

FREELANCE

MAKING THE MOVE

If you're thinking of ditching your current job and starting a freelance business, here are 6 steps you should take now to plan and prepare for a successful launch.

*You'll know
you're ready
when it feels like
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and something's
gotta give.*

Some creative professionals are forced into freelancing by a relocation or layoff, while others long dream of life as a solopreneur. Either way, making the transition from full-timer to successful freelancer takes preparation, hard work and often a mindset shift. If you're thinking of going out of your own—or if you have a feeling that path is in your future—start planning and preparing now. Here are the first few steps to take.

STEP 1: START BY MOONLIGHTING

Moonlighting can be good practice for freelancing. Take a few projects on the side to see how you do. Do you enjoy working on a variety of different projects or do you find it chaotic? Do you manage your priorities well or do you procrastinate? Can you meet your client's deadline?

"Moonlighting will let you know if you are disciplined and will prepare you for being in business for yourself," says Kristin Maija Peterson of Grand Ciel Design in St. Paul, MN. "My moonlight projects allowed me to build my confidence working with clients of my own, not to mention expand my creative range. In the end, the lessons I learned moonlighting made for a smoother segue to freelancing full time."

STEP 2: BUILD A NETWORK

Freelancing or working on your own doesn't necessarily mean you're working alone. Technology makes it

supremely easy to get help from people just like you, no matter where they are. To Lidia Varesco Racoma of Chicago-based Lidia Varesco Design, this support was invaluable. "Simple questions such as, how important is a second phone line and how to handle taxes can seem overwhelming until you talk to a seasoned pro. Over the years, I've paid it forward by being an adviser and cheerleader for others who have taken the solopreneur plunge," she says.

STEP 3: GET YOUR FINANCES IN ORDER

Getting started as a creative freelancer doesn't take a lot of money—which is both good news and bad news. Because the barrier to entry is so low, most creative professionals don't do enough preparation, especially on the financial side. That can be a problem when it takes longer than you imagine to get your business off the ground. That's why you need to save a minimum of three to six months of your basic expenses as a cushion. Otherwise, you'll be desperately taking whatever jobs come along.

When Heather Parlato of Los Angeles-based Parlato Design Studio was laid off in late 2007, she was lucky to have three months' notice to prepare, plus severance and steady work from one client to get her going. "I took stock of how seriously I had been running my business as a moonlighter and ramped up in preparation for it to be my sole source of income," she

RESOURCES

Creative Freelancer Conference: June 23–24, 2011, Chicago; www.creativefreelancerconference.com

“The Creative Professional’s Guide to Money”
by Ilise Benun; MyDesignShop.com (see also the companion DesignCast series)

“The Designer’s Guide to Marketing & Pricing”
by Ilise Benun and Peleg Top; MyDesignShop.com

“The Business Side of Creativity”
by Cameron Foote; MyDesignShop.com

The Graphic Artist’s Guild’s “Handbook of Pricing & Ethical Guidelines;” MyDesignShop.com

“Talent is Not Enough: Business Secrets for Designers”
by Shel Perkins

“The Graphic Design Business Book”
by Tad Crawford; MyDesignShop.com

“Get Clients Now” by C.J. Hayden

“The E-Myth: Why Most Businesses Don’t Work and What to Do About It” by Michael Gerber

“The War of Art: Break Through the Blocks and Win Your Inner Creative Battles” by Stephen Pressfield

says. “I bought and read the most recommended books on running a freelance design business (see Resources sidebar above) and noted the recurring advice: Stop doing your own taxes, solidify your contract, distill your services into a process, and figure out your operational and profitable hourly rates. I also lined up an accountant, set up Quickbooks (accounting software), downloaded the AIGA sample contract, and started creating basic project intake forms.”

Parlato also stresses the importance of lowering your overhead by paring expenses and paying off loans. “My overhead has never been lower, which has really helped in the leaner times when my own clients were caught up in the recession,” she says.

STEP 4: GET SOME MARKETING TOOLS

It’s never too early to start talking about your independent services to friends and family or even to do some extracurricular networking, which only takes a business card and a portfolio of work. But if you’re going to be serious about it, you need a few basic marketing tools in place. “A website, samples and references (even LinkedIn references) are the most important

things from the start,” says Alisa Bonsignore, a Northern California-based writer. “These initial tools prove that you’re a ‘real’ designer/writer/etc. who can meet client expectations.”

Parlato got started with her first identity and a rudimentary marketing piece. “Of course, all of this would change once I got to know myself as a freelancer, but these formative pieces got me out the door,” she says.

Note that these initial efforts are all preliminary and will evolve, so don’t stress over any of it. Your website doesn’t need to be perfect before it goes live. Even the name of your business doesn’t have to be final. What you call your company might change as your work evolves. In fact, Bonsignore’s company name, Clarifying Complex Ideas, didn’t come until she’d been working solo for two and a half years, when she refined her focus on a target market at a business conference for freelancers (see Resources sidebar).

STEP 5: BALANCE YOUR TWO JOBS

Until it’s time to take the leap, accept the fact that you’ll essentially be working two jobs. “You need to have both the time and mental energy to balance two schedules,” Parlato says. “Though it may be tempting, don’t do anything to jeopardize your job by working on side projects at work if it’s frowned upon—you never know, they may be your next client. The trick to balance is getting to know yourself and how you work. Maybe you can get a little extra correspondence in before your workday, and then give yourself a couple hours of work after dinner, keeping in touch as needed through the day.”

Bonsignore acknowledges it can get ugly: “Honestly, I don’t know that I could have done it now that I have a young kid. It’s long hours and merciless schedules, and kids don’t exactly tolerate Mommy being preoccupied with the computer. And don’t think that you can get anything done while they’re in the house. People assume that ‘working from home’ means ‘working at home with the kiddo.’ I’d be out of work if I did that. I can’t get anything done when he’s here, and frankly I’d rather have him in day care/preschool while I work so that I can give him my undivided attention when he’s at home.”

STEP 6: MAKE THE LEAP

Sometimes, your current employer will provide the push you need, whether by laying you off and/or by becoming your first client. But if it’s up to you to decide, it’s best to have a cushion of cash and a cache of clients, ideally a couple of regular clients who need ongoing services.

Bonsignore’s advice: “If your finances are in order; if your business is booming, so much so that it detracts from your day job; if you have a spouse with health insurance (a huge plus!); if you’re comfortable with uncertainty; and if you’re prepared to meticulously document hours, receipts and other expenses—then and only then are you really ready to rock this thing the right way.”

You’ll know you’re ready when it feels like you’re working way too hard and something’s gotta give.

LAST WORDS OF ADVICE

Make a plan but keep it loose. Don't get attached to anything about the way you start: who you thought you'd be working with, on what, how or where. Everything will change as your business evolves, as you get to know yourself as a freelancer and as you get to know your clients and their needs. If you can be flexible from the start, that ability will keep you on course. **HOW**

Ilise Benun, founder of Marketing Mentor and co-producer of the Creative Freelancer Conference (www.creativefreelancerconference.com), works with creative freelancers who are serious about building healthy businesses. Sign up for her Quick Tips at www.marketing-mentortips.com.

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Download Ilise Benun's free whitepaper, "The Freedom of Freelancing."

HOWdesign.com/FreelanceFreedom

FREELANCER SPOTLIGHT

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I just made the transition to freelancing. Here are a few key things that did it for me:

1 A goal. I determined that I'd make the leap by date "x" (about one year away at that point). I told my current employer and other friends and family about the plans, so it would have been hard to back out.

2 Talks with inspiring, successful people. I had meetings with people who gave me good advice and told me it could be done. I believed them. They told me to have a vision, get help from others and don't spend much money. That made sense to me.

3 A commitment to hard work. When you realize that your venture is going to have to keep bread on the table, you don't have much choice but to work like crazy. The commitment to work tirelessly to get this thing off the ground helped me out a lot.

Don't just manage an email list.

Get to know customers like Bob.

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Has a birthday in March

Lives in Austin

Tweeted about your email campaign

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