The Business of Writing

Many writers consider becoming an independent. This presentation offers those who want to make the leap, or those who recently did, some basic information to consider about going independent.

Are you ready to go independent?

Working as an independent is not for everyone. You should be sure that it is right for you before making the leap. Consider the following questions. If you answer yes to each of them, you are on your way. If you answer no to some or all of them, be sure that working as an independent will truly fit your work style and personality.

- Can you deal with uncertainty?
- Can you manage your finances effectively to ensure that you can pay taxes and make it through the lean times?
- Are you able to work in an unstructured environment and create your own structure?
- Can you market your skills and negotiate contracts?

For additional questions, see the “Is the Independent Life for You?” from the “Minding Your Business” column in the March 2001 Intercom. You have to be an STC member to find this. You can find it online at http://archive.stc.org/intercom/pdfs/2001/200103_38-39,43.pdf.

Understanding the different contracting options

You should learn about and understand the different contracting options. Each option has its pros and cons and will work for some and not for others. Consult with an accountant about the effect of each option on your tax deductions.

- W2 — You are a W2 employee of an agency or a temporary employee of the actual client. You are still an employee and not in business for yourself.
- 1099 — You are definitely in business for yourself and are responsible for all of your own equipment, marketing, and quarterly tax payments. You need to select the form of your business, which is a very individual decision:
  - Sole proprietorship
  - Limited Liability Company (vary greatly by state)
  - Partnership
  - Corporation (C Corporation or S Corporation)
• Consult your accountant and your lawyer about the pros and cons of each option. Other sources of information include:
  - [http://www.nolo.com](http://www.nolo.com) and click the Business, LLCs & Corporations link
  - Colorado.gov web site

### Working as an independent vs. employee

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<thead>
<tr>
<th>Independent</th>
<th>Employee</th>
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<tr>
<td>You select your projects and work schedule, but you must always look for the next project.</td>
<td>Your supervisor assigns projects and usually you’ll have all the work you need.</td>
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<td>You must be a self-starter and self-disciplined.</td>
<td>Your employer structures your time, assignments, work hours, and priorities.</td>
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<td>You can choose not to work for a client again.</td>
<td>You probably cannot turn down an assignment.</td>
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<td>You have no “boss” to answer to (except yourself and your clients).</td>
<td>Your supervisor monitors your work and periodically assesses your performance.</td>
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<td>You must buy equipment, software, insurance, etc. and pay your own taxes.</td>
<td>Your employer provides the equipment you need and withholds taxes.</td>
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<td>You must be resourceful to find answers to questions and to keep up with new developments.</td>
<td>Your employer may offer internal training that you can attend or may pay for external training, seminars, and conferences.</td>
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<td>You work on different types of projects.</td>
<td>You may work on the same project for years.</td>
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<td>You have no steady paycheck or benefits to count on.</td>
<td>You have a steady paycheck and benefits, but nothing is permanent.</td>
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<td>You can’t walk down the hall to ask a question or talk with a co-worker (if you work off-site).</td>
<td>You may have co-workers to talk to or consult when you have questions.</td>
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<td>You have no “corporate culture” to fit into.</td>
<td>You need to learn about your company’s culture.</td>
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### Determining what services to offer

You should decide what services you want to offer. Even if you have many talents, limiting the basic services that you offer will help to target your marketing efforts. You always have the option to accept other types of projects that may come your way, but if you try to market all possible services, you’ll have difficulty marketing your services.

Think about the following to help you create a list of services:

- Your skills
- Your experience
- Market needs
- Tools and equipment you own
- What you like to do
- Find colleagues whose skill complement yours to partner with
Setting up your bookkeeping

If you are in business for yourself, you must keep close track of your revenues and expenses. Be sure to open a bank account for your business. You must also pay your federal (including social security) and state income tax quarterly.

I strongly recommend that you use a program like QuickBooks to set up your accounts. You will have to learn a little about the program and basic accounting, but it will be well worth your while when you can easily generate reports about your business including revenue and expenses.

You might want to take a class or hire a local accountant or bookkeeper to help you set up the program. Check your local high school and college continuing education classes for short, inexpensive classes to assist you.

Setting up your office

I suggest having a room in your house that is your office. Not everyone has the space to do this, but having a room that is only your office helps with separating your work life from your home life and helps you stay focused on work.

Considering acquiring the following for your office:

- Good chair
- Plenty of work space (desk plus a table work well)
- Up-to-date (or relatively so) computer
- Dual monitors
- High-speed internet connection
- Telephone headset
- Smart phone
- Software (your mileage will vary based on the type of work you do; buy as you need it)
- Wireless router
- Subscription to a good web meeting application
- Skype and/or Google voice account
- Filing cabinet
- Good laser printer, duplex recommended
- Scanner (or all-in-one scanner/printer/fax)
- Laptop for travel or as a backup system
- External hard drive and thumb drives for backing up your data

Finding clients and negotiating contracts

This may be the hardest part of all. You may have everything you need to do the work, but no business is complete without clients. Here are some tips and ideas to get you started:

- Get business cards and always have several with you
- Develop a Web site or create a blog
- Create a Linked-In profile and connect with people you know
- Practice your elevator speech (what you do in 30 seconds or less)
- Be active in STC and other local organizations
- Network, network, network
- Consider creating a Twitter account and following #techcomm.
Always sign a contract with your clients that describes the scope of project (always be aware of scope creep during the project). This protects both you and your client. For sample contracts, see the first resource below and go to the FAQ. Consult your own attorney about issues specific to your business.

Lastly

- Always be business-like, do a good job, and meet your clients’ needs. Happy clients are great sources of testimonials and referrals.
- You are always marketing (gently, quietly, but always on the look-out).
- Create a portfolio of work examples to show and adjust it, as needed, for each prospect.
- Keep up with industry trends, technology, and tools.
- Have a life, too! Find ways to get away from your office to recharge.

Resources

- [http://www.stcrmc.org/documents/open/Freelance-FAQ](http://www.stcrmc.org/documents/open/Freelance-FAQ) — Rocky Mountain Chapter FAQ about working as an independent..
- [http://www.sba.gov/content/small-business-development-centers-sbdc](http://www.sba.gov/content/small-business-development-centers-sbdc) — Small Business Development Centers where you can learn more about being in business with free and low-cost courses and resources.
- *Successful Independent Consulting: Turn Your Career Experience into a Consulting Business* by Douglas Florzak
- *How to Succeed as an Independent Consultant* by Herman Holtz, John Wiley & Sons, 1993
- *Small Business Kit for Dummies* by Richard Harroch, Jerome S. Engel
The Business of Writing

- Working from Home  ISBN 0-87477-240-0
- Making Money in Technical Writing: Turn Your Writing Skills into $100,000 A Year by Peter Kent

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