

# THE FREELANCE CONSULTANT

YOUR COMPREHENSIVE  
GUIDE TO STARTING AN  
INDEPENDENT BUSINESS

**RICHARD NEWTON**

Consultancy expert Richard Newton provides all the key information and advice you need to become a successful independent professional.

Structured into four key sections, *The Freelance Consultant* takes you through:

- 1. The essentials:** an introduction to the business and lifestyle of independent consulting and advice giving. Understand the possibilities without the hype!
- 2. Designing your freelance business:** decide what services to provide to which customers.
- 3. Selling and winning your first engagement:** how to find clients and sell to them at the right price.
- 4. Developing your business and expertise:** how to become that truly trusted adviser clients turn to time and time again.

## Praise for *The Freelance Consultant*

*‘This book is SO needed! If only a book like this existed when I took the plunge 18 years ago to go freelance, a companion like this would have been invaluable. If you’re just setting up your independent advisory or consultancy business, or even if you’re established and want to know if you could be doing things better, I strongly recommend you read this book.’*

**Rafe Offer, entrepreneur; speaker;  
Founder of Sofar Sounds and this & that**

*‘This is an immensely practical and grounded guide to succeeding as a freelancer. From the comprehensive coverage to the in-depth guides, real-world case studies and incredibly helpful checklists, it will take you through every step you need to launch and prosper in a freelance business. Its realistic and practical approach is a refreshing antidote to the hype and pie-in-the-sky thinking we’re all far too used to having pushed at us when it comes to succeeding with your own business. This book beats a different path, and it’s one that will lead you to success.’*

**Ian Brodie, consultant; creator of  
Value-Based Marketing; author of *Email Persuasion***

*‘Richard Newton’s *The Freelance Consultant* is a detailed guide to launching your business as a freelancer and keeping your sales funnel full of high-quality leads.’*

**Kai Davis, Growth Marketing for Indie  
Consultants and Freelancers**

*‘The Freelance Consultant by Richard Newton provides comprehensive, fact-based insights into a freelance consulting career. In this book, the author provides not only the inspiration but also the practical guidance required for independent consultants to successfully navigate their challenging career path.’*

**Uzma Aitqad, founder and CEO of Magna  
People Change Consulting**

*‘For those in the wild world of independent consulting, this book is chock-full of wisdom for you. Despite the fact that we consider our firm to be somewhat larger than the target audience, the advice (everything from finding your focus to running successful and paid engagements) seems to apply to us, and, dare I say it, to larger firms as well!’*

**Doug Sheperdigian, Managing Director  
of Atlantic Customer Solutions**

- 3 **Ask:** use your network, and if you don't have one, build a network by reaching out to people who do the sorts of things you want to do. Read their social media posts and ask for advice. Look at who other people follow and follow them yourself. Some people will not be helpful, but many people will happily give you a few minutes of their time. It's amazing how much you can learn by asking experienced freelancers a few questions.
- 4 **Pay:** there are increasing numbers of people advising, mentoring or coaching freelancers about their business. They promote themselves on social media, particularly LinkedIn. The phrase *caveat emptor* holds, as these are paid-for services. There are some excellent and genuine freelance mentors around; there are also a lot of charlatans. Choose carefully. Look at their track record and seek references and recommendations. Generally, I'd say avoid those who have never actually worked as a freelancer themselves.
- 5 **Experiment:** try a niche and refine it over time. Frankly, this is the best approach, i.e. to learn by doing. Set yourself up, and then find out what works and what does not. If you are not getting enough business – refine your niche! All freelancers do this to some extent.

## It starts with what you know

If you want to be a freelance expert, the starting question for you is 'what do you know that might be useful to someone else?'. A slight variation of this, is 'what can you learn that might be useful to someone else?'. You can always go out and learn some new expertise to sell.

As a freelance expert your clients hire you for what's in your brain: your ideas, insights, observations and ways of explaining. Every possible service requires knowledge, whether that knowledge comes from brilliant insights, experience, training or research.

You don't need to know everything. Sometimes you don't need to know very much, but you need to know something. You need to know *enough* to be helpful.

But it's not just *any* knowledge. If you want to make a living from your knowledge, it obviously needs to be useful. It also needs to be reasonably up to date. No one is going to hire you to advise them how the Victorians ran factories. But it does not need to be cutting-edge knowledge. In fact, many customers are slightly suspicious of novel ideas. Many clients are victims of

the crowd mentality of trusting most easily what everyone else already trusts. Only some clients have the foresight to buy novel services.

Finally, that knowledge needs to be in short supply. If it's not in short supply, no one wants to pay much for it. But short supply is relative to demand. If you know something that thousands of other people know, but that can help millions of people who don't know it, then this knowledge is still short enough supply to make money.

It's wonderful to be a world-class expert and, based on such expertise, some of the most successful experts have built hugely successful careers. But you don't need to be a world-class expert to build a good business advising other people. Clients rarely need a truly unique perspective or total originality. Anyway, not all clients want or can afford the world-class expert.

You might worry about your levels of experience. Do you need decades of experience to be credible? It certainly can be helpful, and many of the most successful freelance experts have this. But the importance of experience built up over many years depends on the service you plan to offer.

You don't always need huge experience. If you want to help people with brand new technology, by its very definition there won't be much experience around. Your few months of knowledge may make you a leading-edge practitioner and may allow you to help clients tremendously.

I have come across one enterprising young and seemingly inexperienced consultant, whose service is to help businesses target his age group. His marketing explains that, as one of them, he understands this age group better than no end of highly experienced marketing professionals do. Brilliant!

## Know-what versus know-how

Although more and more people want to make a living giving advice, there is one domain of knowledge that is becoming less and less valuable. This is 'know-what'. By know-what I mean straight facts, figures, information and so on. Decades ago, there were experts who could make a living just because they knew a lot of information. That's largely a dead business. If I can look it up with a short search on the internet, then I don't need advice or help from someone else. Even if I was lazy enough not to want to do a search, I'm not going to pay much for it.

There are a couple of exceptions to this. The first is new knowledge. This might be knowledge to do with brand new technology, social trends or novel

ideas. For a short period of time – perhaps only a few months and rarely more than several years – there can be a business with new knowledge. Knowledge should disseminate quickly and seamlessly. In reality, it doesn't. Although you may not make your career telling others about the latest ideas, you may make some money for a while.

The other sort of know-what that has value is when someone brings knowledge from one domain, or better still several domains, to another one. Look at ideas like Lean and Six Sigma – they have been around for many decades. As I write this book, the word 'Agile' is shouted out like an innovative solution to every problem. Yet the Agile manifesto was created in 2001, and some of the ideas in Agile go back long before then. In many sectors Lean and Agile are established business practices which have been used for years and are engrained into everyone who works in the sector. However, decades on from their original development, these approaches still seem to be news in some sectors. There is still money to be made as an expert in these areas in some sectors.

Even with these two exceptions, know-what is a difficult business to grow and it is a challenge to make a sustained independent business from know-what. If customers don't buy much know-what – what is it that they buy? What they buy is *know-how*.

Now it may sound as if I am just playing with words. I am not. There is an important difference between know-what and know-how. When a client reaches out for help, it is rarely because they just want the answer to a question. What they usually want is practical solutions to real-world problems they have. The difference between know-what and know-how is one of application and direct relevance to that specific client.

For instance, a client rarely pays much to simply know what a new piece of government regulation is. They want to know what it means to their and their competitor's businesses, and what they need to do to become compliant with it. This does not just require information; it requires that 'seen-it, done-it' kind of experience that is able to take information and apply it in a specific situation.

## How you share your knowledge with your clients

The other aspect to your niche, is how you utilise the knowledge you have. It is quite easy to think of two freelance experts with similar experience, qualifications and knowledge – but who work in different ways and appeal to different clients. They apply knowledge in different ways.

The most obvious example of this is the difference between a subject matter expert (SME) and a coach. An SME tends to provide knowledge directly – to support customers answering their questions and resolving problems. In simple terms, the SME tends to tell and to inform the client’s thinking. A coach on the other hand tends to help a client think something through for themselves. In other words, coaches tends to facilitate the client’s own thinking.

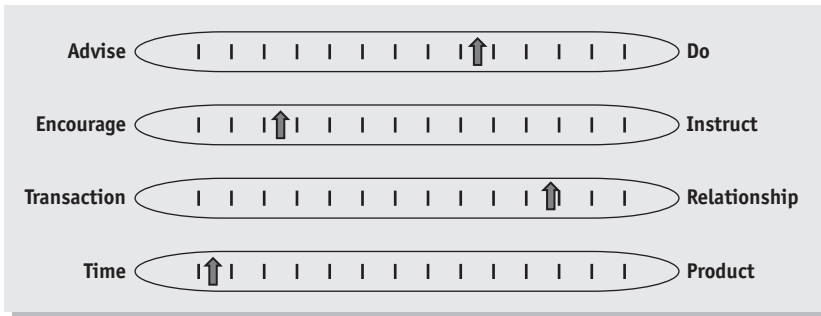
There are many different dimensions to consider in how you might apply your knowledge, but I think of them primarily in four categories. There are no right or wrong answers as to which is the best way to operate with these categories, and to some extent it comes down to personal preferences and personal styles. The answers you give are, however, important as they can be central aspects of defining your niche. The four dimensions can be phrased as questions:

- Are you a *doer* or an *adviser*?
- Do you *instruct* your clients or *encourage* them?
- Do you sell services *transactionally* or based on long-term *relationships*?
- When you sell, are you selling your *time* or a *product*?

There are significant differences between these approaches, some of which we will explore in future chapters. They are summarised in Table 4.2.

**Table 4.2** Your approach to helping clients

Advise	You guide your client to solve their problems with ideas, techniques and approaches. You are paid to share your ideas and knowledge.	You take problems off your clients’ hands and do the work required to resolve them. You are paid to get something done.	Do
Encourage	When you engage with your clients your style is to help them to help themselves. You facilitate their thinking with questions and help them reach their own answers.	When you engage your clients, you tell them the answers and provide direction and instructions based on good practice and experience.	Instruct
Transaction	When you engage with your clients it is a transaction based on your specific specialist service which is tried, tested and proven. It is the same for every client.	When you engage with your clients it is based on a deep understanding of each client and a strong relationship with them. Your service is tailored to fit their needs.	Relationship
Time	You client hires you, and pays for you, for an amount of time. For example, by the hour, the day or the month, irrespective of what you do or what you deliver.	Your client hires you to provide a specific product or service. Your prices are based on a price for the product, not how long you work.	Product



**Figure 4.1** How do you provide your service?

One way to think of these are as extremes of a slider, like the volume control on some old-fashioned hi-fi systems (see Figure 4.1). You have a choice as to where you place these sliders, and what the balance of your approach is based on these sliders.

How you position yourself relative to these four dimensions does not have to be a static choice, it may change over time or even within a single engagement with a single customer. Great experts are adept at changing their style. In fact, excellent freelancers often discuss this explicitly with their clients for a specific piece of work.

Nevertheless, it's useful to understand the main style you will be using when you sell to clients, as this should be part of your sales message and, over time, will become ingrained into the reputation you have with clients.

## Where to start?

If you have a great idea for a service that you can uniquely sell, then you may well be starting out on a fabulous freelance career.

If you don't, there is a simpler answer. Look around and see what is in demand and imitate what the successful ones are doing. Don't confuse the need for a niche with the need for originality.

There is a great case for this in social media. There are a few influencers really saying original things, but in my experience some of the most popular names with the largest groups of followers do little else than repeat popular wisdoms. They come up with little or nothing that is original, but they have hundreds of thousands of followers.



Now, we do have to be a little careful as being a successful expert and being a big social media name are not the same thing. But I mention this to make clear the point that while originality may be wonderful, it is not always or even often valued. People usually like to hear things they are comfortable with, and similarly people often like to buy advice and other expert services that they are familiar with.

This may sound too simple, but look around the market of freelance experts. Across the world there are lots of experts offering essentially the same service: IT contractors, life coaches, financial advisers and marketing consultants who are offering pretty much identical things. They all have a clear niche, but it's a niche they are far from being uniquely situated in. As James Altucher says in his book *Choose Yourself*: 'Pick a boring business. Everyone is always on the lookout for "the next big thing". The next big thing is finding rare earth minerals on Mars. That's HARD WORK.'

Going into an established niche can be low risk. As long as the demand for that service remains greater than the supply, there will be work for you to do. This will limit your income to what the market will bear for that service. You will never become one of those globally recognised experts, but it can provide enjoyable, fulfilling work and a good income. I know many freelance experts who have generated a very comfortable living without doing anything unique.

Of course, you must watch that the supply stays lower than the demand, else your rates will start to decline. Perhaps, this is a way for you to start. Begin with something specific that you know there is a business for. Once you have become established and understand the business more, you can experiment and improve your service, and make it a little more uniquely yours.

I am not trying to put you off coming up with a truly original service. Now and again someone does this and builds a hugely successful career for themselves. After all, when I started work the only coaches anyone knew were sports coaches, and yet now decades later the world is full of all sorts of coaches, some of whom are making very comfortable livings. This would not have happened without innovation.

If you can, and you believe there is a market for the service you want to offer, you should go for it. But if you don't see yourself as the source of innovative wisdom, yet still have plenty of useful non-unique knowledge, there is still going to be an opportunity for you.