

FREELANCE FOCUS



Brian Bass



Lori De Milto



Gail V. Flores

Q1: How can I prepare my freelance business for the recession?

Although recessions are a natural part of the business cycle, it's still scary to be freelancing during one. This recession may have more impact on freelancers than past recessions because more people began freelancing during the COVID-19 pandemic, and we're living with staggering inflation. We're facing increased competition for freelance work, and most of us can't afford to make less money if our clients stop or reduce their use of freelancers.

Fortunately, health care is more stable than most industries in a recession, so freelance medical writers and editors will see less impact than freelancers in other industries. But even freelance medical writers and editors need to develop the right mindset and take the right actions to thrive in the recession.

What you think—your mindset—is just as important in what happens to your freelance business during a recession as what you do. Thriving takes a growth mindset, grit, and resilience. If you have a growth mindset, you believe that you can change your freelance future by learning new things, being persistent, and taking the right actions. You'll be willing to work hard to reach your goals.

Grit is having the perseverance and passion to stick with your long-term goals until you reach them. Resilience is the ability to meet adversity head-on, adapt, bounce back, and keep trying. Research shows that we can all develop a growth mindset and build grit and resilience.

Next, you need a LinkedIn profile and website that focus on the needs of your target clients and how you meet their needs. Your LinkedIn profile headline and About section must clearly say what you do, how you help your clients, and use the keywords your clients use when they search for freelancers. Also, your profile needs to be complete. Your website needs content that's compelling, clear, and focused on client needs and a design that's visually engaging, clear, fast loading, and easy to navigate.

Because there's more competition for freelance work, you need to do more active marketing, especially networking through AMWA and other professional associations. On LinkedIn, you need to be active enough to rank high when clients search for freelancers.

— Lori De Milto

I'm implementing 3 strategies to protect my business for this recession. All 3 strategies are actually general rules for my business. However, like most freelancers, during busy periods or times when I need to focus more energy on other areas of my life, I sometimes let my rules for successfully running my business slide. A recession is a great time to step back, assess, and reestablish practices to strengthen my business. The strategies are

- 1. Increase cash flow.** Cash flow can be increased by earning more money and spending less money. Earning more may be challenging in the current environment, aside from rate increases dictated by inflation (see my answer to question 2). I plan to spend less money by comparison shopping for business travel and office supplies (and using coupons and sales where possible), and by being smarter about meal expenses to my business. However, I feel it's critical to maintain my membership in professional organizations, attend conferences, and invest in professional development opportunities to keep my business strong, so I will not be cutting back in those areas.
- 2. Keep my current clients.** To keep my favorite clients, I plan to ensure I continue to deliver my best work, return emails promptly, and let them know how much I appreciate them.
- 3. Find new clients.** At the same time, every good freelancer knows that relying on just a few clients can be risky. My client list shrank during the past 2 pandemic years; now, I plan to diversify and consider new clients.

— Gail V. Flores

Q2: Did you freeze or increase your pricing/rates at the beginning of the pandemic? If you did, are you making any further changes to those rates now?

Yes, I froze my rates during the COVID-19 pandemic and recession. I'm doing the same now during this recession. This shows my clients that I understand how the recession impacts them, and that I am a team player.

— **Lori De Milto**

I did not change my rates when the pandemic came upon us because I have always offered a kind of “sliding scale,” so to speak, depending on the types of clients and their resources. For instance, I charge a certain hourly rate when I work directly with pharmaceutical/biotech companies, and a slightly decreased rate for contract research organizations and other agencies representing such companies—this, so that the agency will be able to mark up my rate and realize a profit. Because I feel profit is essential for agencies like these, it seems fair to modify my hourly rate for them, that is, I will reduce my rate by 20%–25% for medical writing, editorial review/critique, editing, or quality assurance/quality control. However, if a client does not have a competent project manager and requires me to fill that role, I increase my rate by 25%–50% for that function.

Likewise, for nonprofit companies, I offer a reduced rate for writing grant proposals, patient education materials, website copy, standard operating procedures, and other documents—but if they ask me to develop and write their operational plan, (essentially, to think out and write their entire business plan) then my rate is increased by a minimum of 150%.

As of 2022, I have increased my base hourly rate by 10% for all types of clients. So far, no push-back.

— **Cathryn D. Evans**

I charge by the project and don't ever consciously increase or decrease my rates. I strive to always make the most money I can while delivering a product and a partnership experience for my clients that makes them say, “Wow, let's do this again!”

At the start of the COVID-19 pandemic, I enjoyed about 2 weeks of quiet because clients were fumbling to figure out how to work from home. It was wonderful. I was able to work without constant interruption and caught up on paperwork and organizing my office. But things didn't stay peaceful for long. By the end of the first month, it seemed everyone had gotten to work at home. Unfortunately, it quickly became clear they didn't know how to get home

from work. My workload exploded like never before, and it hasn't really calmed down since. I'm not complaining!

From a pricing standpoint, I'm still taking the same approach—charging as much as I can and doing everything possible to make sure my clients are happy because they've gotten a great value. But I have had to adjust my estimating to include a lot more phone and videoconference time, and that does affect my pricing. These days I find myself roped into everyone's weekly status calls “just in case” someone mentions content, plus all the project-specific calls. I compensate for that time, of course, but I'd much rather have my fingers on the keyboard being productive. I think clients so miss interacting with their colleagues every day at the office that they're compensating by inviting everyone to these calls and having as many calls as they can.

— **Brian Bass**

I did not freeze my rates when the pandemic started. During the 2007–2008 financial crisis, I froze my rates because I wanted to be “nice” to my clients. Looking back, I wish I hadn't because by doing so, I decreased my value. I saw something online recently that spelled it out really well: if you don't increase your rates to at least match inflation, you are actually reducing your rates. Therefore, I'll continue to raise my rates in alignment with inflation and my increased value because of experience. However, I can still help my clients during these volatile financial times by noting inefficiencies and suggesting ways for them to streamline processes and to assign less specialized tasks to junior writers.

— **Gail V. Flores**

Q3: How do you handle payments from international clients? Is there an optimal payment method that has worked for you?

Generally, I am very cautious about accepting work from a client outside the United States unless the company has been referred to me by another client or colleague I trust completely. Essentially, the referring person must have worked for the international client and can assure me that this client pays every invoice within 30 days of billing. Otherwise, I ask for \$5,000 up-front, deposited into my account before I will begin working; thereafter, when I have used up the first \$5,000, I ask for an additional advance and then work against that. Because we have little recourse to collect from an international client, it is prudent to receive an advance before putting in time. If it is a small project, one can adjust the amount of the advance requested.

Recently it was brought to my attention that the US government has embargoed certain countries—that is, that US citizens should not work for companies/clients within these countries—and that US banks are not allowed to accept money/deposits from such countries. So far, I have been unable to verify this properly, but AMWA’s Managing Editor, Rachel Mosher, provided two links to websites that may be useful in researching this topic further (Rachel Mosher, MA, e-mail communication, 5 August 2022). From Rachel: “The following information is provided by the Office of Foreign Assets Control within the US Department of the Treasury. This link details the countries that are currently sanctioned by the United States: <https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information>. The complete list of sanctioned individuals and businesses that US nationals should avoid doing business with can be found here: <https://home.treasury.gov/policy-issues/financial-sanctions/specially-designated-nationals-and-blocked-persons-list-sdn-human-readable-lists>.”

Additionally, I contacted my banker in person to inquire about this. She said that the tellers may not accept in-person deposits of checks from Iraq. She was not certain about direct deposits from that country. I strongly suggest that anyone, before accepting assignments being paid by a company in Iraq (or other countries on the sanctions list provided above), telephone or meet with your own banker, who should be able to identify any countries from which the bank declines to accept deposits, whether they be electronic or in person.

— **Cathryn D. Evans**

I’ve had the pleasure of working with a number of clients over the years that are outside the United States, and I’ve found that the financial arrangement varies with each one. Some have offices in the United States or US headquarters and issue checks or electronic payments in US dollars from those locations. That’s the easiest way to work. Clients with only locations outside the United States have always sent payments electronically as automated clearing house transactions. I love it when my United States-based clients pay electronically, too. Nothing says, “you’ve got mail,” quite like an email from the bank that says, “you’ve got money!”

In my opinion, the most important financial consideration when working with clients based outside the country happens when I submit my estimate. This is where I stipulate that the estimate is in US dollars and that payment, if issued in another currency, must be equivalent to the invoiced amount in US dollars at the time payment is made. This way, I don’t have to worry about the exchange rate at the time of payment or about being paid less than the agreed and expected amount because of the exchange rate.

There is the matter of currency exchange fees if the exchange happens at my bank (the receiving bank) rather than at the client’s bank (the sending bank). I don’t concern myself with this cost for 2 reasons: first, it happens so infrequently; and second, I charge by the project rather than by the hour so I’m charging for value instead of time, and there’s almost always enough money in the job to cover the relatively nominal cost for currency exchange.

I’m careful about the companies with whom I work, especially when they’re based outside the United States, and particularly if they have no presence in the United States. It makes good sense to always choose your clients wisely, and even more so when you have to worry about straddling oceans, governments, languages, and currencies.

— **Brian Bass**