

Hiring a Family Member into Your VA Business!



LEARN HOW...
to Kick Your Virtual Business Up a Notch!



Hiring a family member into your virtual assistant business could be a great decision, or the worst choice you ever made. It all depends on their skill level, willingness to learn and dedication.

Often times people bring on family members because they need work, even if they don't have the necessary skills to do the job. This means you are paying somebody who's not contributing much to the company.

And you will feel very guilty about having to let them go, so you might have to keep them for the long term. This means they could slack off, knowing you will not get rid of them.

That's the downside.

On the upside, if they are a good worker and have the skills needed, hiring someone within your family has obvious benefits. For one thing, you usually already know them. Therefore, they might feel an obligation not to let you down.

Are there financial benefits to hiring family members?

Yes there are. From a financial side it definitely makes more sense to bring on family members. For one thing, it can provide you with a tax deduction, while keeping the money in the family.

This can be a great strategy in terms of switching money between people in the company. It doesn't break any laws, and will spare you taxes.

For instance, if Sally brings on her daughter, she will be able to pay her a salary, and then write that off as a business expense. Therefore, the money will stay in the family, but will still be tax deductible.

However, you can't pay them a ridiculous amount. The tax man is fully aware of the tax advantages of this strategy. Therefore, they do not allow you to pay your family members significantly more than the standard rate for the job they are doing.

It can save you on health coverage as well. If Sally is covered under the same policy as her daughter, she can then deduct that policy as a business expense. This is because both work for the company.

Having a family member working for you will free up more of your time to do the things you love be it marketing your business or taking that much needed vacation.

The time you take training your family member you know will never be lost as you are providing them with a tool they will be able to use in not just your job but future jobs to come. Teaching them that new software program gives them the opportunity to have a new skill set to add to

their resume. And who doesn't want to help out family as it feels so good inside to give to another especially one of your own flesh and blood.

It is also advantageous to you the owner to have someone from your family working for you because it will give you peace and mind to the future of your business if you ever want to retire. Knowing that your business will be passed down to help generations of your family in the future will bring a smile to your face. You built this business and you will be able to leave behind your legacy now!

So the bottom line is, there are risks and rewards from hiring in your family. Whether it works or not all depends on which family member you hire.

If you get a family member with a good work ethic and who has the skills necessary, this can work out very well. However, when you hire that eccentric aunt who doesn't have the right skills, this can backfire on you.

So don't ever just bring a family member in for the tax advantages or to be nice. Make sure to carefully evaluate their talents first to make sure this is a win / win for you both.

Before you hire a family member ask yourself this question, "If they weren't a relative, would I want to hire them?"

Become a VAinsider Club member today at www.VAinsiders.com