A guide to **freelancing**

Chapter 04 – Get paid

freelance **corner**

Once you have found some clients or agencies willing to engage your services, you need to manage the relationship smoothly so that you deliver excellent value and the client is happy to pay you for it. Ideally they will be so happy that they award you another contract/ project, or recommend you to a colleague.

Here are some steps to take from starting to finishing the project and getting paid for the value you provide:

SEAL THE DEAL WITH A CONTRACT

Before you start work on a project make sure you seal the deal in writing.

For short one-off projects you could ask the client to send you a purchase order, but for any substantial piece of work you should use a contract for services.

This is important.

A contract helps you keep track of the initial agreement as the project evolves and provides a legal framework in case anything goes wrong. It also defines your employment status, in other words that you are your own boss and not an employee. For this to be valid, make sure the way you carry out the project is consistent with what it says in the contract.

DEFINE CLEAR PROJECT GOALS

Now you're ready to deliver the project. It's a good idea to start with a written brief to define what it is you're delivering. It is likely that your contract already defines this to a certain degree, but if there are any points that haven't been covered, now is the time to flesh out the details. The client might not have all the answers, but if you start by writing down what is known, then at least you know where the gaps are. The rest can be added later as you learn more about the project.

ESTABLISH REGULAR REVIEW POINTS

As an independent professional you need to earn the client's trust.

Ultimately you want to build a collaborative working relationship based on mutual respect. This requires good communication. You may or may not be based on-site, but either way you should agree some project milestones and regular review points to discuss progress.

Regular communication allows for more flexible handling of projects in which you can make any necessary adjustments to the original plan. It helps you tackle unforeseen obstacles and also to introduce innovations that may come to light along the way.

Some people like to use the 'Agile' project management technique, in which team members come together in regular 'scrums', where they look at what has been done and re-agree what should be done next.

How you do it, whether face to face or via phone/Skype, is down to personal preference and what works best for all parties. When communicating with your client, remember you don't have to agree with everything they say.

Yes, you should focus on their issues – after all you're there to solve their problems, not yours. However, don't be afraid to challenge something (in a constructive way) if you feel strongly about it – clients will often respect you more for it.

If the client or agency hasn't already sent you a brief, you could take the initiative by sending them a list of questions, such as:

- What do they ultimately want to achieve?
- What is the problem they need solving?
- Why is this important?
- What does success look like for them?
- Who will be your main contact/s?
- When and how can you contact them?
- Are there any other people whose views need to be taken into account?
- What are the key parameters such as timescales and budget?

KEEP AN EYE ON 'SCOPE-CREEP'

'Scope-creep' is when the original scope of the project starts to drift and the client starts asking for things that weren't in the original brief.

It's normal for people to change their minds about what they want in light of evolving circumstances, particularly during longer and more complex projects.

That's ok, as long as everyone understands the impact in terms of time, money and quality.

Make sure you're aware of any substantial changes to the brief you originally agreed. Raise it early on and offer the client a series of choices.

For example, you could say: "To deliver this change we can either add another month to the schedule or else increase the budget by £2000, which would allow me to hire an assistant and deliver it within the original timeframe. Which do you prefer?"

Don't back the client into a corner – the key to providing a good service is to design a win-win situation, where you help the client solve his/her problem without destroying your own livelihood. Remember to record the new project agreement in writing and update your contract or purchase order where necessary.

> "Project changes often mean a relaunch. Spending a modest time relaunching the project on the basis of a new project agreement is better than creating a final deliverable that no one wants or attempting to complete a project with inadequate resources and lack of support from the project sponsor."
>
> **Michelle LaBrosse**
> **One of the 25 most influential women in project management**

BOOST PRODUCTIVITY BY ELIMINATING CLUTTER

Michelle LaBrosse also recommends the '5 S' technique to eliminate hindrances to project completion. Adopted from the Japanese quality movement, it involves:

1. **Sorting** the items you use every day so you can access them quickly – file away anything else you don't need right now (but file it where you can find it in future!)

2. **Straightening** out the workflow between project team members by designating places for shared and movable items, for example by setting up a shared Dropbox or Google Drive

3. **Shining** up your equipment, software and work areas so that everything is in like-new condition and working perfectly, eg: empty your recycle bins regularly (both virtual and real) and make sure you don't have an ancient laptop that is painfully slow

4. **Standardising** your processes and sticking to regular ways of doing things, for example having one calendar synced to all your devices, rather than lots of different methods of recording appointments

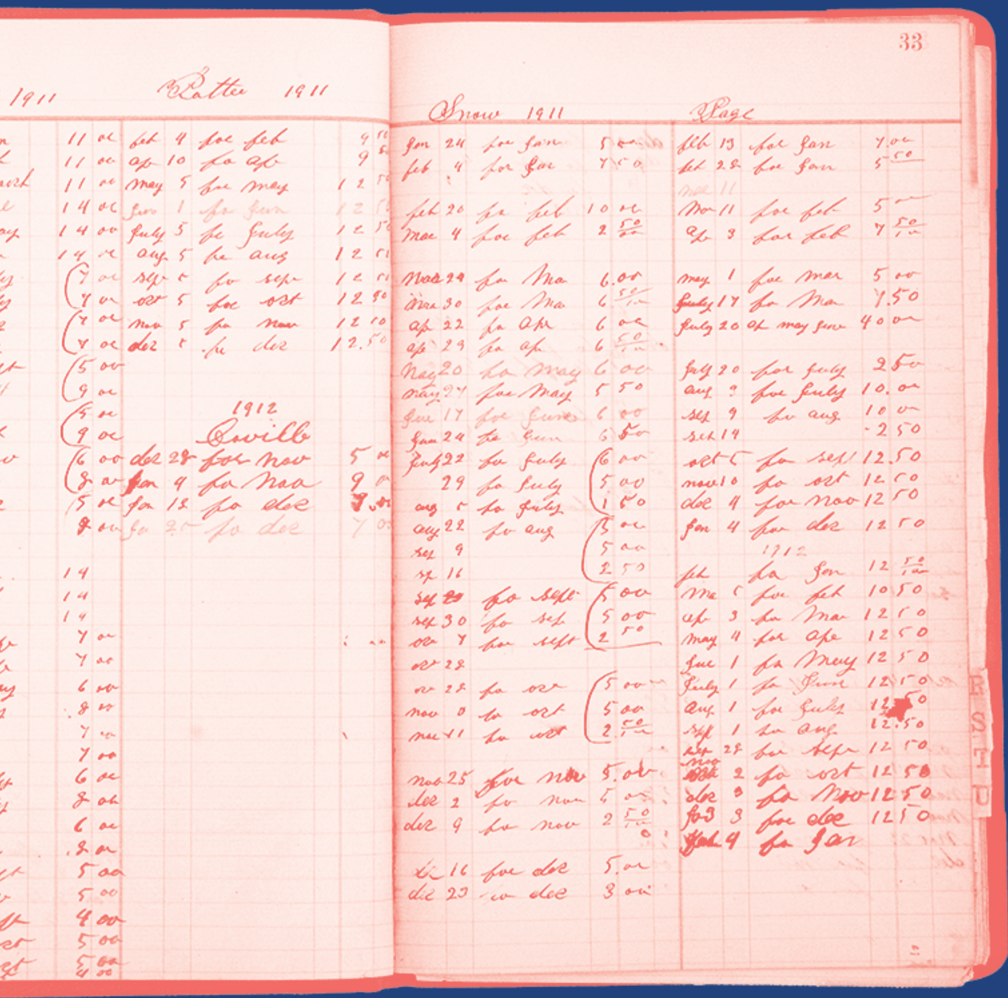
5. **Sustaining** your productivity by establishing daily and weekly habits to create improvements.

ISSUE YOUR INVOICE

Think about your invoicing schedule. Don't assume you have to invoice only at the end of the project. Some clients are happy to accept 50% up front and 50% on completion.

Otherwise, you might be able to negotiate a weekly or monthly billing schedule. If you work via an agency, many agencies will ask you to sign a "self-billing" agreement.

This means that they will prepare a combined invoice and payment confirmation for you, based on your timesheet. This saves you the bother of having to bill them.



WHAT TO PUT ON THE INVOICE

1. A clear header saying ‘invoice’.
2. A unique identification number – if your business is VAT registered, this needs to be a sequential number, in other words, part of a series, so that the next invoice follows on from the last.
3. The name that you regularly use for the business. If it’s a limited company you also need to include the full name of the company as it appears in the certificate of incorporation (you can put the main brand name at the top and the officially registered name as small print in the footer). Limited

companies can, if they want to, include the names of the company directors on their invoices, as long as all the directors' names are included.

4. Your business address. This must be an address where any legal documents can be delivered to you. If your business is a limited company and the business address is different to the registered address, then the registered address should also be included in the small print.
5. Your company registration number if your business is a limited company.
6. Your VAT registration number if your business is VAT registered.
7. The company name and address of the customer you are invoicing.
8. The date that the invoice is being issued (the tax date).
9. A clear description of what goods and/or services were delivered.
10. The date the goods or services were provided (supply date).
11. A column showing the number of units of the goods or services supplied (for example 3 hours), a column showing the price/rate per unit and a column showing the total for each item without VAT.
12. If your business is VAT registered, then add three more columns: the percentage of VAT that applies to each item, the total amount of VAT payable per item and then the total amount of each item including VAT. At the bottom show a grand total of all items without VAT, the total amount of VAT owed and finally, a grand total of everything including VAT. To see the latest VAT rates go to: www.gov.uk/vat-rates.

Many electronic bookkeeping systems include an invoicing function that lets you customise a template, generate invoice numbers, issue invoices and track payments.

INVOICING CLIENTS OUTSIDE THE UK

If you're supplying services to a client outside the UK it will be outside the scope of UK VAT.

Here´s what to if your business is based in the UK and you´re invoicing a client outside the UK:

1. Don't include any VAT on the invoice, irrespective of the fact that you are VAT registered in the UK
2. Put the letters 'GB' either before your invoice number or in front of your VAT Registration Number
3. If the client is based in the EU, include the recipient's EU VAT registration number on the invoice.

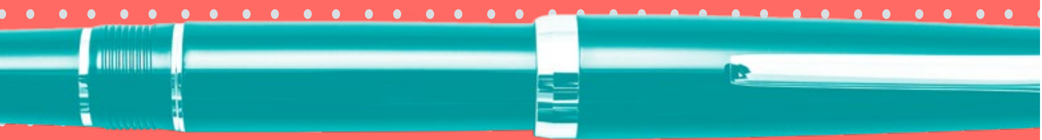
THESE ARE SOME ADDITIONAL THINGS TO BE AWARE OF:

- How the rules might be affected after Brexit
- What to do if you´re invoicing an EU client who doesn't have an EU VAT number
- What to do if you´re supplying goods rather than services
- Rules for specific countries outside the EU

If any of these apply you should seek additional advice.

If you're an IPSE member the tax helpline is a good port of call.

Also try the IPSE forums as members work all over the world and there is usually someone who can point you in the right direction.



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