

# SO YOU WANT TO BE A CONSULTANT?

Congratulations!

You've taken the first step towards becoming self-employed – and one I couldn't recommend highly enough.

Since 'going it alone' in August 2008, I've never looked back but there are a few mistakes that I made along the way, as well as a few long routes to a short cut and I would have appreciated a guide like this back then. Of course, there's no such thing as 'one size fits all' but I've put together a few practical ideas and questions for you to consider before you start approaching potential clients.

## **What this isn't**

This isn't a one-stop shop for business start-up advice (although I've attached a list of resources and websites that could help with that). It's based on my personal experience working as a successful consultant since 2008.

*EARLY DISCLAIMER: If you want tax advice, I strongly recommend that you call an accountant OR HMRC if you're in the UK (who are extremely helpful)*

But if you're after a few practical tips to make the transition from employee to consultant a bit smoother, read on...

## Getting Started

Chances either you're currently going to your office each day-dreaming of setting up on your own. Maybe you have a clear idea of what you want to do and who you want to work with and if so, great – go for it! However, if you haven't – or before you finally decide – you might want to consider the various options available to you.

## Questions to Ask Yourself

**What business model do I want to follow?** Will you be a straight-forward consultant style business or do you prefer to be more hands-on and offer a freelance type role? Or perhaps you'd like the variety of doing a bit of both? Write your ideas/preferred way of working below...

---

---

---

---

**What niche do I want to work in?** I didn't do this initially as I was worried about limiting myself to a small client group but, as the saying goes, you can't please everyone all of the time. You have to choose a niche so people will know what you're about AND while it might seem counter-intuitive, by narrowing the list of people you want to work with, you are actually more likely to make a sale.

If you're having trouble figuring out who your potential market could be, flip it and ask yourself what you can do for your client group. How will they benefit from working with you and not another consultant or freelancer? What skills, experience or interests do you have? List your ideas below...

---

---

---

---

## Word of advice:

**Before choosing your market, think about not just your experience but also what you enjoy doing. You need to constantly 'sell' yourself and if you don't feel enthusiastic or passionate about your work, it'll show.**

## **Structure – UK Businesses Only**

First of all, what type of structure do you want your business to have? I set up initially as a limited company without, if I'm being honest, any real idea as to why. While you do pay less tax (with a helpful accountant) and you have protection if anything goes wrong (hence the 'limited' part) it wouldn't be my recommended starting point.

Why? Well, you have to fill out company registration paperwork and remember to file a company return with Companies House each year. Neither is particularly onerous but they do take time and, in the early stages, that time would be better spent getting clients and earning money. Oh, and the accountancy fees cost more for a limited company than they do for a sole trader or partnership. In fact, as a sole trader you could complete your self-registration with HMRC yourself. As a limited company you will have to pay anything upwards of £700 per year (sometimes a lot more depending on your accountant).

In terms of tax breaks, the benefits of a limited company structure are really only felt once you're breaking the £50,000 ceiling so if you want to hit the ground running and concentrate on building your business and your client list, start as a sole trader. Call HMRC to let them know that's what you're doing and to ask what if any, forms you need to fill in (you will need to pay Class 2 and 4 National Insurance and be set up for that) and then you can build on it from there.

**Location, location, location** Think too about where you are going to work. Do you want to take on an office rental as you're starting out? Or can you work from home? If you're worried about motivation while working from home there's nothing more motivating than having to pay the mortgage! That said though, you can always go out and work from a local café or library if you'd prefer a change of scenery – all you need is a laptop.

**Finances** You can set up a business for £100 – particularly a straightforward consultancy business - so I wouldn't worry too much about initial layout . If possible, try to have at least 3 months basic living expenses saved up (i.e. not how much you're currently living on with your wages but how much you NEED to live on). If that really isn't possible then my advice would be to start getting the word out that you are going it alone BEFORE you leave your work. Now, I appreciate that not everyone will be able to do that, especially if you could be 'taking clients' with you – but you can start to gently get the word out there – perhaps by starting to build links in circles away from your work, such as within your social networks (more of which later).

**TIP: Remember to put aside some money to invest in yourself. There is no training budget anymore so if you want to learn how to use Twitter, set up a Wordpress site or anything else, you'll need training.**

## Networking

**Business Networking Events** - If the thought of going to business events and pushing yourself forward leaves you feeling ill, don't worry. I would rather do anything than that too and it hasn't stopped me from winning business. In fact, by far the most effective way I have won any business has been by building relationships with people over time – rather than thrusting my business card in the face of everyone I meet!

However, networking events can be good places to meet people, share ideas and start to build those relationships. Use Google to find out which local business networking events are happening in your area. Many are free or very low cost. You will probably need to try out a few before you identify which are going to work for you – and I have never really won any work out of these. What I have done though, is made contacts with people who have become business contacts and I've also learned new approaches or skills (as often business networking meetings have speakers or presentations on various subjects). I wouldn't fill your diary with these but try a few to see whether you can benefit from them.

**Start While Still Employed** - Can you start to build up your potential client network while you're still working? I did this in two ways: first of all, I asked some of my contacts if they a) knew of anyone who needed consultancy and b) would recommend me to people they worked with. I chose people I knew with contacts in the areas that I wanted to work in – and, most importantly, made sure there wasn't any crossover with my employer.

And you don't need to build relationships in person either, you can start online by using Twitter or LinkedIn to get involved in discussions with the people you'd like to work with or for.

**Don't forget your friends** - I deliberately made a point of NOT telling friends and acquaintances what I was doing. Partly because I am often inundated with people asking me if I'll run their PTA fundraiser (events bring me out in a rash!), partly because I didn't want to come across as pushy or trying to sell something but mainly, in case I fell flat on my face and looked like an idiot!

Then, one day at the school gates, I decided to stop being such a wimp – after all, if I wasn't going to be positive about my business, who was? One of the other Mums asked me what I did for a living – and I told her. And guess what? It turned out that, not only was she self employed (with her own successful PR agency) but she also ran our local (and growing) book festival. Oh, and 'we need sponsorship, could I help?' A dream contract – and all because I took a brave pill!

## Practical Steps

- a) **Get a website** – use a free platform like Wordpress.org. You have to pay for hosting (I use Hostpapa but there are others such as Hostgator and a whole list provided on the Wordpress.org forums). Hosting costs from around \$5 a month. You can set this up yourself using one of the Wordpress themes and have a professional website within hours. AND the beauty is, once you're established and want to develop your website, most web designers will be more than happy to tweak your site if it's based on Wordpress. Word of mouth is by far my biggest referrer of business – which goes back to my earlier point about networking. But, people usually check out my website even if I have been referred to them by someone they know.
  
- b) **Use social media** – 67% of the adult population are on social media so if you're not, you're missing a huge audience. Before you jump onto every platform going (yep, I did get a Twitter, LinkedIn, Google+, YouTube, my own blog AND Facebook page before I knew why!) decide what you want to use social media for; think about who you want to reach; and consider how often/what you will be posting. Then choose one and get to know it really well. My personal recommended starting point would be Twitter. I've found it to be a great way to connect with people; I've been invited to guest post on other related blogs; and, perhaps most amazingly of all, I have won over £20,000 worth of business through Twitter connections!
  
- c) **Think about blogging** – if you're setting yourself up as a consultant, you're saying, 'I'm an expert in this' so show off your wares online by writing a blog. You can find mine here: <http://activatefundraising.com/blog> People will start to know, like and trust you more quickly if they can see that you know your stuff – not to mention that sharing information for free is a good way to help people in your niche.
  
- d) **Sign up to an email marketing service** – once you have decided on your key market you want to grow your audience. Ideally, use an email marketing service, such as MailChimp or AWeber to collect email addresses direct from your website (or you can add them for people you meet offline) and then you can continue to stay on their radar by sending out your regular newsletter to promote your services or products.

**These are just a few of the aspects to consider when starting out.**

**Good luck!**

## Resources & Links

### **Business Gateway - <http://www.bgateway.com/>**

For all of the practical aspects of working for yourself, along with lots of information on local training and events, many of which are free

### **Women Unlimited - <http://www.womenunlimitedworldwide.com/>**

Not just for women either – a great site with regular posts, events, training and webinars for advice on setting up and running your own business.

### **Enterprise Nation - <http://www.enterprisenation.com/>**

With a focus on small business, this site features posts on particular fields of work and a shop full of business publications at very reasonable prices. Enterprise Nation also runs StartUp Saturday workshops in various locations around the UK.

## Resources

### **Twitter – [www.twitter.com](http://www.twitter.com)**

Sign up for free and start following the people you'd like to work with. Think up a Twitter username that's relevant to you and your business and get following!

### **Wordpress – [www.wordpress.org](http://www.wordpress.org)**

Create a beautiful website with an integrated blog – and all for free! Start here and read through the various steps to getting your very own website (top tip: get your own URL relevant to the business/your name to look professional. You will need to pay for this but it's peanuts!)

**Hosting Platforms** – for a list of hosting platforms recommended by Wordpress go here: <http://wordpress.org/hosting/>

Google hosting platforms and decide which you'd prefer.

### **Email Marketing – check out:**

[www.mailchimp.com](http://www.mailchimp.com)

[www.aweber.com](http://www.aweber.com)

or Google 'email marketing service' to decide on the one that best suits your needs.

### **Skype - <http://www.skype.com>**

For free calls, check out Skype, or for a few pennies a day, get your own Skype telephone number with a dial code local to you and anyone calling will a) think they're calling a landline and b) only be charged the cost of a local call.