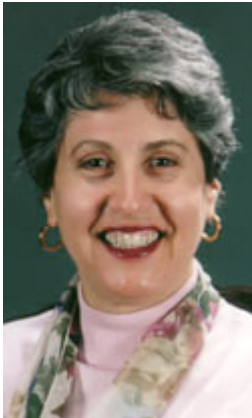


The Solo Professional: Things to Consider When Becoming a Solo Professional



Carole Rehbock coaches individuals in career transition and organizations in the midst of change who are struggling with direction and purpose. She helps them gain clarity, overcome obstacles and move forward toward their goals. She inspires individuals and teams to fulfill their potential.

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By Carole Rehbock

As a company of one for the last twelve years I have learned a lot about what it takes to be a solo professional – both in very practical ways and also the emotional aspects of working on one's own. Having coached many people who are thinking about becoming solo professionals, I have witnessed all the pitfalls, especially those in the early stages of getting started.

Before you take the leap to becoming a company of one, there are many factors to consider.

Logistics

Where will you be working? Will you rent an office or work out of your home? Most solo professionals opt to work out of their homes. The great advantage is the low cost and no commute. However, if you are serious about being a business, here are some must-haves in order for you to be successful working from a home office:

- A quiet room where you will not be disturbed.
- A dedicated phone line so you can leave a professional greeting on your answering machine or voice mail. (I am amazed by how many people do not want to spend the money to have a separate phone line, and who see no problem leaving a greeting such as "This is the home and office of Jim and Barb. Please leave a message for either of us at the tone.").
- Computer.
- Fax machine.

These are the minimum requirements to get started. Depending on the work you do there may be other considerations.

Finances

How much money do you need to start out? Can you afford to end your current employment and be without income for several months? How will you handle the cash flow ups and downs? How much money do you need to live on? If you have a spouse or significant other, what are his/her expectations of your earnings? What is a realistic amount for you to earn in the first year? How much money will you be investing in your business the first year? What are your insurance (medical, dental, disability, life) requirements? What is your tax situation? How much money do you need

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for retirement? It is imperative that you have the answers to all these questions before you get started. Some people cannot afford to stop their current employment totally, and are able to structure part time work before they completely go out on their own. Having a financial plan and being realistic about your potential earnings can save you the mistake of getting started only to find out a few months later that you are slowly drawing down your savings and need to find full time work again.

During the twelve years that I have been self-employed there have been two recessions and some lean times even when the economy was good. I know and expect that there will be times when I am earning more than my desired income, and at times much less. The biggest financial surprise after my first year in business was my tax situation. With all my careful planning, somehow I missed that I would be paying self-employment tax. I underestimated my quarterly tax payments and found myself in debt. When you receive payment for services, remember about one third of it belongs to the government. Set up a separate account where you will set aside money for your taxes. Having your finances in order will give you the freedom to start your business with less stress.

Values

What are your values? How will you express those values as a solo professional? What really matters to you? What do you want to contribute? What are the trade-offs you will need to make? Are you a risk-taker?

The values that were really important to me as I decided to go out on my own were freedom, independence, contribution to others, building relationships, connection, and flexibility. The values that *keep* me out on my own are freedom and independence. These values are so important that the insecurity, ups and downs in business and my dislike for marketing never outweigh my need to set my own schedule, take time off when I want to, and have control over who I work with and what work I do.

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Marketing

A colleague recently said his greatest awakening when he started his business was that the phone did not automatically ring!

Who is your target audience? What are your services? How are you unique? What image do you want to create? What is your marketing plan and budget? How will you let people know what you do? How will you get business?

I have seen too many people with the illusion that because they are good at what they do, they can launch a business and have it all work magically. Unless you are willing to be a businessperson or hire a business manager, going out on your own may not be the best thing for you.

I am not a marketing expert, which is why over the last twelve years I always had a marketing budget and hired outside consultants. When I first went out on my own I used consultants to help me formulate who I was and what I was offering, decide what to name my business, and help me with promotional materials. I've used copywriters and graphic designers. I've secured assistance in writing sales letters, designing invitations to events, and developing marketing plans. I have invested heavily in outside marketing assistance. However, I know many solo professionals with successful businesses who did not use outside assistance to such a large extent.

The minimum you need to get started is a marketing plan, a professional business card (not one from your home printer), and a one-page description of who you are and what you do printed on good quality paper.

Marketing is a very broad topic and includes a variety of activities. Getting help and/or, reading some books will help to get you started. See the "Marketing and Sales" section of this manual for more information.

Other

Are you organized? Are you self disciplined? Are you a good time manager? Do you have support systems? Are you self motivated? These qualities are a prerequisite to success.

There is much to consider as you take the step to becoming a solo professional. It is not for everyone. Be honest and objective about the pros and cons of being on your own. I have seen too many people with the illusion that because they are good at what they do, they can launch a business and have it all work magically. Unless you are willing to be a businessperson or hire a business manager, going out on your own may not be the best thing for you.

Take a hard look at your finances, your values, your ability and willingness to market, your organizational skills, your self-motivation and how you like to work before making this important career choice.