



Canterbury
Christ Church
University

STUDENT
ENTERPRISE

FREELANCING

Career Development

WHY GO FREELANCE? THE PROS AND CONS

More money, more varied work, more control over your work-life.... with potential pros like this, who wouldn't want to be a freelancer? If you have skills and experience that would be useful to others, then freelancing could be the flexible career option that you're looking for.

Many people successfully do a bit of freelancing alongside their main job and this can be a good way of testing the water to see if you have the personality and skill set required to become a successful freelancer.

Remember though that working freelance requires plenty of dedication and energy to ensure that a steady flow of work comes in and that you'll largely be working alone, taking responsibility for all aspects of your small business and you won't see a regular salary payment at the end of every month. Think long and hard before you take the plunge as freelancing isn't for everyone.

CHOOSE THE RIGHT BUSINESS STRUCTURE

You can work on a freelance basis either as a sole trader, as part of a limited company or a partnership. Choosing the right legal structure will affect the obligations and responsibilities you will have as the business owner. Make sure you carry out proper research so that you understand what is required of you and your business.

HOW MUCH TO CHARGE

Your rate might not be set in stone – you might charge different rates for different jobs but clients will expect you to be able to give them an indicative rate and this needs to reflect what it really costs you to be in business.

CALCULATE YOUR HOURLY RATE

Do not underestimate the costs of being in business and never undervalue your work. Researching rates charged by competitors and those in similar areas of work will give you a useful indication of the market rates.

Think about costs and expenses – even if you work from home there is a cost. Calculate ongoing expenses such as phone, broadband and utility bills, web hosting, postage, office supplies, accounting costs, travel expenses, computing costs including upgrades, printing costs etc.

Work out how much you want to earn – as a guide this should be more or less what you would earn as an employee (or you'll wonder why you're doing it!) but you must also remember that you will be responsible for paying your tax. Ensure that you put enough aside, preferably in a separate account. (See The CORE Guide to Becoming Self Employed for guidance on registering as self-employed and for advice on tax and national insurance contributions).

Think too about the costs involved in paying towards a pension, business insurance and covering your income during holiday times. You may think that you won't need to take a break for a few years but you will and you still need to be able to live! As a freelancer you'll also experience some rainy days. It's good practice to put some money aside for these too!

Add together all of these costs for the year and you will arrive at a figure that represents the cost of you being in business for one year.

Your next step is to realistically calculate the number of hours that you can work across the year. Remember weekends, holidays, periods of illness and the need to maintain a work-life balance.

Divide your total cost for the year by the number of hours and, hey presto...you have your hourly rate! From here you can calculate your daily and weekly rates too.

Ask around, see if the rates are realistic and then either look at ways of cutting costs (again realistically) or increase your rate a little. Once you're working you'll soon get a sense of whether you are pitching it right.

WHEN TO EXPAND – HOW TO TURN YOUR FREELANCE CAREER INTO A SMALL BUSINESS

If you're regularly turning away work, then perhaps it's time to grow and become a small business.

Scaling your business gives you the potential to take on more work which in turn brings in more money but remember that there will be costs involved too. A growing business is likely to require additional staff, perhaps new premises and equipment and additional marketing requirements.

Planning is key to scaling a business. Think about the future. Project future income against the increased outgoings of your larger business. Plan for some lean times and ensure that you and your staff can weather a dip in business.

Ultimately though being a successful freelancer doesn't mean that you need to take on staff and become a small business owner – instead, think about partnering with others and co-working, helping to take the pressure off at busy times and allowing you to concentrate on the more profitable jobs.

www.creativeboom.com/tips/dont-even-think-about-becoming-a-freelancer-unless-you-have-these-20-essential-skills-locked-down/

For Student Enterprise Support visit The CORE drop in desk every Thursday during term time, 1-5pm, or email enterprise@canterbury.ac.uk

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