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# Freelancing - A First Step To Entrepreneurship Or A Career In Itself?

Updated by Rosie Allabarton on July 11, 2016

It's Friday afternoon at the office and with one eye glued to the clock and the other glued to the door the day feels like it's never going to end. That desk job that had promised so much at the start has left you dreading Monday mornings and counting how many brain cells you have left as they shrivel up and die from lack of use.

#### Freelancing provides the crucial experience you need to become an entrepreneur

Daydreams of running your own small business begin to surface during long, dull meetings, but there's something holding you back from making that leap, and it's not just Sandra in Accounts and your morning flirtation over the coffee machine. That something is **experience**. And that lack of experience is what feeds a lack of confidence which could keep you chained to your desk job forever.

Lack of experience is the key factor preventing many people from making the break from their nine to five job and setting up on their own. At **CareerFoundry** we have heard countless stories from people with big ideas for startups or apps that are going to change the way people order take-away/buy accessories/date but have no clue about accounting, hiring staff or managing a team. *However, there is a straightforward solution to help people like these gain experience, contacts and confidence:* **freelancing**. In this post we are going to look at how freelancing provides you with the skills you need to become an entrepreneur, and, the value of a freelancing career in and of itself. For **ten tips** on getting your **freelancing career** off the ground, jump to the bottom of this post! And, for great tips on **personal** 

**branding,** check out the **video** under personal branding by our Creative Director Emil Lamprecht.

## Is freelancing just a stepping stone to bigger and betterthings? Or should wannabe entrepreneurs instead see the value in what the freelance lifestyle has to offer?

#### Freelancing - A unique working lifestyle

Working freelance is the best way to get to know yourself, your product/service and to build a network of similarly-skilled professionals, freelancers, clients and advisors. Not only that but freelancing is a way of life that affords a lifestyle that working for someone else simply does not. **Four day weekend anyone**? It's yours every weekend as a successful freelancer.

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It is also a way of life that is no longer possible once you are responsible for other people (your staff) when running your own company. Freelancing is a **unique working lifestyle**, that, when it works, can provide you with the ultimate **life/work balance**, a great income and a **tangible freedom** that isn't possible when working for anybody else, or when anybody else works for you. As **Ash Read**, respected marketer and freelance guru explained to us about his choice to work freelance:

"The freelance lifestyle has allowed me to take control of my time. Everyone is different and I feel that is something which is lost in a typical day job, where you're expected to always be at your desk and be at your best between set hours. The chance to work when, and importantly where, you feel most productive can have huge benefits and also bring with it a happier, healthier lifestyle. I now, where possible, try to fit work around my life, rather than life around work."

#### Big opportunities - less risk

There are a number of similarities between **freelancing** and **setting up your own company** that make both options attractive to graduates and career changers alike:

- the opportunity for flexible working
- freedom
- sole responsibility of financial decisions and budgets
- the desire to get your name out there as a professional in your field.

The difference, however, is the amount of risk involved. If lack of experience and lack of confidence are what have been holding you back from quitting your job, then you need to start getting some of both - and in bucketfuls! And this is where freelancing comes in.

If you're a wannabe-entrepreneur, when starting out in your career, you should *try the freelance route first*, get a feel for your desired industry, build up experience and a network and then reconsider whether starting a business in this field is still a viable and worthwhile option having taken into account all of the variables. Is it even still what you want to do? Or have the perks of freelancing sold you on the benefits of working for and by yourself? By launching your entrepreneurial career in this way you're:

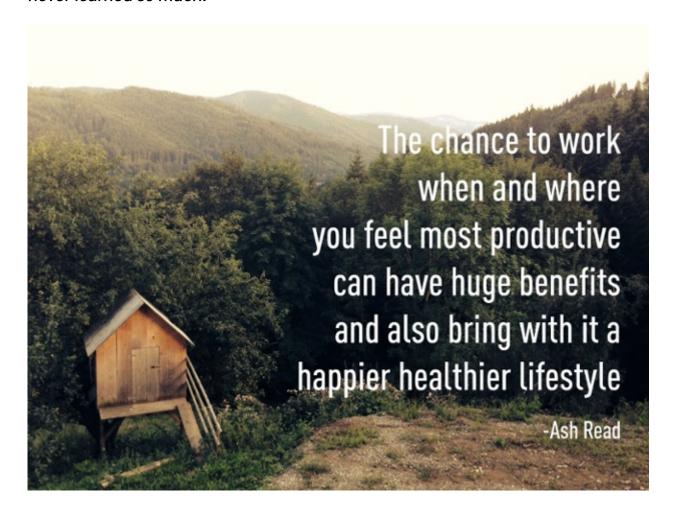
- reducing the risk / cost of starting up your own business
- building up contacts
- gaining valuable experience
- learning about yourself, your product, your competitors and your clients

Although this is certainly one way of seeing freelancing, as a first step towards running your own business, we would argue that the benefits and lifestyle of working freelance can outweigh the multiple pressures and responsibilities involved in running your own business. Freelancing should be seen as a legitimate option in its own right, not just a stepping stone. If it works for you, why not keep at it?

As Tamara Morrison of **graphicdesignblender.com** told us about her own experience with freelancing:

"This is a constant roller coaster and you just have to hang on and trust that the restraints wont break. You may get sick to your stomach and lose your breath once and a while and it can be scary going into that dark tunnel, but you just have to hang on for the ride and it will

even out. I would take the craziness of this over the routine of a normal job any day. I've never learned so much!"



#### Good money, great lifestyle

Financially, working freelance has it's own benefits. Zero travel costs, freedom to charge your own hourly rate, no expensive work outfits, off-season holidays — the amount of money saved as a freelancer can add up to huge savings over the course of the year. Not only that, but a recent report has revealed that companies are now not just outsourcing work to the cheapest freelancers, having realised that paying their freelancers a better wage benefits everyone in the long run. Simply put, paying for quality pays.

Sara Horowitz, executive director of the Freelancers Union said:

"People who employ freelancers are starting to realize cheaper's not always better. I'm hearing that a ton lately. You could do it cheap or you could do it well."

#### Graduates advised to freelance first

If you are someone who has ever considered setting up your own business then perhaps you stumbled upon Peter Cannone's fantastic blog post for the Entrepreneur advising graduates on testing out working freelance before becoming entrepreneurs. In his post the OnForce CEO covers a number of burning issues surrounding the increasingly popular subject of freelancing and how going freelance can be a huge benefit to those who are considering becoming entrepreneurs later down the line due to the similarity between working freelance and setting up a company. It's a tough call, knowing when the right time is to start your own business and what Peter's post really gets across is the importance of experience. As he points out, working as a freelancer gives you a great opportunity to market your skills before taking that leap and becoming a business-owner: you gain the experience at minimum risk.

**Peter** spoke to us about the different ways graduates — as well as those who change career later in life — can utilize their contacts to get their first jobs. He said:

"Today's college graduates interested in freelancing should use all available means to land their first gigs. In addition to leveraging friends, family and professors, recent grads also have access to a wide variety of online freelancer marketplaces where they can advertise their skills and find all sorts of work, ranging from computer-based jobs like Web developing to offline work like IT field services."

In his column Peter advises recent college graduates who are thinking about starting up their own companies to first try out freelancing as a 'foot in the door' to entrepreneurship. Many of the skills required to become a successful entrepreneur are also required of freelancers, for example the ability to market your skills or services to potential customers and being able to manage your own time and finances. Learning how to sell your wares is also crucial as nobody is going to be able to do that for you. According to financial-software company Intuit it's estimated that by the year 2020, 40 percent of working Americans will be freelance or contract workers so it's a route that many people are going down in order to enjoy some flexibility and freedom in their working lives. It's increasing popularity speaks volumes for the work/life balance and benefits freelancers enjoy.

#### Still want to run your own business?

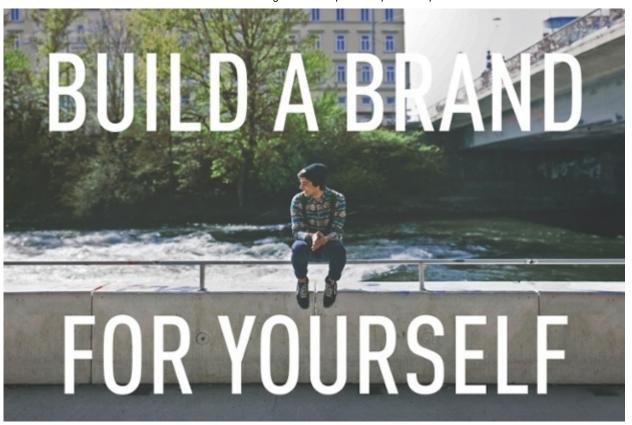
If you do take that step and become freelance you may well find your dream of setting up your own company evaporates as you find you can satisfy the same needs for independence in decision-making, financial control and flexing your own ideas as a freelancer, in our view, a totally legitimate career choice in and of itself. At **CareerFoundry** we would never consider going freelance as simply a means to an end; going freelance can tick all of the boxes of an extremely successful career, without the added responsibilities and risk starting a business inevitably entails. **Matt Keener of Keener Marketing Solutions** who writes the freelance and working from home bible **Executive In Sweatpants** confirmed the legitimacy of freelancing as a respected and worthwhile career choice.

"Freelancing is the best opportunity for people to start a business in today's economy, particularly on a tight budget. With as little as an Internet connection and a marketable business skill, the future can truly be yours."

#### Testing the water

Are you someone who likes to dip your toe in first or dive straight in? Freelancing can certainly be a good way of testing the water in the field you want to go into before diving head first into the deep end of starting your own business. If you start taking work on while you are still employed it will be hard but you will be building up a stellar reputation without losing a penny - and probably making a few in the meantime. Yes, money!

If you find you are enjoying it and getting repeat work you have confirmation that **starting your own business** in the field could very well be successful, with the right team, financial backing and organization. But even more than that you have confirmation that your **freelancing career** will be successful — you've already proven it to yourself! When you have regular business coming in you can start thinking about employing staff, renting out offices and launching your career as a business owner, but our advice would be to first stop and think: do you want to be managing a team, or do you want to be concentrating on your profession? As a freelancer you are only responsible for yourself, and any success you have is entirely yours. As a business owner you are handling multiple personalities and work ethics, not to mention salaries, shifts and holidays. These things could ultimately destroy the freelancing business you have built up alone if you are not adequately prepared and willing to put your creativity and freedom second and your team first.



#### And what about career changers?

For career changers, the idea of freelancing before entrepreneurship is valuable advice. But freelancing as a fulfilling career in its own right should not be overlooked. Career changers have the added advantage over graduates of having working experience, possibly relevant contacts or even a network from their previous employment that could be useful to them when working freelance and should be fully taken advantage of. If you do decide to go freelance, make sure everybody you know knows your plans and ensure you shout about your achievements in an online CV or **LinkedIn** profile. Whatever your job was before you can certainly take what you have learned with you and use your previous employer as a reference. Using technology can be a great way for freelancers to find work and build up their experience before setting up their own company or simply to gain experience before making the break to go freelance fulltime. Online marketplaces like **Elance** and **oDesk** provide freelancers with a variety of jobs at different levels to suit their particular skillset and give them the opportunity to make contacts who may then use them again in the future. **Ash Read** advises:

"If you're looking to build your network, I'd recommend first creating a list of companies, agencies, startups and recruiters who work in your field. If they are on Twitter, give them a follow and start a conversation with them — they may not have any vacancies suitable at this

moment in time, but once you've made the introduction you may be on their mind if something relevant comes up."

Making the decision to start your own business is tough. If you do decide to go ahead make it easier on yourself by preparing as far in advance as you can by building up the skills, contacts and experience by working as a freelancer, finding your feet and becoming great at what you do. If you decide you do want to expand, do more with what you've learned or increase revenue then of course think about starting your own company, but don't dismiss the idea of freelancing as a career. The freedom, flexibility, choice of projects and being responsible just for yourself cannot be understated. If you do want to start your own business, get the experience first and go freelance. You may very well find the satisfaction and success you achieve from your freelancing career more than enough.

Melissa Van Hoorne, editor at **ThisFreelancerLife**, summed up the importance of freelancing when she said:

"I never imagined the doors that would open up for me when I started freelancing. Build a brand for yourself and just start putting yourself out there. You ARE your business."



Decided you've had enough of working for someone else? Then that's enough of the theory, let's take a look at what practical steps you can take to get yourself on the freelancing ladder!

At **CareerFoundry** we're not just here to tell you how great the freelancing lifestyle is (though we really think it is!), we wanna help you get there, so we're going to show you **how to go freelance** with our ten step program.

When you've checked off our ten steps you'll have the **experience**, **contacts** and **network** to quit your desk job and **change your life**. Our final two steps we'll be releasing via an exclusive podcast from **Emil Lamprecht**, CareerFoundry mentor and longterm freelancer where he will explain to you what saw him launch a successful, long-lasting freelance career that enabled extensive travel, a great salary, free time, happy clients and that enabled him to build a stellar reputation in his field.

You wanna get there too, right? Then keep on reading....

#### 1. ) Build your network - they are your key to future work

Begin building a support network while still holding down your day job. You may want to get out of there as quickly as possible, but believe me, handing in your resignation too soon could be your biggest mistake. Your colleagues, employer and clients are your biggest links to your future work as a freelancer. Garner advice while you're in such a great position to do so. As tempting as it may be, **don't burn any bridges**. Bounce ideas off your coworkers, tell them projects you are working on, get as much feedback as you can about what they would expect when hiring a freelancer in your industry. Contacts of any kind are invaluable, so use these people for the people they know. Attend every work function and event as you will only meet more people who may in the future become clients. Collect email addresses and business cards and *get your name known*.

## 2.) Start working, save cash, gain experience, references - AND learn your job

Start working on small projects for friends while you're still in your dayjob. Don't hand in your resignation until you have savings, clients and experience. By taking on projects for small businesses or friends while still working fulltime you can create a **financial safety net** for when you are freelance but, most importantly, you're building up a reputation as an expert in your field. Charities, schools and local businesses are a good places to approach when you are just starting out as they are likely to have smaller budgets and willing to take a chance on a newbie. Also, as foundations of the community, if you do a good job these kinds of places are likely to speak favourably of you to other local businesses.

Word of mouth is by far your most valuable kind of advertisement as a freelancer. And it's free. Do a job well and that will almost certainly lead to more work. By putting this money aside now, when you come to working freelance full-time and work slows down a bit, you have a security blanket for those unexpected bills and expenses. It is actually less likely that work will slow down by the time you make the break and go freelance full-time, as by that point you will have already built up a list of clients and contracts (by starting to take on jobs before you leave your fulltime one).

#### 3.) Boost your personal brand - remember: You Are Your Brand

Your personal brand is your **unique selling point**. As a freelancer you are selling your brand and **your brand is YOU**. Pimp your **Facebook, LinkedIn** and **Twitter**. Get your name out there as a professional in your field. *And do this now!* Not when you've quit your job.

Getting your CV online and your Facebook page updated to include your new skills is a good start in getting the message across to friends and acquaintances that you are available to start taking on projects as a freelancer. You may not be much of a 'social networker' now, but if you want to make it as a freelancer this will be absolutely crucial to your success. So just do it. See your personality online as an extension of your business and a totally free adversitement for what you do.

Email everyone you know with the news that you are taking on work; you never know where that first client will come from. Although these days most things are done online, it's important to keep your offline presence visible as someone who needs to have a website built for them might not have much online presence themselves. Your future success will rest on your reputation, so even if you have a bad/rude/unreliable/late-paying client at this early stage it's important to treat them professionally as what they say about you counts for a lot (unfortunately!). It's also good practice for you for the future, as you inevitably get bad clients at some point along the way.

Would you like some more tips about boosting your personal brand? Then check out this video that our Creative Director, Emil Lamprecht, has made to help you reach the right audience when working on your social strategy.

http://careerfoundry.wistia.com/medias/m2bt1v7fti?embedType=iframe&videoWidth=640

#### 4.) Find a mentor and learn from their mistakes

Find a mentor? *Easier said than done, right?* Let us help you. Here are five tips to finding your perfect mentor:

#### A. Ask yourself this question: is there anyone you particularly respect and admire?

Professionals in the same field as you who have achieved a level of success you too would like to emulate? Reach out to them, via social networks or through mutual acquaintances and tell them how much you respect their work. Begin a conversation. Ask for advice.

#### B. Attend A meetup For Professionals In Your Field.

At CareerFoundry we run regular meetups for freelancers, UX designers and web developers. Events like these are a great opportunity for you to meet like-minded but perhaps more experienced individuals. Glean as much information as possible from them. Ask for advice, network.

If the meetups you attend are as good as ours, there might also be free beer....

#### C. Avoid Asking The Question 'Will You Be My Mentor?'

Even if you've found the perfect person, you should never put this question to them directly. Build up a relationship first, ask questions, be proactive. Asking them this question makes it sound like a much more demanding role than it really would be and would put a lot of people off.

#### D. Offer Something Back

Make the relationship reciprocal and not just one way. Offer them advice or help in areas they are perhaps less experienced. Show your gratitude and give something back.

#### E.) Listen Carefully And Sincerely.

And when it's offered take practical advice.

Try not to react defensively, remember this person has a lot more experience than you.

#### 5.) Find your niche and be unique

Whatever field you're working in, finding a niche can help you stand out from your competitors. It doesn't have to be all you do, you can sell yourself as an all round generalist in your field if you like, but if you have a niche then you will be:

- a.) Easier to find.
- b.) Easier to remember.
- c.) Known as an expert in this field.
- d.) Able to charge a higher rate.
- e.) In demand as a specialist.

## 6.) Don't sit idle: put time aside in your working day to upgrade your skillset

A quiet day for a freelancer should not necessarily mean a day doing less work, especially at the start. Your flexible working, freelancing dream isn't going to get off the ground if you don't commit yourself to working hard even when you're not officially 'working'. *Confused?* 

What I mean is, when you're not working on projects for specific clients, as a freelancer, you should be working to improve and upgrade your skillset so that you are productively *using* your 'downtime' to improve the service or product you're offering.

You can do this by

- taking online courses or tutorials
- reading up on advances in your field
- speaking to your mentor about how to improve your business practices.

Other ways to use those spare moments would be to start talking to people on social networks or forums, getting conversations started, asking and answering questions on **Quora**, and generally getting your name out there. By doing these things now, when the work has slowed down, will mean you don't have to squeeze it in later when all of those clients come knocking at the door and you will be spending all of your time doing that thing that you always wanted to do that made you go freelance in the first place.

It will also ensure there are actually clients knocking at your door at all.

#### 7.) Put the feelers out: use your network and find your first client

That elusive **first client**. *How do you find them?* This is where your old job comes in. Your old job is very likely going to be your link to your first paying client. So *don't burn any bridges* when you quit your job. Stay friendly with your old boss. While still in your old job make a mental note of how they treat freelancers, what the procedures, budgets and relationships are. It is worth making enquiries about working freelance for your old company. Some other tips:

- Talk to everyone you know. Try as much as you can to meet people in person attend events in your field, introduce yourself to people, get your face as well as your name rememberd.
- **Get involved in your community.** Good business opportunities often pop up through social events and people you know so don't hide behind your computer, get out and socialize in your local community and get known for what you do and being a trustworthy person.
- **Get in touch with your competition.** Another freelancer in your field may be overloaded with work and be more than happy to hand over what they can't do to you. Build a good relationship and this could be an invaluable source of regular work.
- Write a regular blog about what you're doing. This will make you easier to find, become an advertisement for your work, and give your clients an idea of who you are. It also increases your authority as an expert in your field.

#### 8.) Learn when to say "No" and save yourself time and money

A **bad client** can end up costing you more time (and ultimately money) than they're worth. For this reason it's important to be able to spot the red flags of a bad client so you can say

no sooner rather than later when they're making unreasonable demands, not paying promptly or treating you like a slave. These are the signs to watch out for:

- Trying to get you for a cheaper rate by promising work in the future.
- Everything is just a 'small job' and should be 'easy' or 'quick'. Implying if it takes you longer than they think it should that is your fault, not theirs, and they won't be paying you for the extra hours or work put in.
- Questioning what you charge. If they can't afford your rate that's fine, but telling you
  you charge too much or telling you 'they normally pay less' are all reg flags to watch
  out for. If they normally pay less, why aren't they still using that freelancer?

#### 9.) Write a business plan and know your goals for today and for the next year

Do you tell friends you're not an 'organized' person? If you're going to have a successful freelance career then you need to get organized my friend. And it's not hard. A simple list of daily, weekly and monthly goals can go a long way to keeping your mind focused on the small and big picture. There's no point focusing just on where you want to be in 5 years time, you need to work out all the small steps needed to get there. So write daily goals and stick to them. Similarly, if you only focus on getting through each day this could also be detrimental long term as by focusing on the short term your business is unlikely to progress or grow. Keep your long-term goals in sight at all times — frame them and put them on your wall. This will remind you why you're doing what you're doing and what you're ultimately aiming for. Your goals should be specific, with a definite deadline and written down. Above all, make your deadlines realistic. Give yourself more time than you think you need.

Next time you're setting a deadline, extend it by two days even if you think you don't need them. It's better to set a deadline later (with a client, or yourself) and meet that deadline, than to extend a deadline that has already been agreed. It's also a lot more professional and as a freelancer, your income rests on your reputation.

## 10.) Knowing how to charge what you're worth - and it's more than you might think

In terms of your finances, goals are pretty important. Make sure you know exactly how much (or how little!) you need to earn each month in order to survive. Then write down how many days a week you would, ideally, like to work. Then you need to calculate how much you need to charge and work in order to meet these goals.

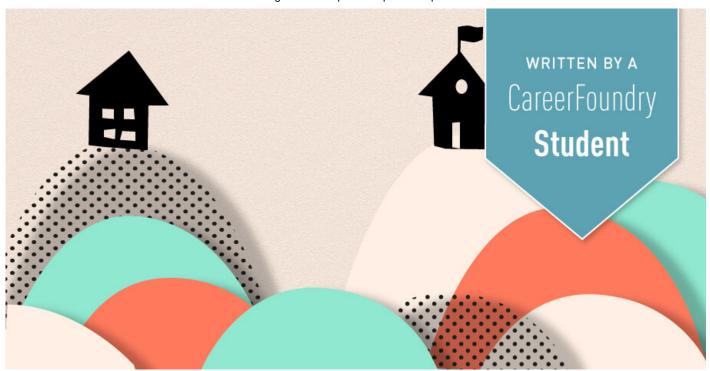
- Write out a budget of expenses. Decide what 'survive' means to you.
- From this work out how many clients you would need each month to achieve this goal. How many clients do you think you can handle? How much you end up charging is the sum of how much money you need each month vs how many clients you think you can handle in the given period of time.
- Think about how you can diversify your income.
- Practice saying your hourly rate out loud. Become used to saying it so that when you
  are in a meeting with a client you don't falter over numbers, or get influenced by their
  suggestions. You will always be charging the right amount if you believe your service is
  worth it. If you don't feel certain about that the amount you are charging (which is an
  equation of how much you need to live on vs how many clients you can handle) you
  need to think about how you can add more value to your service until you feel
  confident in charging what you're worth.
- Have confidence and stick to your guns!

If you are thinking about going freelance in tech and would like some help acquiring the right skills then a CareerFoundry course could be just what you need to get your new career off the ground. At CareerFoundry we're focused on helping launch freelancers into their careers in tech, with our courses teaching skills from beginner up to advanced in **Web Development** and **UX Design** written by tech professionals and taught by expert mentors.

Topics: career change

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"What If I Fail?" How To Overcome Your Fears To Get The Career You Want

#### John

9/2/2014, 12:18:03 PM

Big Question and Concern (s) Regarding #1:

Despite the constant advice, what do we do when we follow such advice well with this point, but unfortunately certain others (as personally experienced) we try to maintain a relationship and network connection with at the very worst, unacceptably, unthinkably and drastically for no reason stop responding to us personally and yet respond back to others when we have never done anything wrong and always reached out with thoughtfulness time to time ourselves? This has been the worst, unfair frustration of when we always reach out to some people and at worst they never have the simple decency to reply back as they said they would or as worse certain people who have been responsive and sincere before drastically drop off face of earth and leaving you hanging? Would you call this of them burning a bridge unprofessionally and unfairly?

Wanted to share as calm as I can while experiencing with this some people who have generated trust and sincerity at the beginning and due to they acting as such really affects trust and confidence when carrying forth.

Reply to John

#### **Ahmad**

9/3/2014, 4:12:13 AM

This being my first visit to this site, I wanted to say I found the advise given, a motivation booster. I started freelancing a year ago, and haven't seen much success with it as of yet. That's when I knew it would take much more than my passion of writing to become successful as a freelance writer. The hardest part about it all, I feel is being 'unemployed' while trying to build up my business. I do admit I need to get more organized with my tasks, and I'm interested in learning more from this site to help me get my goals accomplished.

Reply to Ahmad

#### Rosie Allabarton

9/3/2014, 11:18:22 PM

Hi Ahmed

Great to hear you've started reading our blog! And well done in make the break to go freelance. Yes the first year can be very hard, but the key is to get organized, use your 'downtime' to skill up or increase your network, and get your name out there as a professional in your field. You have to be your own marketer and sales person, not just a writer, so talking to as many people as you can about what you do and how you can help them will see your business increase many times over. Do you have a personal website or blog? It's also a great idea to chart your successes and failures on a blog which other freelancers can use as a reference and a place where potential clients can find you more easily.

Hope that helps,

Rosie

Reply to Rosie Allabarton

#### Rosie Allabarton

9/3/2014, 11:23:57 PM

Hi John

I understand your frustration, however unfortunately in all walks of life there will be people who are not great at getting back to you. It's important to remain positive and professional, and in terms of payment as a freelancer, write a contract before you agree to anything which will determine how much and when you will get paid.

016	Freelancing - A First Step To Entrepreneurship Or A Career In Itself?
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