

7 Steps For A Successful Solo Career

Hanging out your own shingle in a field you're expert in can be a great second career. Here's how to make it a long one.

NEW YORK (Money Magazine) - March 22 2007 - Being your own boss has a lot of advantages, but making the transition from the traditional corporate world takes work.

1. Give Yourself Financial Padding

Most people need to set aside a year's worth of income before they cut themselves loose. You'll know within eight months whether you're developing a sustainable business. To boost your survival chances, make sure your entire income does not flow from any single project.

2. Don't Confront The Isolation Alone

Every so often, Phil Zwieg will be working at his desk, "and I'll look up and wonder, 'Where is everybody?' " he says. "There's no phone ringing all day, no formal meetings, no interaction with people."

That's a tough switch for Zwieg, 60, who started as a strategy consultant last July after taking early retirement from Northwestern Mutual Life Insurance, where he was vice president of information systems.

He breaks out of his isolation tank by teaching two college courses and scheduling speaking engagements. "Having no organization is different," admits Zwieg of Muskego, Wis. "I'm still adjusting to it."

3. Be An Advertisement For Yourself

Sure, everybody you've ever met considers you a role model - just like Mom said. But that doesn't mean they'll slap down \$150 an hour for your (alleged) wisdom.

Start by approaching your former employer if you saw a niche where consulting help might fit. And reacquaint yourself with your network of contacts. You'll also have to get used to proudly displaying your nametag at formal get-togethers and finding subtler ways to spread the word at golf games.

It's worth spending money on classy letterhead and business cards, says Pam Lassiter, a career adviser and author of *The New Job Security*. "You want to inspire confidence. You don't want to look as if you're just between jobs - even if you really are."

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4. Coolly Calculate Your Worth

Figure out what you were earning per hour as an employee, and then add in the costs of vacation days, holidays, sick time and benefits. There's administrative overhead too - if you rent space, say, or need nifty technology. Depending on the industry, you'll want to tack on a profit margin of about 20 percent. After trial and error, your pay before expenses should be at least double, if not triple, what you made as a W-2 drone.

5. Remember, You Can't Bill Out Every Hour

It's reasonable to expect that you'll spend 20 percent of your time on administration (writing proposals, sending out bills) and another 20 percent on marketing.

"The most interesting challenge is that you need to be involved in every detail of the business," says John Stevenson, who has spent a year setting himself up as a turnaround consultant in Plano, Texas.

He was previously chief information officer at the U.S. subsidiary of Sharp Electronics. "When you're an executive, other people take care of budgets and presentations," he says. "But to do it on your own, you've got to develop a really broad set of skills."

6. Trust, But Verify

One of 30 clients is going to turn out to be a deadbeat. As for the rest, make sure you come up with a document that heads off expensive spats by spelling out your obligations. The contract should protect you against "Scope Creep". These are projects that grow, blob-like, beyond their original dimensions and quantify how many revisions the fee covers.

You can find a standard contract online, but you'll want to customize it. Marketing consultants, for instance, will need to insert a clause that defines their role as content providers who aren't responsible for how their information is used or for any product defects. Have a lawyer sign off on the final document.

7. Don't Worry About Job Security

There isn't any!!! Your most lucrative work can dry up in an instant. Ask Geary MacQuiddy, a personal assistant who started her Boston firm, Domestic Diva, last year. A former organizational consultant for Capgemini, she works for people in transitions, whether they're adjusting to a divorce or greeting a newborn.

She recently lost her best customer. "He went back to his wife and didn't need my help anymore," MacQuiddy says. "Guess that's just an occupational hazard for me."
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