

WHAT YOU NEED TO KNOW TO HAVE A THRIVING SIDE HUSTLE



Find the keys to success, from picking the right side hustle to avoiding burnout as you balance other responsibilities.

SUCCESS[®]



Wondering how to start a side hustle? We've got you!

People have been moonlighting, taking side jobs or investing in real estate to create more revenue streams for generations. For those seeking a side hustle, the options are almost endless. And these days, websites and technology make it even easier—you can sell handmade goods on Etsy, play chauffeur for extra cash with rideshare apps or sign up with services to walk dogs.

Side hustles provide a source of cash, but they can also provide joy as some may relate to your passions.

But before you dive into your own side hustle, you'll want to do some research. Consider which side hustle is right for you and decide how you'll price and promote your services. You'll also need to know how you'll stay organized and ward off burnout.

Here is what you need to know if you're starting a side hustle.

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WHAT'S INSIDE?

WHAT TO CONSIDER BEFORE STARTING A SIDE HUSTLE

The idea popped into your head, and now it won't go away. Maybe you saw someone's profitable side hustle and thought, "I can do that." Or maybe you dreamt up a new spin on an old product that could help a lot of people.

Having this lightbulb moment is important, but before you announce your side hustle, you'll need to lay a foundation. Decide your level of commitment, ask yourself some questions, do some planning and make sure this is what you want.

Here are six key questions to consider and answer before starting your side hustle:

1. What makes a successful side hustle?

Success is a relative term, so it's important to define the word for yourself.

Here's our definition: A successful side hustle is formed at the intersection of passion and interest, skill and talent or societal need and demand.

For example, if someone wants to launch a personal chef brand but they don't enjoy food preparation, then the idea lacks interest. Maybe the better hustle is overseeing recipe development or menu consulting. Maybe it's as simple as hiring a sous chef and including that in your cost analysis.

2. What are you willing to put in to make your side hustle profitable?

A side hustle should never take precedence over your main obligations, such as your main source of income, your family, your self-care time and so on. That being said, you have to determine your level of commitment.

Some side hustles may require more work on the front end to make them profitable. Others are more casual, hustle-when-you-can gigs.

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3. What is your ultimate goal?

Your side hustle goal doesn't have to be lofty, and it may be better to start with smaller, short-term goals anyway. Maybe you like new challenges. Perhaps you want to master a new skill. Or maybe you want to fund your daughter's dance competitions.

Understanding the why behind your new venture may ensure that you don't get off track. You don't need to listen to all your friends' and family's well-meaning advice.

Not every business needs to scale up, and not every side hustle has to bring in six or seven figures. Stay your course and enjoy the ride.

4. What's your financial personality?

Are you a saver or a spender? Do you prefer buying new things or fixing up old things? When you go shopping, do you often have buyers' remorse? Do you have trouble holding yourself accountable when it comes to money?

Not all of these traits are inherently good or bad, but it's important to identify your relationship with money so you can prepare for how it might affect your side hustle.

Consider sitting down with trusted family members and friends to assess your financial habits. This isn't a time to judge; it's simply part of the planning process to get your side hustle off the ground and become profitable.

5. How will you budget for unpredictable dips?

Although a six-month's-salary emergency fund sounds great, many Americans' emergency savings have actually decreased. A significant amount of people have no emergency savings, according to a 2024 Bankrate survey. And per that same survey, more than half of the people with emergency savings are uncomfortable with the level of savings they have.

No matter your financial situation, it's important to save money to prepare for dips in income or unexpected expenses and emergencies. This is especially the case in the side hustle game, which can be an unpredictable source of income.

If possible, to start saving more, aim to live below your means.

6. What if your side hustle isn't profitable?

The fear of failure shouldn't stop you from trying, but it also doesn't mean you shouldn't prepare for potential difficulties.

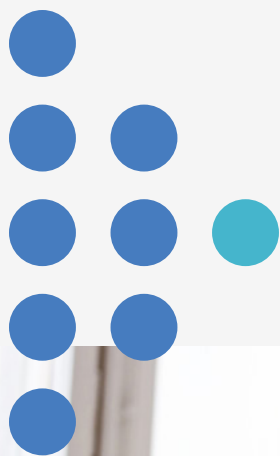
Consult trusted friends and family members—especially if they have entrepreneurial experience—and explore some possible failure scenarios. How would you pivot if a competing venture popped up in your target market? How would you manage if your manufacturer filed bankruptcy and you had 1,000 orders to fill?

Don't overthink this and risk worrying yourself into paralysis. There's a fine line between preparedness and unrealistic worry.

What defines a low-risk side hustle?

Starting up a side hustle takes time—and sometimes an initial investment as well. If you're reluctant to lose time and money on a project that may not ultimately succeed, consider the following characteristics of low risk side hustles:

- **Low skill entry:** Unless you're diving into the creative or consulting world, a side hustle that doesn't require specific training is often the fastest way to earn extra money.
- **Large consumer pool:** Make sure you're stepping into a field with a wide audience of ideal consumers.
- **Profitable track record:** Your neighbor might tell you that going into affiliate websites is the next big thing, but if their affiliate site hasn't had any SEO success in the last year, that's not a good sign. Look for a side hustle that has a proven track record of success among people who have skills, availability and resources that are similar to yours.
- **Existing inventory or service model:** If you want to take the pain out of sales, opt for a business that you can run with someone else's products or service model. Direct selling is ideal for people who already believe in a company's products and want to earn extra money.
- **Mentorship or support:** If you get into trouble with your new gig, who will you turn to for help? It's vital to answer this question early. Look for a company that allows you to use their training resources while running an independent business.



TRY THESE FRAMEWORKS TO DETERMINE WHICH TYPE OF SIDE HUSTLE IS RIGHT FOR YOU

Your time away from your full-time job is the only time that's truly yours to use as you please, so you may not want to devote this time to boring, tedious tasks. Instead, consider looking for ways to monetize things you already want to explore in your free time.

Below you'll see examples of people who clock out of their full-time jobs only to hop into side hustles that they're passionate about, learn from or meet new people through.

- **Own what you already know**
- **Carve out another identity**
- ▶ **Improve yourself in the process**



Own what you already know



Matt Giles is part of the editorial team behind the popular storytelling site Longreads. Writing and editing are essential parts of journalism, but a key responsibility for Giles is fact-checking. This is something that he can use outside of his full-time job, too. So Giles lends his attention to detail as a freelance fact-checker for a number of publications, including The New York Times.

Fact-checkers often fully re-report stories from a new perspective—they do more than simply double-check information. “It’s our job to make sure each detail in a piece checks out,” Giles says. Making extra income by incorporating new stories into his free time is not only practical, but it also drops fascinating narratives into his lap for him to explore. “You’re learning something new every single day,” he adds.



Jamie Serrano was just looking for a specific dress to wear for her wedding rehearsal dinner. It was sold out, but she ultimately found it in one of Facebook’s Buy/Sell/Trade groups, a resource for individuals to sell belongings that they no longer want. In the process, she realized that articles of clothing—the kinds of brands and styles that she owned but wasn’t regularly wearing—were selling for surprising amounts of money. So she dove into a flexible but time consuming world of taking photos, posting details and negotiating prices.

“At first, I loved it because it was a way to declutter and really pare down my closet,” she says. Over time, Serrano, who was a writer by day, started looking at the endeavor as a side business. Selling clothing requires planning and attentiveness, but “if you have a penchant for shopping like I do, it’s a great way to make extra money,” she adds.



There was a time when Ann Bush worked in accounting. Now, she makes accounting work for her. Bush has a master’s degree in accounting and spent seven years as an auditor and property accountant for two big corporations. She was good at the work but felt trapped in the company’s structures. “I was pretty miserable at my job,” she says. Her work wasn’t personal, so in 2014, she decided to make it personal. Recently married and with an eye on starting a family, she created Arrow Books, a bookkeeping and consulting company. Today, she remains the sole employee.

Six years later, Bush is a mother of two young children, and Arrow Books has a list of clients for which she prepares financial statements every month. Bush is free to treat taking care of her young sons like a full-time job while answering to no one but her clients. “I’m able to pop open my laptop and get an hour in very early or another chunk of work during naptime,” she says.

Carve out another identity



Information technology is a great career field to get into, but Ken Mahne found that of the many skills he used in his full-time IT job, creativity wasn't high on the list. So he found himself arranging flowers for his wife, Cyndi, as a creative outlet.

Ten years ago, when one of her co-workers saw a centerpiece on his wife's desk, she asked if Ken would do the flower arrangements for her daughter's wedding. This went well, and as a result, Ken and Cyndi started Petal Pushers, a floral arrangement company based in St. Louis, Missouri.

Word-of-mouth spread slowly but surely. The following year, they did two weddings. The year after that, they did 12. The next year, 22. The numbers continue to grow each year. "It's just a joy to know that I built up this little side business that makes people happy and allows me to be creative," Mahne says. It's a demanding job, but Cyndi adds that "we still tear up when we get to watch a girl walk down the aisle."



Discipline, leadership, motivation and work ethic are the kind of traits that Jeff Avanzato has developed in his lengthy career in the United States Air Force. So you probably wouldn't guess that on the weekends, he gets paid to make people dance. Avanzato always had a love for music, so he created an after-work persona called DJ Zato and learned skills he'd never develop in the military. "You need to understand the art of playing to the crowd," Avanzato says.

Eventually, he started Network DJs to serve weddings and other events. "The stresses of my current job in the Air Force are relieved when I have my headphones on and I'm doing my thing," he adds.



Bobby Karalla works in the digital department of an NBA team, which a lot of people might consider an exciting full-time job. But his side hustle is the gig that can really get his adrenaline going. When his schedule allows, he works for a fireworks display company as their "lead shooter"—when the explosions begin, he has the remote control in his hands. But the work starts well before he presses a single button. "Seeing [fireworks] from this side has really opened my eyes to how intricate and detailed a production it is and how much work goes into a 20-minute show for thousands of people," Karalla says.

Karalla became a licensed technician and works with a team of people who make sure that everyone nearby is safe and that everyone from a distance sees something spectacular. He just happens to have the best view. "I think everyone gets a little tired of working inside an office all day, even if your office is a basketball court or a 20,000-seat arena," he says. "It's exhilarating to hear one boom after the next. You can feel it in your gut."

Improve yourself in the process



Alli Becker is a registered nurse in New York City who's simultaneously pursuing a master's degree, so spare time isn't something she has a great deal of. Looking for a way to alleviate the inevitable stresses of her job, she became a dog walker for Wag!, an app that pairs walkers with dog owners. "The flexible schedule and quality pooch time was very appealing," Becker says.

Some weeks, dog-walking has to take a backseat to work, school or life, but even if she makes just enough to afford a guilt-free cocktail or two at the end of the week, it can be a nice way to break up her schedule. "Another great aspect is having an excuse to travel around the city and explore different neighborhoods while getting some steps in," she says.



Michelle Maves has been providing piano and voice lessons for over 10 years. Teaching music is a personal experience in which you get to witness a student's growth. This gig helped her support herself through college and provided additional income as she pursued an acting career. She's found students to teach while living in Chicago, Los Angeles and New York. It was such a consistent side hustle that, over the years, it eventually blossomed into a full-time job.



Camille Williams is a first-grade teacher, which could be considered both a calling and a trial on anyone's patience. When Williams began looking for avenues to make additional income, barre—a fitness program that combines elements of yoga, pilates and ballet—stood out to her. Becoming a barre instructor required an extensive five-month training and certification process, but it's a responsibility that came with its own perks.

"I get to work out for free... be around people more than 7 years old and wear workout clothes to work," Williams says. She's able to lead courses after school or on the weekends.

Hearing her talk about her side hustle sounds a lot like how you'd expect her to talk about her full-time job. "I'm challenged to create fluid, diverse class plans," she says. "It's become one of the greatest joys I never knew I needed."

EXPLORE SEASONAL SIDE HUSTLES

A side hustle doesn't have to last forever. You can find a seasonal gig for a little extra cash—and even some sunshine.

Check out these side hustles that change with the weather:



SPRING

Arrives with jobs in dog walking & at amusement parks and local resorts.



SUMMER

Brings lifeguarding, lawn-mowing & house-sitting while homeowners are on vacation.



FALL

Side hustles include tutoring students & selling concessions at sporting events.



WINTER

Gigs include holiday rush jobs in retail, personal shopping & ski instruction.

HOW TO STAY ORGANIZED (AND AVOID BURNOUT)

Balancing side hustles can feel like skipping rope sometimes—you're always on your toes. That's particularly true if your day-to-day life is busy and full of responsibilities from work, family or school (or all three).

To keep your side hustle progressing without burning out, follow these strategies:

1. Create a central organizational hub

A central place for you to track your hours, commitments and deadlines is important for keeping you organized. You can do this on paper, on your laptop or in an app.

Apps like Asana and Basecamp can help you track projects and deadlines, while Toggl and aTimeLogger help you track the hours you spend working. If you're more hands-on, set your schedule and log projects in a paper planner. Save notes in a folder or in an app like Evernote, which can store photos and links as well as text notes.

Keeping all your dates, times and responsibilities in one place will help you feel more in control of your schedule.

2. Dedicate a workspace

Having a place where you can sit down, review your calendar and keep track of things like receipts, taxes and communications can really help you feel supported. Dedicate one place in your home as your workspace, and then ask others in your household to respect your boundaries. Keep all your pertinent papers, files or notes in your workspace to stay organized.



3. Block off time for you

Since you're the one in charge of how much work you accept, why not set your own days off? Even if you split time off over a few afternoons rather than two full days in a row, having time to refresh and rest is vital to your sanity and the health of your relationships. Be sure to block this time off in your calendar and commit to upholding it so you don't accept work during your downtime.

4. Defend your priorities

Just as you block off time for your family and yourself, you also need to block off time for work. Let people know your working hours and really focus while you're on the job. When you don't have one primary, full-time job, people can look at what you do and see it as less important. This leads to interruptions.

Show by example that your work is serious by taking it seriously. Try setting down your phone during work or closing the door to your workspace.

5. Try outsourcing

If you're running your own knowledge sharing or creative service business on the side, consider outsourcing administrative or communication tasks. Answering emails, sending invoices and uploading documents can all be done by someone without as much knowledge of your business. You can create email templates for them to use or record video instructions for a project where you want more in-depth help.

Delegating and outsourcing are vital to growing your business, so start early and set a productive habit.

6. Look for passive income opportunities

To really maximize your return, invest your time up front in a side hustle that can give you passive income down the line, such as direct selling, affiliate marketing or real estate investing. While these ventures may not pay a great deal at the beginning, you could set yourself up for a steady stream of supplementary income later on.

7. Stay encouraging

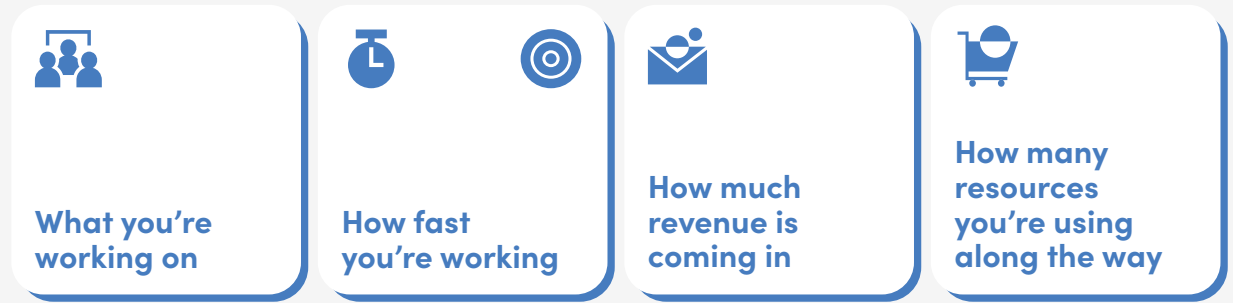
When you're juggling a lot, it can be easy to slip into a negative attitude or even subject yourself to negative self-talk. Rather than berating yourself for not getting enough done, focus on how you can get help, get organized and stay focused. You'll benefit from some encouraging self-talk and a little understanding to do those things.

If you're only considering a side hustle at this point, all of this may sound like a lot to manage. But think of this like you would your day job. Your priorities, workload and schedule there have probably shifted countless times over your career. Change is as inherent to a side hustle as it is to a full-time gig. You've got to learn to deal with it—and odds are, you will, especially if you stick to the above rules.

The big difference? In a side hustle, you're in charge!



To know if you're investing your time and money well and if your side hustle is successful, you'll need to keep track of the right metrics. These are simply the numbers that reflect how well your business is operating. While the details might be different for a creative contractor than for a real estate agent, overall, you'll want to look at:



Your goal is to create revenue with the lowest resource investment possible for you and your business. In some cases, that might mean adjusting your work hours to accommodate the flow of customers. In others, it might mean subcontracting and temporarily increasing expenses to maximize personal productivity.

Whatever your side hustle, consider tracking these metrics:



Clients or jobs

The number of clients or jobs you take on in your side hustle has a direct impact on how much money you make. It's vital to keep track of what you're juggling so you can be realistic about what you can take on next.

With this metric, also track the type of clients you're working with, how big or small their projects are and what type of work each entails. If you take jobs on Upwork.com, for example, your projects will vary. That kind of up-and-down, feast-or-famine work can be exhausting. But you also have the option to offer set project parameters for specific fees that provide more predictable work.

Tracking your jobs for a while will allow you to see what's most popular with clients. Then, you can create a package offer that new clients will like.



Time

Tracking your time on each job may be cumbersome if you're not used to it, but this metric will have a huge impact on your business vision. If your designing time is completely taken up with projects from only three clients, you can't add any more.

But what if those three projects aren't providing enough revenue to pay for your software, website hosting and continuing education and still leave you with profit? If that's the case, you need to adjust your business model so you can take on more clients.

Maybe it's time to hire a subcontractor for the smaller tasks, like production edits, and spend your valuable time on the things only you can do.



Productivity

Like time tracking, productivity measures how much you get done in a given time period. If you drive for a ride share, for example, your productivity metric will hinge on how many rides you complete per hour over the course of a week. Your productivity will rise and fall in different situations, but if you track it for a week or two, you'll be able to see patterns.

Maybe you're most productive with short-term fares for errands and least productive when you pick people up from the airport. This info can help you plan your ideal location for the day and target your most productive times.

For freelancers, productivity will be related to times of day, the work you've mastered and breeze through and the mood you're in. Keep in mind that everyone has their own rhythms, but your goal when tracking this metric is to find the ideal productivity window for you. And of course, if you have a team, you'll need to measure their productivity too.



Revenue

If you're not tracking how much money your side hustle is bringing in each month, now is the time to start. An app like QuickBooks can help you send invoices and track your revenue while synching to your bank account and preparing tax reports each year.

The goal when tracking revenue is to be clear about how much you're earning and recognize seasonal patterns. Perhaps winter is slower for you than summer. In that case, you can set aside more of your income in the summer to pad your finances in December.

You'll also want to track your major revenue sources. Are the bulk of your sales coming from one customer? If so, that might seem like an easy way to earn money, but what happens if that customer falls on hard times and has to stop their monthly order?

Diversifying your revenue stream is vital for safeguarding your side hustle's health. Look for opportunities to spread out your revenue over multiple customers and offerings.



Expenses

Tracking revenue is only part of your side hustle's financial picture. You also need to see how much you're spending in order to earn more money. If you're investing too much, you won't make a profit.

Expenses include things like taxes, software, website hosting, advertising, babysitting to free up your time, subcontracting and overhead for your vehicle maintenance or office utilities.

Metrics like these can give you a clear picture of how successful your hustle is now and how you can keep it growing in the future.

3 STEPS TO TAKE BEFORE YOU TURN YOUR SIDE HUSTLE INTO A FULL-TIME BUSINESS

If you have a solid side hustle, you'll make extra money and provide something of value to your customers. But that doesn't necessarily mean you're ready to make the leap to turn your side hustle into something full-time—nor does everyone want to make their side hustle a full-time job.

But if you do, prepare for your transition by reviewing these three important steps:

■ **Improve your procedures and systems**

Why focus here? At the beginning of your side hustle, you'll probably be wearing all the hats at any given moment. Organizing those hats and making them easy to understand allows you to pass them off during times of rapid growth. This makes growing your company much easier for everyone and, eventually, more successful.

As Chris Guillebeau said in his book *Side Hustle: From Idea to Income in 27 Days*, "Don't let yourself get distracted from the two things that matter the most for your side hustle: the benefit for customers and the income for you." Procedures and systems are what makes those two things happen. These can involve anything from onboarding clients, fulfilling processes and hiring new employees to accounting and payroll. Systems that can be easily learned, easily referenced and easily adapted need to be in place before the company can successfully predict and manage transitioning from a side hustle to a full-time company.

■ ■ **Run those numbers**

Running a side hustle is a great way to make extra money, but if you're thinking of transitioning to a full-time career, then you need to be sure that your projections actually support your needs—as well as the business's.

Going full-time with your side hustle means thinking through and running numbers for all your options, including the less desirable ones. This will prepare you for all possible outcomes and create stability as you tackle new problems during your transition. Additionally, making sure you've estimated your personal financial health in various situations will make the shift from side hustle to full-time gig more manageable.

By running revenue and cost analyses on your current side hustle, along with projected customers and future revenue, you can bring in some clarity as you move through the decision process. On the other hand, taking the plunge into a full-time hustle and “burning your boats” might be the motivation you need to make this work.

Either way, trust your gut, look at your low-end and high-end projections and make sure that the potential income that’s generated from your business can truly cover your financial needs. Whatever decision you make, give it all you got!



Get protected

In today’s world, anyone can sue you for anything. If you are engaging with clients, you need to make sure that you have a properly formed business entity. It is important to note that forming a business entity is not reserved for just the full-time hustlers—it’s just as important for side hustlers. The level of liability protection and tax savings that can come from a properly formed business will be no different if you are side hustling than if you’ve transitioned to a full-time gig.

Chances are that you have a regular job during your side hustle phase, which means that the owner of the company you work for has either assumed the liability themselves or has structured a business entity to do so. You are protected under their structure as an employee. As you begin to earn money from your side or full-time hustle, those liabilities will either fall upon you personally or upon the business structure you set up. This is why setting up your own entity for liability protection is crucial.

If you haven’t already formed this structure, then now’s the time. Make sure that any liability falls upon your company instead of putting your personal assets at risk.

Depending on your specific business needs, you can determine the right legal entity structure that is a good fit for you. Typically, side hustle entities will be a limited liability company (LLC), an S-corporation or a C-corporation. Either way, a properly formed business can protect your growing company—not to mention gain you access to all kinds of opportunities for tax savings.

A young man with curly hair is smiling while looking at his smartphone. He is wearing a light-colored shirt over a dark t-shirt and a watch. The background shows a city street with buildings and cars. The image is framed in a circular shape.

BOTTOM LINE

The main benefits of having a side gig, of course, are flexibility, increased earning potential and the satisfying feeling of being your own boss. Before getting started, consider what type of side hustle makes sense for you. Be sure to factor in your interests and skills, as well as your time.

And don't forget to dream about where you want to see your side hustle go. You may simply want to earn more money for a season of your life, or you may want to eventually transform your side hustle into a full-time role. One of the beauties of a side hustle is that you can tailor and personalize it to your own desires and needs!