

Working as an Independent

- Types of contracting
- Are you freelance consultant material?
- Working as an independent vs. as an employee
- Starting your own business
- Resources

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Types of contracting

- Long term (W2 through agency or directly)
- Short term (W2 through agency or directly)
- 1099 (your own business)

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Are you freelance consultant material?

1. What services can I offer?
2. Is there a market for my services? Locally? Elsewhere?
3. What equipment do I need to do my work? Will I pay with a loan, my own money, or some other way?
4. Where am I going to work?

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Are you freelance consultant material? (Cont.)

5. How long might it take to establish a regular client base?
6. How will I survive in the meantime?
7. How does the economic climate affect my business?
8. What kind of insurance do I need? Life, health, disability, liability, other?

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Are you freelance consultant material? (Cont.)

9. Do my clients require me to have any special insurance?
10. How do I prepare for retirement?
11. How do I handle risk? Personally? Professionally?
12. How will I handle taxes? This year? Next year?

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Are you freelance consultant material? (Cont.)

13. How will I handle growth?
14. Where will I get my customers?
15. How much should I charge?
16. How do I bill?

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Working as an independent vs. as an employee

Independent contracting	Full-time employment
You select your projects and work schedule, but you must always look for the next project.	Your supervisor assigns projects and usually you'll have all the work you need.
You must be a self-starter and self-disciplined.	Your employer structures your time and assignments according to your work hours and project priorities.

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Working as an independent vs. as an employee (Cont.)

Independent contracting	Full-time employment
You can choose not to work for a client again.	You probably cannot turn down an assignment.
You have no "boss" to answer to (except yourself and your clients).	Your supervisor monitors your work and periodically assesses your performance.

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Working as an independent vs. as an employee (Cont.)

Independent contracting	Full-time employment
You must buy equipment, software, insurance, etc. and pay your own taxes.	Your employer provides the equipment you need and withholds taxes.
You must be resourceful to find answers to questions and to keep up with new developments.	Your employer may offer internal training that you can attend or may pay for external training, seminars, and conferences.

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Working as an independent vs. as an employee (Cont.)

Independent contracting	Full-time employment
You work on different types of projects.	You may work on the same project for years.
You have no steady paycheck or benefits to count on.	You have a steady paycheck and benefits, but beware of downsizing.

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Working as an independent vs. as an employee (Cont.)

Independent contracting	Full-time employment
You can't walk down the hall to ask a question or talk with a co-worker (if you work off-site).	You may have co-workers to consult when you have questions.
You have no "corporate culture" to fit into.	You need to learn about your company's culture.

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Starting your own business

- Form of business
 - Sole proprietorship
 - Partnership
 - Corporation
 - C Corporation
 - S Corporation
 - LLC (limited liability corporation)
- Consult a lawyer and an accountant

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Starting your own business (Cont.)

- Register your company name
 - Colorado Business Start Up Kit (303-592-5920 or www.aclin.org/other/business/startup_kit)
- Set up a business bank account
- Set up your company books
- Send for an EIN (employer ID number) from the IRS, unless sole proprietor

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Starting your own business (Cont.)

- Obtain insurance (consult with 1 or more independent insurance agents)
 - General business
 - Health
 - Disability
 - Other
- Set up your office

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Starting your own business (Cont.)

- Decide the services you want to offer
- Decide your marketing strategy
- Create your marketing materials
 - Business cards (at a minimum)
 - Letterhead and envelopes
 - Brochure
 - Resume
 - Web site

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Starting your own business (Cont.)

- Pay quarterly state and federal taxes
- Network, network, network
- Find clients
- Do good work

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Resources

- STC
 - Freelance FAQ (www.stcrmc.org/freefaqs.htm)
 - Contracting and Independent Consulting (CIC) SIG
 - Resource Directory (www.stcrmc.org/pubs.htm)
- BWA (www.bwa.org)
- Colorado Business Assistance Center

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