

Freelancer Payment Methods

Option 1: Phase-wise / Milestone Payments

Advantages:

- Security – You get partial payments, so you're not working for free.
- Cash Flow – Regular income helps cover ongoing expenses.
- Client Commitment – Advance/milestone shows client is serious.
- Motivation – Each milestone payment motivates you to continue.
- Reduced Risk – Even if client drops, you're paid for completed phases.

Disadvantages:

- ■ More Management – Track invoices/payments more often.
- ■ Client Delay – Some clients may delay milestone approvals.
- ■ Negotiation Pressure – Clients may bargain at each stage.

Option 2: End-of-Project Full Payment

Advantages:

- Simple Process – Only one invoice/payment at the end.
- Attractive to Client – They pay after full delivery.
- Less Admin Work – No repeated billing or milestone tracking.

Disadvantages:

- ■ High Risk – Client may take project and not pay.
- ■ Delayed Payment – If project stretches, payment delays too.
- ■ Zero Cash Flow – No money until project ends.
- ■ Work Misuse – If you share full project, client may disappear.
- ■ Stressful – You're carrying all financial risk.

■ Tip for Security if Client Insists on End-of-Project Payment

- Never share full code/files until payment is cleared.
- Only show demo on your server (screen-share, screenshots, watermarked output).
- Mention this rule clearly in contract.