Freelancers Forum: Finding Work & Networking

Josh Horstman
Nested Loop Consulting
June 17, 2019
#1 source for work: Your professional network
Recruiters and staffing agencies
Online job postings
Watch industry news
Advertise
Cold call
The Power of Networking

- It really is "who you know".
- Build and maintain a robust network – requires time and effort
  - Conferences and professional associations – volunteer!
  - LinkedIn and other social media
  - Maintain relationships with former coworkers, classmates, professors
- Include people at all levels – peers, influencers, decision makers, recruiters, etc.
- Follow up whenever a lead or opportunity arises
- Ideally, this process starts well before you go into business
Freelancers Forum:
Rate Setting

Josh Horstman, Nested Loop Consulting
Tara Potter, Green Key Resources
June 17, 2019
Most contracts are based on an hourly rate.

Rates depend on many factors:

- Type of work
- Level of expertise required
- Consultants' prior experience
- Quantity of work
- Travel expectations
- Payment terms
- Direct or indirect contract
- Competition
- Availability
- Flexibility provided to client
- Software licensing (e.g. SAS)
Rate Setting: Factor in Benefits

- Health Insurance – costly, but available
- Retirement – Solo 401(k) can be very advantageous
- Paid Time Off – nope!
  - Factor this into your rate structure
  - Build reserves to even out cash flow
With appropriate rate setting, an independent consultant can construct a compensation package like one provided through traditional employment.

<table>
<thead>
<tr>
<th></th>
<th>Emily the Employee</th>
<th>Connie the Consultant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Income</td>
<td>$100,000 annual salary</td>
<td>Bills $75/hour, 32 hours/week, 46 weeks/year = $110,400</td>
</tr>
<tr>
<td>Time Off</td>
<td>6 weeks (paid by employer)</td>
<td>6 weeks (unpaid)</td>
</tr>
<tr>
<td>Health Insurance</td>
<td>Paid by employer</td>
<td>Pays $5,400 annual premium</td>
</tr>
<tr>
<td>Retirement Plan</td>
<td>Employer contributes $5,000 to 401(k)</td>
<td>Contributes $5,000 to Solo 401(k)</td>
</tr>
<tr>
<td>Taxable Income</td>
<td>$100,000</td>
<td>$100,000</td>
</tr>
</tbody>
</table>

Disclaimer: These numbers are arbitrary and should not be considered representative of anything in particular. This example is grossly simplified and omits many details.
Contact Information:

Joshua M. Horstman
Nested Loop Consulting

josh@nestedloopconsulting.com

317-721-1009