any fees associated with starting your business, like licenses and insurance (more on this later).



## Question 5

# Is There a Handyman Business You Admire?

**Imitation is the sincerest form of flattery - and if there's a handyman business you admire, try to figure out what it is about that business that works so well. Think of it as competitor research!**

Successful handyman businesses have already ironed out the learning curves of starting a business, so don't hesitate to follow in their footsteps.

Take a look at a few examples of how you can use your competitors to cut down on your own learning curve:

- **Take a look at their websites to see what services they list and the prices they charge**
- **Go online to check out what their marketing looks like**
- **Grab a beer or coffee with a local handyman who's willing to share advice with you**

Again, keep an eye out for how many handyman businesses there are in your area. If you're coming across a lot of businesses, you might want to return to the second question in this section ("Is there a market for your handyman business?") and take another look.

## Question 6

# Do You Have a Long-Term Plan?

**The most successful handymen have a strong idea of where they want their businesses to be in five or ten years.**

While you may want to be your own boss, what happens when your business grows enough to start hiring employees? Do you want to remain a small operation, or do you have your eyes on a larger company? Do you always want to be in charge, or do you have hopes of handing down your business to a great employee or relative?

No matter what your long-term plans might be, make sure you always keep them in mind when making any business decision.

While there are plenty of other questions that you should be asking yourself before starting a handyman business, these six main questions can help you get started down the right path.

Next up - how to tell if you need a business license.



## Chapter Two

# Do You Need a Business License?

**It's not exactly the most exciting question to ask yourself, but trust us - you'll want to figure out if you need a business license ASAP.**

Don't worry, there's nothing too complicated associated with this question, because the answer is most definitely YES. A handyman license shows that you've been vetted and tested by the state; plus, most customers will only want to work with a licensed handyman.

But what exactly is involved with the process of getting a license for your handyman business?

While each state has its own special requirements, follow these basic steps to get your handyman business licensed and ready to rock:

- **Check out your state's specific requirements for getting licensed. Most handymen will actually need to get a contractor's license, which you can get more information about [here](#).**
- **Find out if you'll need one general license, or if you'll need to be licensed in each specific area you specialize in. You can [click here](#) to get more information about your specific state's requirements.**

- Pick out your business name. Remember, this is the name that will go on all documentation, including your taxes - so make sure you like it.
- Get enough training to suit your state's licensing requirements. If you're brand-new to the handyman world, you may want to join up with a local community college or handyman association to get training. If you've worked with another contractor or handyman association, you could use your on-the-job experience to fulfill these requirements.
- Take the handyman exam. While the exam itself isn't exactly fun, it's necessary to getting your contractor's license. If you're worried about passing the exam, don't worry - we've got a contractor's license exam guide that will turn that exam into a piece of cake.
- Fill out and submit your licensing application. You'll get all the applications and forms you need after taking your exam; if you don't, you can contact your state's small business department or Secretary of State for the forms. Don't take too long to submit your application; your test scores are only valid for a year. Keep in mind that you may be asked to provide proof of business insurance (more on that later) and any fees associated with getting your license.
- Figure out if you want to register your business as a sole proprietorship or a limited liability company (LLC). No worries - we'll cover how to do this in a later chapter.

Getting your business license doesn't have to be a complicated experience, but it is a necessary one. Customers are far more likely to work with handymen who are licensed and insured, so don't end up missing out on them just to avoid some paperwork.



# The Cost of Starting Your Handyman Business

**Here's the good news: Once you've identified that there's a market for your handyman skills and you've got your license in hand, you're about 90% ready to get out there and land your first job.**

Now here's the not-so-good news - you're going to need a bit of capital to get started.

We're not talking crazy business loans here. Handyman are pretty fortunate in that they can keep their start-up

costs pretty cheap, especially if they already have their own tools (No tools? No problem - we'll talk about buying tools later). Plus, it's easy to add more items to your business as you start getting projects.

So let's get straight to the point here - What's the absolute minimum amount of money you need to start your handyman business?

**Answer:** Expect to spend about \$2,000-\$4,000 in startup costs.

This number is a pretty safe estimate on what the typical handyman spends on starting his or her business, assuming that he or she already has a few tools. Let's break down where this figure came from so you can better understand where your start-up funds are going.

Item	Cost
Your Business License	\$100-\$400
Your Website (Startup Costs)	\$100 to design/set up your own; then \$20/month after. \$1000-\$1500 for professional design.
Logo Design	\$100-\$200
Marketing Costs	\$500
Business Insurance	\$100/month
Additional Tools	\$500-\$1500, depending on how many tools you have.



Obviously this chart leaves out a few key startup costs, including the cost of buying a truck or van for your business. If you can wait, use a personal vehicle until you're able to buy something later down the line. Remember to save all receipts and log all miles. If you end up using your personal vehicle for business purposes more than 60% of the time, you can deduct these expenses come tax time.

This chart also leaves out the cost of a contractor's license, which you may be able to get away with not having based on your state. For example, some states allow handyman business owners without licenses to work on projects that are less than \$1000. Some states require a contractor's license for *any* project. If you're still not sure where your state stands, head back to the last chapter to learn more about your state's licensing requirements.

The list also didn't include the cost

of opening a business bank account, which you'll absolutely need within the first month of starting your handyman business. Most business bank accounts are free to open, and require a minimum balance in order to remain free.

### **Need help deciding where to bank?**

[Here's a great website](#) that breaks down the best business bank accounts based on your needs and the state where you're doing business.

If you already have your own van/truck, a fair number of tools, and a few clients ready to work with you, you could easily start your handyman business for less than \$1000. However, resist the urge to start it as cheaply as possible, especially when it comes to licensing and getting business insurance. Those are the kinds of costs where it pays to invest more upfront, because having an accident on-site or being sued by a client could end up costing you a *lot* more money.

Again, you don't have to buy everything you could ever need for your handyman business during your first month of operation. A lot of costs can be spread out over the course of the first year of your business.

If you're still not sure how much money you'll need to start up your handyman business, ask another handyman in your area to share his or her own experiences. While you shouldn't expect a price breakdown, talking to a fellow professional can make it easier to plan for upcoming expenses.

Try to avoid going into too much personal debt when starting your handyman business. It's tough to start a handyman business when you have a cloud of debt hanging over your head; plus, a lot of your biggest expenses can be pushed until whenever you start making a solid income. Make sure you save all of your receipts and invoices so you can write off expenses on your taxes.



## Chapter Four

# Setting up Your Handyman Business

**All right, we have a confession to make - this isn't exactly going to be the most exciting chapter you'll read in this book.**

Paperwork can be boring, especially when you're itching to get started. Plus, if you already have handyman tools at your disposal, you might be tempted to skip this chapter altogether.

But make no mistake, this chapter is critical to getting your handyman business started on the right foot. Boring paperwork aside, this section focuses on the key plans and documents you need in place before you even step foot onto a client's property.

After all, if you're not insured, you could end up putting your handyman business at serious risk before you've even started.

When it comes to setting up your handyman business, let's take a look at the key items you need to get in place ASAP.



## Chapter Five

# Your Business Plan

**Don't worry - you don't have to create a super-official business plan. Just think of this section as the opportunity to reflect on what it is that you actually want to achieve with your handyman business.**

See, a lot of your fellow handymen start their businesses because they know in their hearts that they can do better. They've worked with terrible bosses who prioritize the paycheck over the client work, or who make a point of yelling at their employees for the smallest infractions. These guys start their businesses because they're

sick and tired of watching that fat project paycheck go straight into the boss's hands, only to end up with a small slice of payment.

You probably have similar reasons for wanting to start your own handyman business. And those reasons can be enough to get you up in the morning for the first few months.

But eventually, that initial fuel is going to burn out. You need something more than emotions to sustain the act of starting, running, and growing your company.

That's where your business plan comes into play.

**Think of your business plan as a written checklist for three key milestones from Day 1 of starting your business:**

- 1. Six months out**
- 2. One year out**
- 3. Five years out**

Break down what your successful business will look like at each of these stages. Really get specific here, as these milestones can help measure if your business is on the right track, or if you should do some course corrections.

Here are a few questions that can get you started:

- How many clients will you have?
- How much will your business be making in profits?
- Where will you be working?
- How many employees will you have?
- Where will you be getting most of your work?

Make sure you keep your answers pretty reasonable; after all, it's pretty rare to have 50 clients within the first six months of starting your business (unless you inherited a lot of clients from your previous job). Feel free to adjust the milestones as you learn more about running a business, but pay attention. If you're constantly adjusting your milestones, it shows that your business outlook might not be realistic.

Once you've mapped out your anticipated milestones, write a quick paragraph answering each of the

following questions:

1. How much money will you spend per month on acquiring/maintaining your tools?
2. How many new clients do you plan on acquiring each month?
3. How many clients will you maintain from your current list?
4. How many jobs will you complete each week? Month?
5. How much time each week will you dedicate to admin activities?
6. What's the time limit you'll spend on travel each day?
7. When will you hire your first employee? Your second?

These questions are meant to encourage thinking about more than the day-to-day aspect of running your handyman business. It's easy to get trapped in thinking about what you need for today and tomorrow - but what about a month from now? Six months from now?

This business plan can help prevent you from getting so caught up in your day-to-day activities that you don't end up growing your business!

One important note: If you're looking to secure a business loan from a bank or credit union, you might be asked to supply them with a business plan. This type of plan requires more financial information, like current sales, business growth, and financial forecasts. You should certainly use the plan you developed for this section as inspiration for a more "official" business plan, but keep the two separated. The plan you created just now is meant to keep yourself on track and inspired.



## Chapter Six

# Getting small business insurance

**It's no surprise here - a small business insurance company has a section about small business insurance!**

But don't let that minimize the importance of protecting your handyman business, even if you only have a single customer and a handful of projects to your name.

**Don't believe us?** Ask any handyman or contractor if you need business insurance. We're willing to bet that 9 times out of 10, the people you asked responded with a resounding YES.

**So why is business insurance so important?**

**Simple:** It ensures that everyone involved in a project - the business owner, the client, and even the employee - is protected from disaster. Let's say you're hired to repair some leaks on a client's roof. You breeze through this seemingly easy project, but then a rainstorm reveals that you actually didn't do as great a job as you thought. The client's bedroom is ruined - and you have to pay up.

Or you're competing with a few other local handymen to land a long-term project with a property developer. The project could completely change the trajectory of your business, so you're ready with your portfolio, customer



testimonials, and even a few free estimates. You're 100% confident you've got this job in the bag - but then the property developer rejects your proposal simply because you're not insured.

Business insurance is no joke - and if you want to own a successful handyman company, you have to have it. Clients won't work with you if you're not insured. In fact, in many states, you can't even get licensed without business insurance.

Don't worry, you don't need anything too complicated when you're starting out your business. Most handymen will need to start with a [general liability insurance policy](#), which

typically covers accidents, property damage, and anything else damaged while running your business. Handymen with employees should also secure a [workers compensation policy](#), which covers the medical costs and wages of any employee who is injured on the job.

You can [find and compare quotes](#) for both types of policies at Simply Business. We specialize in small business insurance for handymen, so you'll get personalized coverage at affordable prices. All you need to do is provide a few details about yourself and your handyman business - we'll take care of the rest.



# Getting The Tools and Equipment You Need

**If you're contemplating starting your own handyman business, chances are you've had some contracting experience and you're ready to go out on your own.**

Or you love doing handyman work on the side, and now you've decided to go full-time. Whatever the case, we're making the assumption that you've collected a few tools along the way, so you're not starting with absolutely zilch.

But how do you know if you have

all the tools you need to start your handyman business?

The truth is, you probably already have everything you need to get started. Don't wait around until you've collected every tool out there, because you're always going to need new tools and equipment. Plus, it's an easy way to blow through your start-up budget without fully understanding what types of projects you'll be specializing in. Besides, you don't want to end up buying thousands of dollars worth of tools that you'll only ever use on a couple of projects.

Still, you want to make sure you're as prepared as possible. That's why we've prepared this handy-dandy (pun intended) checklist of handyman tools you should already have before your first project:

Okay, you've got the tools. You've got the business insurance. And you've got a business plan that'll keep you in check over the next few years. Now all you need is a project to work on...

Problem is, where do you find your first customer?

# List of 50 tools which every handyman needs:

1.  A cordless Drill
2.  A solid Hammer
3.  A dependable Level
4.  Your own Table Saw
5.  A good quality Paint Brush
6.  An extendable Paint roller
7.  5 Gallon bucket
8.  Philips head screwdriver
9.  Flat head screw driver
10.  Duct tape
11.  Miter saw
12.  Sandpaper
13.  A pneumatic nail gun
14.  Protective glasses
15.  Air mask
16.  Wire cutters
17.  Industrial strength scissors
18.  Jigsaw
19.  Reciprocating saw
20.  A strong tape measure
21.  Chalk line
22.  Straight edge
23.  Right angle
24.  A good pencil
25.  A hand saw for whenever the others don't work
26.  A good tool belt
27.  Wood putty
28.  A strong chisel
29.  A great router
30.  A band saw will shave hours off a long job
31.  An air compressor
32.  All the air tools that go with an air compressor
33.  A brad nailer
34.  A trim nailer
35.  Gloves to protect your most valued asset- your hands
36.  A coping saw
37.  A truck or vehicle to haul all these tools
38.  Good tool bag or box
39.  A planer
40.  A strong set of drill bits
41.  A ladder
42.  A stepstool
43.  Tarps and drop cloths
44.  A good rag
45.  A caulk gun
46.  A putty knife
47.  Clamps to hold stuff together
48.  Wood glue
49.  A phone to call the pros when you can't do it
50.  Money to pay the pros

## Chapter Eight

# Creating a Constant Supply of Customers

**The biggest mistake that handymen make is that they fail to set up a steady stream of clients.**

Most handyman projects take a “one and done” approach, where you might not see a customer again unless he or she needs something else in the future.

The erratic nature of handyman work can make it difficult to earn a steady income. If you’re not sure where your next project is coming from, it can be tough to budget out your monthly expenses. In fact, finding and keeping a steady stream of customers is one of the biggest challenges of running a handyman business - and where most businesses end up failing.

But not you!

To create a constant supply of customers, you need to approach the process in two ways:

- 1. Find lots of new customers**
- 2. Retain customers with consistent work**

The goal here is to create a foundation of clients who always have work around the house, and to supplement that foundation with new customers who have one-time projects.

Ready to find those customers and start making money?



# Finding Your First Customer

**If you've already done your research, you know that there's a pretty good demand for your services (and if you haven't, go back to the beginning of this book).**

What you need to do now is reach out to those potential customers... *without* wading your way through tons of competition.

For this reason, forget advertising your services on sites like Craigslist and Facebook. Every other handyman you're competing with is on these sites - and that means you'll be fighting more established businesses for their scraps. Take a look at these techniques to get customers without the competition:

1. **Use mailing offers:** If there's a lot of online competition, you need to find a way to capture clientele attention offline. One handy (no pun intended) trick is to create a bunch of

beautiful, glossy postcards with your name and contact information. For the postcard, use a high-res photo of the best project you've ever done. Place those postcards in mailboxes within your local neighborhoods (bonus points if you target upscale residences). It can take some time, but pretty soon the calls will start rolling in.

2. **Contact real estate agents and property companies:** One of the fastest ways to find handyman work is to offer your services to real estate agents and property companies. Google apartment buildings and real estate agents in your area and contact them with special pricing (more on that later). One word of warning - you don't want this to be a long-term solution. The best money can be found working with high-end clients in nice residential areas. However, real estate agents and property companies can be great starting points if you're looking to establish income and referrals.

- 3. Put your number everywhere:** If you have a truck, plaster your number on it with an enticing call-to-action (for example, a 10% discount for new clients could prompt phone calls). Order business cards with all of your contact info (you can get them for cheap at sites like VistaPrint). Make sure all of your social media pages contain your business contact info, as you never know when someone in your network might want to hire you. Speaking of which...
- 4. Build your online presence:** What's the first thing you do when you're looking for a new restaurant or want to find a great vendor? Chances are you look online to see their reviews. It can be challenging for brand-new handyman without reviews; however, you want to make sure you have some kind of online presence. If people Google your name and come up empty, they might be less likely to hire you.

You don't need to go overboard with your online presence. You can create a simple website in a couple of hours using services like [Wix](#) or [SquareSpace](#). Be sure to include a few photos of work you've done in the past, even if it was for yourself. Remember, you're using your website to show off your skills; if you're good at what you do, the clients will eventually come knocking at your door.

These techniques are great ways to find work without competing online with more established handymen. Once you start getting phone calls from interested clients, you can switch to using different strategies to ensure they become repeat customers.





# Turning One-Time Projects Into Long-Term Clients

**So you've got a few projects coming your way - awesome! But how do you turn those one-time projects into consistent work?**

**Simple:** Make it so that your customers are so impressed with your work that they'll keep you in mind whenever they have another project. Delivering exceptional customer service is the best way to ensure that clients call you time and time again for additional projects. That means showing up to work on time,

being polite and friendly, completing the project on time, and being 100% transparent about pricing.

**While you're at it, don't forget to try out these tips:**

- 1. Offer repeat client benefits:** Let's say you fixed a client's washing machine. That client was super-pleased with your work and is open to hiring you again. Sweeten the deal by offering discounts for repeat projects. Just be sure you can afford the discounts; you

don't want to end up pricing yourself out of business. Another repeat client benefit could be an annual check-in where you do a walk-through of their home and make recommendations about what might need to be fixed. Remind them that it's easier to fix a small problem now than wait until it becomes a huge problem later.

- 2. Ask for more work:** Be straightforward with the fact that you want to work on additional projects. Let clients know you enjoyed working with them. Send

them flyers in the mail, or shoot them an email a couple of months after a project to check in and see how they're doing. Plan on touching base with all past clients at least three times per year. It's a great way to scoop up additional projects!

- 3. Send out text messages:** As you take on more projects, ensure that you collect phone numbers and email addresses. Plan on sending out text messages to past clientele every quarter or so. Text campaigns are a highly effective way to get in front of your customers. Think about it this way - when's the last time you ignored a text message?
- 4. Don't just blast off a random text message;** make it worth a customer's time to read what you have to say. Offer a seasonal discount, send a reminder that they need work done, or just phrase the text in such a way that it sounds like you're checking in.

- 5. Create enticing services:** If you want to avoid the one-and-done nature of handyman work, try creating packages out of your services. For example, instead of charging for a single boiler repair visit, offer an annual package where clients can call on you for unlimited boiler repairs. It's a great way to build a steady stream of income; plus, you won't have to spend too much of your time trying to find new clients.

A lot of these tips require texting, emails, and other marketing materials - make sure you're budgeting accordingly. Get an unlimited texting plan where you can shoot out promotional texts. Sign up for an email service that allows you to create professional-looking emails (MailChimp and Constant Contact are two great email services for small businesses).

**One important note:** Engaging in any type of marketing requires listening carefully to what your customers have

to say to you. If a customer asks to be removed from your emails or your text messages, take them off immediately. Otherwise, if you keep texting or emailing them, you could end up in serious legal trouble.



## Chapter Eleven

# What About Finding Customers Online?

**You may have noticed that there's a rise in websites where handymen can find new customers and projects (think Thumbtack, HomeAdvisor, etc).**

These sites offer a cool advantage to handyman in that you can find lots of projects from clients who are ready to hire.

But before you bid, wait! It's easy to get lost in these sites, especially if you're not sure what you're doing or how to set up a successful bid. Your time is money - so let's go through the sites where you could end up making a significant income.



# Which Online Bidding Sites Are Worth It?

**We'll preface this section by saying one thing - each and every one of this handyman project sites needs time and dedication to deliver a pay-off.**

Don't expect to swoop in and win the first project you bid on. Instead, it takes time and plenty of practice before you start winning over customers. So ask yourself - do you have the time and dedication for online bidding? Are you willing to accept failure and continue testing proposals

until you find something that works?

Now that we've got those questions out of the way, let's take a look at the best sites where you can find customers who are looking for handyman services:

1. **Handyman.com**: This site allows you to search through projects posted by homeowners near you. Handyman.com will also match you to specific projects that seem to be a good fit based on your profile info.
2. **HomeAdvisor.com**: This juggernaut

site allows you to quickly browse handyman projects based on your location. While HomeAdvisor is billed as a contractor-focused site, there's a wealth of projects for handymen to bid on.

3. **BuildZoom.com**: This site is similar to HomeAdvisor in that it heavily focuses on contractors; however, handymen who specialize in residential projects will definitely find a ton of work waiting for them on this site.

4. **Thumbtack.com**: Another great site that's dedicated to connecting service professionals (like handymen!) to clients looking for help with their projects. Project can range in size and type, so you'll definitely find some interesting work on a regular basis.

5. **Nextdoor.com**: Think of this site as social media for individual neighborhoods. Folks can post updates, ask questions, and look for services recommended by their fellow locals. This is a HUGE advantage to handymen, because you can post your services here (for free) and start building up a local base. Once you get a few clients under your belt, they'll start recommending you to their friends and neighbors - and that's where your business really takes off.

For now, avoid expensive sites like Angie's List, since they can be pretty pricey to join and manage. You want to keep your startup costs as slim as possible -

and Angie's List can quickly run into the thousands before you know it.

Poke around these sites to get a feel for how they work. In general, they all share one similarity: They help connect customers with handymen who can get the project done.

With that in mind, it's important to build out the best profile possible. Spend time on your profile, as it will likely be the first touchpoint potential clients have with your business.

**Make sure you include the following info in all of your profile, regardless of which site it's posted on:**

- **Your business name**
- **Your full name**
- **Your contact details (phone number and email address)**
- **The location where you operate**
- **Locations where you travel to for work**
- **Your service specialities**
- **Your website**

- **Photos of your work**
- **Your hourly rate or project range**

In addition to this basic info, you should also include a few short paragraphs about what you bring to the table. Highlight your exceptional customer service, your speedy project delivery, and your ability to be adaptable to a customer's demands. Get a few friends or family members to read over what you wrote and ask what they think. If you have a hard time with writing, ask someone who's good at it to help you out. It can really make a difference in landing customers!

So let's say you're cruising through these sites and you find a project you'd be absolutely perfect for. What should you do next?





# The Secrets to a Successful Bid

**Your project bid is going to be the first thing a potential customer sees - but if you're in an area with lots of competition, chances are that the client is getting bids from other handyman at the same time.**

To increase the odds of getting your bid noticed, try out the following strategies:

- **Personalize:** Seems like common sense to make sure the bid includes the customer's name, right? You'd be surprised to learn that a lot of handymen take the "one-size-fits-all" approach. They develop a basic bid and shoot it off to any project they like - without tweaking or customizing it for the particular project. Don't make this mistake. It only takes a couple of minutes to customize an online bid with the person's name and a few details about their project. It makes a huge difference, as a customer wants to feel as though you
- **Call ASAP:** Some online sites like HomeAdvisor provide a customer's phone number with their project proposal. If you're interested, call the customer right away. Introduce yourself, mention where you saw their project, and ask any follow-up questions you might need to provide the client with an estimate. In this case, the old saying is definitely true - the early bird gets the worm!
- **Offer to meet in person:** You're more likely to win a bid when you demonstrate you're willing to conduct a project walkthrough to give an estimate. Be sure to bring your portfolio with you, even if a potential client has already seen your work. It can be helpful to remind them what your work looks like.
- **Provide references:** Hiring online can be a scary prospect

actually took the time to read their project post.

for a customer. That's why you should provide as many references and reviews as possible, as this can assure a customer that you're a high-quality handyman. Remember to ask every client to leave you a review after a project - it helps build up a solid portfolio of online reviews.

- **Be accurate:** One of the biggest complaints that customers have about getting handyman quotes is that the final project estimate can be wildly different from the initial estimate. Resist the temptation of lowballing a client just to win their project. If you're not sure how much a project might be, provide them with as accurate estimate as possible based on your hourly fee.

**Important!** If you want to dive deeper into the topic, you can download **\*\*\*TITLE PENDING\*\*\*** - it's chock-full of tips and techniques to find and land tons of great handyman projects online.

Finding customers - especially when you're new to the handyman business - can be a pretty significant hurdle to overcome. That's why we wanted to provide you with actual strategies you can start using right now. Put in enough time and effort, and you'll quickly see customers lining up to work with you.

But a key part of landing any handyman project is providing the most accurate estimate possible. While you want to provide affordable services, you still need to eat - plus, you have to make enough overhead to buy new tools and potentially hire employees.

So how do you set up an hourly rate that works for you and a client?



## Chapter Fourteen

# The Good Stuff: Making Money

**A handyman business can bring in a decent amount of income; in fact, it's estimated that the average handyman charges about \$65 an hour for a project.**

Of course, your hourly rate should be dependent on a number of factors, like the market where you're working and your skill level. In general, the more experienced and established you are, the more you can charge for your handyman services.

The ultimate goal for each and every project should be to charge enough to make a project while providing your client with affordable services. You should make enough to pay for any overhead involved in your business (like tools, gas, marketing, etc.), with enough leftover to enjoy your life.

If you're new to the handyman business, picking your hourly rate or building a project estimate might feel like taking a shot in the dark. That's where this section can help, as we've broken down the steps you need to take to come up with the best hourly rate for your business.



# Before You Start Thinking About Money...

One of the biggest mistakes that handymen make is that they charge an arbitrary project rate and wait to see if it works for them. The problem here is that if you end up choosing the wrong hourly rate, you could end up losing money - and fast.

Instead, you need to lay the groundwork for determining your best hourly rate - and that involves figuring out how long it takes you to perform various tasks and services.

While each handyman is different, start by figuring out how long it would take you to complete the most common handyman tasks:

- Gutter repair and cleaning
- Painting
- Tile installation
- Deck construction
- Deck repair
- Electrical wiring
- Flooring
- Installing windows
- Drywall repair

- **Renovation demolition**

If you have a hard time figuring out how long it would take you to complete these projects, don't hesitate to ask another handyman or contractor for their feedback. Ultimately, you want to make sure you're not underestimating how long it takes you to complete a project, as that can lead to inaccurate project estimates and unhappy customers.





# Coming up with Your Hourly Rate

**Now it's time to get to the good stuff - figuring how much you should charge for an hour!**

Determining your hourly rate should come down to a variety of factors, including:

- Your skill level
- Years of experience
- Your market

Let's break down each one to see just how they can influence your hourly rate.

**1. Your skill level:** An accomplished handyman can get away

with charging more, especially if he or she has skills that are in high demand. If you specialize in a number of repairs and services, you can charge more, as you're like a one-stop shop. If you only special in certain types of repairs and services, your hourly rate might not be as high as someone who can get everything done around the house.

**2. Years of experience:** If you're just starting out your handyman business, it might be tough to justify why you should charge just as much as a handyman who's been working in the neighborhood for several decades. However, just because you're a new business doesn't mean you should sell yourself short. Create an affordable hourly rate, but make sure it's enough to help you grow your business and live on (more on this in a bit).

3. **Your market:** Do you live in an area where good handymen are hard to come by? Congratulations - you can definitely reflect this scarcity in your hourly rate. If, however, you have a lot of competition on your hands, you might need to lower your hourly rate just a little bit to make yourself more competitive. Again, make sure your hourly rate provides you enough income to live on, as well as provide you with enough overhead to invest in growing your business.

**Still not sure how much to charge?** Here's an easy shortcut - charge somewhere around the national average, which is \$60-\$65 per hour. Remember, your hourly rate isn't set in stone. Test out what hourly rate gets you the most projects,

or try raising your hourly rate every year to reflect your growing experience.

You should also consider charging a specific project rate for tasks that take less than one or two hours to perform. For example, if a customer needs you to replace a screen door, it will probably only take you a few minutes to perform this task. To justify the costs of going out to the site, consider charging a project minimum fee or implementing an hourly minimum. That way, you can make sure that any project you work on is worth it.



## Chapter Seventeen

# Creating a Project Estimate

Any project estimate should account for these costs:

- Labor
- Materials
- Subcontractors
- Plans and permits
- Cleanup

Not every cost will apply to you, especially if you're just starting out your handyman business (we'll talk about hiring subcontractors in the next chapter). However, if you don't keep these costs in mind when setting up your project estimate, you might end up missing out on serious money.

Here's a quick guide to creating an accurate project estimate:

1. **Check out the site:** Not every project will need an in-depth walkthrough for you to create a project estimate. But you

should definitely still check out the site where you'll be working, especially if you suspect more work is going to be involved. Going to the customer's house or office can help you visualize what you need to do, make note of any materials you'll need, and create the quote.

2. **Work out a timeline:** Jot down how long you think the project is going to take. If you're not sure, ask the customer plenty of follow-up questions or go back to the beginning of this chapter to check out how long it takes you to complete common handyman tasks. Reminder: As time goes on, start tallying how long these tasks take you so you can quickly estimate project length. It won't take long for it to become second nature to you.

3. **Figure out labor costs:** If you can perform the project yourself, then you'll only need to calculate project costs based on your hourly fee. If, however, you have to hire people to help, you'll need to include their labor costs. This is where estimating a project timeline is important, as you might end up having to pay contractors out of your own pocket if you misquoted a client.
4. **Plan out materials:** Get a good idea of what materials you'll need to complete the project. Once you've created that list, check out how much each item will cost. Any money you spend buying materials - including travel time and gas - should be included in the final project quote.
5. **Include other costs:** Any cleanup, plans, and permits you might need to complete a project should be included in the final project quote. Make sure you tell a client why you need

these permit and plan costs, especially if it's causing the total cost of the project to go up.

6. **Add a markup:** You need to make money - and unless you're adding a markup fee to your project quote, you'll only ever end up breaking even. Your markup fee helps cover the costs of running your business; most handymen recommend adding a 40% or 50% markup fee to the final project quote.

Here's what that looks like in action...



## Chapter Eighteen

# (Labor Costs + Materials) ÷ Markup = Final Project Quote

So for example, if you figure out that your labor costs will be about \$1200 and materials will cost about \$1754, and you want to charge a 50% markup, your final project quote will be:

$$(1200 + 1754) \div .50 = \$5908$$

Make sure you mention if your project quote includes any of the following:

- Any warranties (whether they're from you or a product you're using)
- Quality of products being used
- Guarantees

Walk your client through the entire quote so he or she is comfortable with your final price. The more your client understands your final quote, the more likely it is that he or she will want to work with you.





## Chapter Nineteen

# Hiring Your First Employee

**Your handyman business is growing and thriving. You can barely stop for a breath before you have another client requesting your services. In fact, you've made a pretty impressive name for yourself...**

And now you're ready to hire your first employee!

Hiring help is an excellent way to expand your business or just free up your schedule so you can focus more on the projects you love. While there's no right time to hire your first employee - lots of handymen hire their first employee immediately, while others wait until work gets busy - you want to make sure you're hiring the right employee.

Lots of handymen struggle with the process. It can be tough to find someone who will do the kind of work that you'll be proud of. Trust can be a huge issue too, as you need to find employees who are responsible and trustworthy enough to enter client

homes and perform five-star work.

So how do you find that employee? Take a look at these tips and hints from handymen who've been there before:

1. **Pay attention to personality:** Skill means nothing if you have an uneasy feeling about a potential employee. A bad hire has the potential to drag your business down, so trust your gut instinct here. If something's telling you no, just don't even bother with the hire.
2. **Be cautious about hiring friends and family:** Sure, your cousin's stepson might be desperate for a job and hounding you at every moment for a job. But that doesn't mean you should just go ahead and hire them. Hiring friends or family members simply because you have a relationship with them can be a recipe for disaster. If you've worked with a friend before and you feel 100% confident that they'll respect you as

a boss, then proceed - but it's best to hire someone you can have a more professional relationship with.

- 3. Hire for a skill you don't have:** If you want to grow as a handyman, it pays to hire someone who has a different skill than you. For example, if you don't normally touch roof repair jobs, make an effort to hire an employee who is a natural at it. It's an easy way to learn new skills that can help your handyman business earn more money.
- 4. Look for a self-starter:** You've got a business to run - and you don't exactly have time to be chasing around an employee who constantly needs to be told what to do. That's why it's worth finding someone who's self-motivated. Look for that person who goes above and beyond the call of duty. These employees can be tough to find, but trust us - once you do, they make your life a whole lot easier.

Finding that first employee marks a HUGE step for your handyman business. With an extra pair of hands, you can do twice as much work. Add in another set of wheels to travel to customer projects, and you can rake in much more money than you could flying solo.



# You've Got Your First Employee - Now What?

Okay, so you finally found someone you're comfortable working with. Now what should you do to set them up for success?

1. **Get workers comp insurance:** We've mentioned it before, and it's worth mentioning again - workers comp insurance is CRUCIAL once you start hiring employees. Get this insurance set up before your employee's first day, as you don't want to be personally liable for any work-related injuries
2. **Set up payroll:** Plenty of employees have horror stories about not getting paid for their first few weeks on the job (you might even have a few yourself). No matter what, you have to make sure your employees get paid, so set yourself up with payroll software once you start looking for that first employee. For payroll, consider using software like [QuickBooks Online](#) - for about forty bucks per month, you can take care of both your accounting and payroll needs. There's also a free trial you can use if you're not sure about using paid software.
3. **Work out a schedule:** Working out a daily schedule might seem annoying, but hear us out - your schedule can make a huge difference in how much money you bring in on a given day. If your employee is spending all of his time in traffic getting from job to job, you're severely limiting the number of projects he can get done in a day (and how much money he can make). Make this mistake on a regular basis, and you're cutting a pretty deep chunk out of your company's profits.

When working out a schedule, plan it so that you and your employee aren't spending all day traveling from job to job. For example, spend one day hitting up projects in your neighborhood, then use a slow day to go take care of that job that's an hour's drive away. When you maximize the number of jobs you and your employees can hit up in a day, you maximize your money-making potential.

4. **Get feedback:** Ask your employee for ways that you can improve being a better boss. A lot of handymen and contractors end up leaving their last jobs because their bosses weren't great; don't end up falling into that same rut. Your employee should feel comfortable giving you feedback on what's working and what's not working. If your employee

feels listened to and respected, he's probably going to stay with you a lot longer.

Here's where we should mention that you'll probably end up losing a really good employee within the first couple years of working together. It's a tough problem to have - anyone who's as good as you are at being a handyman will eventually want to start their own business. Don't get burnt out by this cycle; keep your eye out for great employees who'll want to cut their teeth working with you and your company.



## Chapter Twenty One

# Ready to Get Started?

**Starting your own handyman business will be tough - but it will also be one of the most rewarding things you could ever do.**

Think about all the freedom you're about to enjoy. The ability to make your own decisions without a boss telling you what to do.

You'll be able to take on your own projects and work with the clients you like. You can set your own schedule so you can decide what time you need to take off. Maybe that means more time at home with your family, or actually having the time to restore that car that's been sitting in your garage.

Whatever your reasons, starting your own handyman business is going to be life-changing. So take this moment to appreciate where you are right now. Because if you follow the advice of this guide, there's a good chance you'll be running a successful handyman business in the future.

Good luck with  
your Handyman  
Business:

Thank  
you for  
reading.

