Chapter 1

The Practice of Computer and Network Consulting

What should you expect when you enter the field, or expand in it? Here are the lifestyles and work patterns of some successful technology consultants, how much to expect to earn, and what the most successful consultants do to increase that.

WHAT IS A COMPUTER CONSULTANT?

It sounds a simple question, but every year it gets a little harder to answer. When I first learned to program, all computers looked pretty much the same. The network referred to plain old telephone lines. Although it did not seem so at the time, data communications were highly limited. You communicated with the computer by using punch cards. The idea of having your own business computer on your desk seemed highly absurd. Some things have changed.

But some have not. There are still two kinds of computer users. There are people who understand (and may be enthralled by) how the computers and languages work. And there are people who want the results without having to know how they work.

The second group of people is much larger than the first, and they rely on the first to help make it all happen. The need for consultants has never been greater, and it

computer consultant someone who advises and consults on software, hardware, or data and voice networks.

looks as though it will not shrink within the foreseeable future.

For the purposes of this book, a *computer consultant* is someone who consults on computers, networks, databases, or software. It includes people who sell products that they develop from those areas and people who consult on developing those products.

You might be or become a consultant who works on one project for a year. You might be working on six projects at once, keeping none active for more than a month. You might help people at their homes, or you might work only with the largest corporations.

You might be a temporary employee, sent to projects by a larger firm or by a broker. You might be an independent contractor, working with whomever you wish and negotiating directly with them.

In every case, you bring much needed technology and technology management skills. You perform a critical task that allows people to get money from their automatic teller machines (ATMs) or to send data from one place to another or to get the latest computer game to load and run. You apply judgment and experience to technology problems.

WHAT KEEPS COMPUTER AND NETWORK CONSULTANTS UP AT NIGHT?

Deciding to enter the world of consulting can be exhilarating. It can also keep you up at night worrying about a whole multitude of things. Some of the things that computer consultants tell me keep them up counting sheep:

- ✔ How can I get enough clients?
- ✔ How should I deal with too much work?
- ✔ Am I protected well enough by my contracts?
- ✔ Are my rates too high?
- ✔ Are my rates high enough?

- ✔ Do I need (or want) a broker?
- ✔ Should I grow my business or not?
- ✔ How should I market my practice?

You probably noted that some of these contradicted others. The fact is that there are as many ideas about computer consulting as there are consultants. As the person who owns and runs a technology consulting practice, you are unique. This is the good news and the bad news.

You may also have noticed that none of these reflect client issues. One of the misconceptions people have about consulting is that you spend all your time on client problems. It would be more accurate to say that you earn the right to spend time on client issues by handling these other issues well.

Each of the issues in this list represents a real challenge to your practice. If you can deal with them, you have an excellent chance of becoming self-fulfilled and well compensated. This book will show you ways to deal with each question, and to sleep a little more soundly at night.

WHY BECOME A CONSULTANT?

With all that, why would anyone want to become a consultant? Most computer consultants will answer with three benefits they get from doing the work:

1. They can choose who they work for and when.
2. They can choose what work they do, and to work on interesting projects with interesting people.
3. They can work when and how they want.

You'll note that money is not one of the reasons. Many (but not all) computer consultants make more as independent consultants than they made as employees, but that is not what drove them to the work. Satisfaction did, and that is what keeps them there.

YOUR OWN BOSS?

One of the most important reasons consultants cite when they talk about why they chose to start is that they wished to become their own boss. One of the chief things they talk about later is how little they are their own boss. Consulting has the effect of helping you trade one boss for a lot of bosses. This is good news as well as bad.

Who are these bosses? Every client is a boss, just as your boss was when you worked a traditional job. Prospective clients are bosses as well. If you are negotiating with BigTel's information systems (IS) department (BigTel is an example company that we will use throughout the book) to install and tailor an application, they will make many of the same demands that you got when you were an employee. The questions of "how fast," "how long," and "how much" do not go away just because you are a consultant. As you juggle BigTel with another client you have two bosses. Add any editors you are writing for or salespeople who represent you and you have to juggle a lot of demands on your time. If you are not comfortable setting priorities and negotiating dates, do not become a consultant.

On the other hand, a multitude of bosses is the same as bosses who are diverted and dispersed. No one boss has the kind of control you were used to at your traditional job. You have more independence.

And of course there is the inestimable advantage of not having to go to staff meetings, all-hands meetings, and administrative functions. And of being able to work in your own office in your favorite bunny slippers.

WHAT DOES A COMPUTER CONSULTANT DO?

There are more forms of computer and network consulting than you might imagine. One way to look at it is by the technology that you work on. Another is to look at it by the lifestyle you choose.

Consultants and Technologies

There is no shortage of interesting and different technologies for consultants to work on. And while they used to overlap completely, now you can build an entire career in a specialty with little concern about other areas.

Of course, even inside technologies, you have a fundamental choice to make about which kind of platform you wish to work with. For instance, you may choose to stick with a hardware platform regardless of the software, or vice versa. There are three kinds of platforms you could choose:

1. Hardware platforms (PC versus Mac, or 360/370 class machines, or AS400s, or SGI Unix servers).
2. Software platforms (Unix versus NT, or *MVS* and similar products, or custom applications).
3. Networks.

Each of these has a certain amount of independence from the others. For example, you can specialize in Unix and then work on a variety of hardware platforms. If you choose to work on AS400s, there are thousands of applications that you can study and work on without ever touching a PC. You could become an expert in wide area networking and never deal with a local area network. The possibilities for specialization and niches are nearly endless.

Some of the technologies that have consultants dedicated to them include:

- ✔ Network (both local and wide area).
- ✔ Internet and Intranet development and management
- ✔ Developing code (from *CICS* to PC-DOS to *HTML* to custom applications).
- ✔ Database development (Oracle, *SQL*, Foxpro, Access, and so on).

MVS
Multiple Virtual Storage, an operating system used by IBM mainframes.

CICS
Customer Information Control System, a popular transaction-processing monitor from IBM developed to provide transaction processing for mainframes. It controls the interaction between applications and users.

HTML
hypertext markup language, the codes and rules for creating basic web pages.

SQL
Systems Query Language, a set of rules to query databases.

e-commerce
marketing and selling products over the World Wide Web and by other Internet tools.

- ✔ Data warehousing.
- ✔ *E-commerce.*
- ✔ Client/server computing.
- ✔ Real-time applications.
- ✔ Consumer applications (from Windows to Palm OS applications).
- ✔ 360/370 System conversions.
- ✔ Developing onetime applications on specific platforms (from Apple to Zilog).

Some of these have changed little in the past decade, but a few did not even exist 10 years ago. If you had decided in 1990 that you wanted to make a living designing server farms, it would have been rather difficult to survive.

The point to remember is that it may make more sense not to define your practice by a technology. Instead, you can choose to define it by a lifestyle choice, the clients that you want to work with, or a set of results that you enjoy delivering and that clients value. Here are some real examples.

Lifestyles of the Computer Consultants

Consider some of these consultants, and look how their lives differ.

Programmers for Hire: Richard and Jean (real people, not their real names) are a husband-and-wife team that program for hire. They specialize in mainframe conversions in financial institutions. Even though this is old technology they are heavily booked. They work on site or from their office in their home near New Orleans. On any given project they will have specialized responsibilities but be part of a larger team that works for the same company. The projects are all over the country, and they are away from home for up to eight months a year in places like Idaho, Texas, South Carolina, and California.

They do little marketing on their own, relying on a network of brokers. When they are working, this is an excellent solution. When they are between projects, they find that they wish they had better marketing expertise.

In an average year, they will work for eight to ten months on client projects. They occasionally have up to two months off (staying at home counts as a vacation some years) but usually spend their off hours learning more about their craft, handling the administration of their business, and so on.

Local Specialist: Paul Stith is a consultant in Northern California who designs and implements local area networks. He rarely travels for work; he focuses his business on the area within 60 minutes of his home or on work he can do from there. Variety is something he likes, and he has several contracts at any one time. Several clients, such as the university, local governments, and some start-ups, supply him with a steady stream of work. He often hires friends to help him.

On any given day he may be designing the flow of traffic on a network, managing an installation, loading and troubleshooting software, providing technical support for a baffled client, or any other function that gets networks installed and keeps them running.

Managing Technology Strategies: Doug Upshaw from Southern California is an IS strategist. He comes in to solve problems and get a department running correctly. He does not perform technical skills, but he makes sure that the right skills get performed. He works for one to nine months at a time at the customer site, and then goes home to market his next assignment.

On any given day Doug is in three to four meetings, trying to keep the client's team and other consultants on the correct path. His skill is like herding cats, and he does this through meetings and conversations. Doug almost never touches a computer except to send e-mail and develop reports and presentations.

Writing Applications: Al Trock of Illinois develops applications on PCs as well as Unix and Honeywell minicomputers. The skill that gives him the most satisfaction is listening to his client state a set of business needs and then converting those needs into working software that the client's employees can use. Al does not deliver programming; he delivers the whole application. He works alone, usually as the sole resource for a small company.

Al has several steady clients, all within 90 minutes of his home. He splits his time evenly between adding new features and capabilities (the fun part for him) and maintaining the applications (the part he does because it needs to be done).

Managing the Process: Sharon Marsh Roberts practices as part of a two-consultant firm in New Jersey. One of her favorite skills is rescuing projects that are failing. This is not a technical skill in the way that many of us think of computer consulting. In her words:

> I am a facilitator, project manager, and business analyst/designer. I've been responsible for everything from the logical and physical design of a managed healthcare processing system and database to [being] the manager of programming and designer for a compensation system for upper-level management. I am currently helping a pharmaceutical company analyze the impact of a new FDA [Food and Drug Administration] regulation requiring disclosure of investigator financial interests. I help all the parties come to terms with the requirements and cooperatively deliver the system.
>
> My practice is one that fits into the gap between the technologists, the end users, and management. I've functioned in all three roles, and my perspective is that all three need to share their visions for any particular "business solution." I have an MBA, a CPA, and a master's in education with a focus on psychology.

Variety is a constant for Sharon.

Documenting: Kathleen Oest of Northern California discovered that she has a skill she very much enjoys using—she can make technical information comprehensible. Although she started in network engineering, she now spends her time documenting what other engineers are doing and creating.

She interviews the other technical people on a project and spends her time trying to find ways to explain it for a less technical reader. A very creative role, it requires good listening skills as well as the ability to write. She works with one client at a time, usually through a broker. Unlike many consultants, she will hire on as an employee and work for several years in one spot.

To market, Kathleen uses a network of friends and brokers. She works nearly full-time, with almost no gaps in her year.

Service Bureaus: Margaret Sears of Oregon runs a computer consulting firm that almost never mentions computers anymore. She operates the automated billing and collection services for psychologists and other mental health professionals in Oregon. Like many other computer consultants, she spends her day at the keyboard and phone, massaging data and updating applications and content. She owns most of the hardware and software that run the applications. While most consultants might bill by the hour for such work, she bills by the number of accounts the therapist has or the number of overdue bills she helps collect.

She spends most of her time in the office, although she keeps a steady stream of hourly consulting clients almost as a form of recreation. She has a small staff, and like some other computer consultants she hires contractors to maintain her hardware and software. She would rather spend her hours on billable work.

She works long hours and tries to work quickly. Since she bills by project, she is her own boss even more than most, and she very much enjoys it. She has been doing this for 10 years, and is a common fixture at meetings of her clients. She writes a quarterly newsletter for her

clients as well, which she actually gets out the door a little less frequently. This newsletter is high in useful content, very low in advertising for her firm.

Building Real-Time Applications: Bonnie Huval of Texas is highly specialized; she works on large custom real-time systems, usually running on the OpenVMS operating system. These are mostly for supervisory process control (running a factory) or telephony (SS7 call routing systems). She also works on OpenVMS operating system internals. She defines her work by the results as well. "As a sample . . . I cut the database conversion time for [an international phone company's] call routing upgrades by 30% to 50%. . . . I'm responsible for developing a database complete with content for use by [another phone company's] operations personnel when they need to troubleshoot their new call routing system."

Although she usually works alone, she will occasionally subcontract work or refer colleagues to positions that fit them.

virtual office a physical office in one location that you can access from others. Your access might be electronic or by telecommunications, but you can appear to be there when you wish.

She works at the client sites, maintaining a *virtual office* in Houston. "The size and complexity of the systems I work with require most of the team to be at one or two sites, so I go where the work is. On average, I relocate about once a year."

Writing and Selling a Software Product: C. E. Steuart Dewar of Georgia writes and supports DateBk3, an application for palmtop devices like the Palm III or the Psion. On the surface, his products duplicate the functions you might get from the Palm or Psion product when you first buy it. He adds functionality that appeals to power users.

Dewar (or CESD as he prefers to be called) works alone. In a given day he will get to do some development of the product, but that is not his primary activity. In a given week he may spend a quarter of his time on code and up to half of his time answering questions from customers and processing orders. He handles up to 250 e-mails a day.

He sells his application as shareware over the Internet, and he does all his own marketing. He is different in one way from most other consultants. He sold a software company earlier and now puts all of the profits from his software into a charitable trust that is building a haven for gorillas.

WHAT ARE THE SKILLS YOU WILL GET TO USE?

When you decide to enter the field, or to expand in it, there are skills you will use. This book will help you define and acquire them. However, you can also look at it from a higher level. While many computer consultants are programmers, there are more who never write code.

Some of the skills they use include:

- ✔ ***Doing technology work.*** Paul and Gina Reiss spend their days at keyboards administering projects, developing applications, updating code, and making the application do what needs to be done. They analyze and diagnose and then take action.

  Paul Gregoire of Southern California spends his time doing what he calls "playing with puzzles." His clients do not look at him as a computer consultant; they look at him as a person who can create marketing databases that find prospective customers the client might have missed. His skill is in making the pieces fit together.
- ✔ ***Managing technology work.*** Sharon Marsh Roberts uses her computer as a tool to get other work done by project participants. As a project manager and definer, she worries about the process as much as the technology itself.
- ✔ ***Creating applications.*** Al Trock would argue that he is not really creating them, just tailoring them. However, his clients would suggest that he is cre-

ating. Al listens to the client, understands the business problem, and then delivers a result using commercial database products.

A web site designer a few miles from Al does the same thing with web sites. If you have a commercial need, she will create a site that helps meet it. An artist as well as a programmer, she works with commercial products to create a unique result for each of her clients.

- ✔ ***Designing and building Networks.*** Paul Stith is more concerned with network infrastructure than with code. He spends his time trying to understand where information needs to go and enabling that.
- ✔ ***Building and adapting processes.*** Doug Fonner of Northern California is a specialist in process work. He looks at the process that the client is going to automate and makes sure that it works first and can be automated. As more clients are going to *enterprise resource planning (ERP)* and *sales force automation (SFA)*, this is keeping him busier and busier.
- ✔ ***Developing and delivering new products.*** C. E. Steuart Dewar does not tailor or code for others. He is purely a product development person. As such, he is focused on what it takes to get a product thought of, defined, coded, tested, debugged, delivered, and then supported.
- ✔ ***Speaking.*** Peter DeJager of Toronto speaks. He has the same ability that Kathleen Oest has. He can make technical issues comprehensible. He also has the ability (and desire) to stand up in front of a large audience and talk. This leads to projects, some of which are purely strategy discussions.

enterprise resource planning (ERP) software that permeates a company allowing cross-functional automation that smoothly interfaces.

sales force automation (SFA) software that allows remote and local sales forces to communicate orders, prospect information, do forecasting, and so on by electronic means.

All of these are technology consulting. What some people would view as a business of sitting in front of a

computer screen all day is, in fact, both multifaceted and very active. Some computer consultants can't read or write any computer languages. Some have to call the help line for basic issues on Windows. Many don't do their own computer work. All of them, however, deliver results that need to happen.

WHAT ARE THE MOST IMPORTANT SKILLS YOU NEED?

To succeed at computer consulting, you will need some skills that others may not have. These fall into four categories, but you will see that one skill—that of diagnostics and problem solving— shows up in three of these categories. The key to understanding how to use this skill is to remember that a *system* is not simply the combination of code and hardware; it includes the people and business environment.

system all the components of a process for delivering a result. This includes hardware and software; it also includes the people and processes required.

Problem solving is an easily used phrase, but it is dramatically different in each of these three categories. Although you will use your judgment in each, you will use the skills entirely differently, and how you use the skills may make the difference between just getting by and having a fun, profitable practice.

Technical Skills

This should be a given, but there are still computer consultants in the market who do not really know the technology that they are working with. This often results in a disservice to the client. To avoid that, be honest with yourself and apply the standards as though you were a customer. What would you feel comfortable buying? If you don't know Access, go get the knowledge you would want the consultant to have if you were paying.

The most important technical skills, however, are not programming, repairing, or installation. They are lis-

tening and diagnosing. You will be hired for your judgment and your skill at understanding a problem. The ability to do the actual work well is not as important as knowing what work to do. The most important skill you can develop is your skill to diagnose.

People Skills

The same is true of people issues. *Although your work may be done on or to computers, the results are a function of how people use the work.* The reason that practitioners of systems analysis are so valuable is because people are a critical part of each system. How many times have you seen a product installed that didn't work to potential because of the way it was used? It is not the product's fault, nor the fault of the installation. Someone made the mistake of not correctly matching people and product. Since the success of the tools you are developing or updating will depend on people, *a key skill will be your ability to listen and diagnose people issues.*

In a real example, Sharon Marsh Roberts found herself using those skills more than technical ones. The technical problem was building an executive compensation system that captured management's compensation decisions. While there were technical issues,

> the primary challenges came in understanding the circumstances in which the compensation managers made their recommendations. Systems analysts may see "business rules" as the primary set of rules which the company mandates for how a function is performed. But few rules are without exceptions.
>
> Building a system which works for its users means understanding how, where, and when those exceptions originate and also understanding when management needs to reconsider or reiterate its stance on an issue. Not all requests deserve a "yes," but they do deserve a hearing. *Good systems develop-*

ment requires the caring to listen and respond. (Emphasis added.)

The primary skill became her team's ability to listen and be seen to listen. It gave them two advantages. First, they got data to build the right decisions into the system from the start. Second, they earned more trust from the people whose income was defined by their system. Those two advantages gave the technical parts of the system a chance to succeed.

Business Skills

Your client's business is just as much a part of the system as the people are. That means the success of your work is dependent on how it meets the needs of the business. Again, the skills to bring are listening and diagnosis. If you can understand the key drivers to the business, it may change how you develop or install a solution.

A systems company in Colorado provides a great example. In the mid-1990s this company developed and delivered software that ran on a proprietary platform. They spent considerable energy on tools, but very much liked the advantages of that proprietary platform. But that changed at the end of the decade when they switched from the proprietary language to an open one. This cost an inordinate amount of money and time, but for them it was an easy systems decision. People are a part of their system, and the risk of considerable disruption was worthwhile in order to attract more programmers.

Consultants called on this company through the switch, but many missed the opportunities by not doing a diagnosis of the business. Before the switch a consultant who offered to cut development costs would have a willing audience. After the switch the costs of developing software became a secondary issue. The company is happy to spend money on software to attract programmers. Today consultants who call on this company offer-

ing to save money get little attention. To this growing client, costs are less important than attracting the right people. The consultants who win with this client today are the ones who understand that business driver.

The skills that allow this to happen are not programming, data manipulation, or understanding hardware. They are understanding the business. That is the key to knowing what to program, what to manipulate the data to do, and which hardware configurations will do the most good. It is applying the diagnostic and problem solving skills to business drivers, not software drivers. The most satisfying consulting, and the best paying, is when you help the client to do the right thing as well as to do it right.

Excitement for Your Work

For most people, satisfaction and doing the work they love is the basis for a career in computer consulting. You spend long hours doing something you care about. On the other hand, if you are ambivalent about the work, you will quickly burn out.

The excitement is not just good for you. It is something that your clients want to see as well. Almost all clients will feel more comfortable if they see you show up with a sparkle in your eye and a real desire to work on their problem. This is not something you can fake. If you are not excited by the work, you will be found out. And you will find that your income will suffer for it.

HOW MUCH MONEY SHOULD YOU HAVE SET ASIDE?

When you start your consulting business or change it substantially, you'll want to have some cash set aside. Shel Horowitz of Massachusetts built a substantial consulting business (albeit not in computers) with an initial investment of $200. I do not recommend trying to imitate this. Instead, see if you can save up six months'

worth of living costs. Having that cushion will allow you to calmly choose the right projects and clients to work with.

Remember that your living costs may be less than you would pay when you are working for a company. You may have less commuting, a lower dry cleaning bill, and so on. Figure it out, and try to set that money aside.

WHAT WILL YOUR DAY BE LIKE?

For most successful technology consultants, days tend to fall into two broad kinds of activities. About half the time they are working on their clients' business, and about half the time they are working on their own business.

The time spent on a client's business includes the obvious—time on the technology they were hired to work on. But it includes a lot more. Most of the consultants spend their client time:

- ✔ Analyzing the situation as well as the problem,
- ✔ Understanding the client's business situation,
- ✔ Planning the work to be done,
- ✔ Actually doing the work,
- ✔ Explaining what they just did,
- ✔ Packaging and delivering the results (including documenting what was done), and,
- ✔ Marketing and running their business.

Of these, doing the actual work is a small percentage.

The time spent on their own business, again about half their time, is spent doing the things that any business owner has to do. This includes:

- ✔ Billing,
- ✔ Paperwork for the client,
- ✔ Paperwork for various governmental entities,

- ✔ Accounting,
- ✔ Collecting bills,
- ✔ Getting training,
- ✔ Updating the consultant's own computers,
- ✔ Dealing with people who want to sell you something, and especially,
- ✔ Marketing and selling.

INVESTING YOUR TIME

As consultants become more successful, the percentage of time that each dedicates to administration will tend to shrink. The amount of time spent on marketing and selling increases. This is not because there are fewer things to do—just the opposite. As the months and years roll by the administration increases and you need to find quick methods of accomplishing or offloading administrative tasks.

The reason most successful consultants invest their time in marketing and sales is that it is where the returns come from. It may be tempting to spend time on upgrading to Windows 2000 and optimizing the right drivers. It may be boring but safe to work on the books or taxes. It is almost always better to invest in sales and marketing.

As you budget your time, assume that you will work 40 to 60 hours a week. Of that, plan to invest about half in your own business. In a given year, you can expect to spend 1,000 billable hours on client projects, 1,000 nonbillable hours on your own practice, and several hundred nonbillable hours on development, professional meetings, and so on. If you get to bill that 1,000 hours, you will have a week or two for vacation. (See Figure 1.1.)

There are two ways that this can create a failure for you. One is to bill less per hour than you need to support

FIGURE 1.1 Average hours invested per year.	
Billable client hours	1,000
Unbillable practice development hours	1,000
Unbillable personal development hours	300
Vacation, sick, personal hours	100
Total hours invested	2,400
Total hours available at 50 per week	2,600

Source: Dice.com: 1999 Rate Survey.

yourself with only a thousand billable hours. The second is to do work that you do not enjoy. If you are going to work that hard, make sure you like it.

HOW MUCH DO COMPUTER CONSULTANTS EARN?

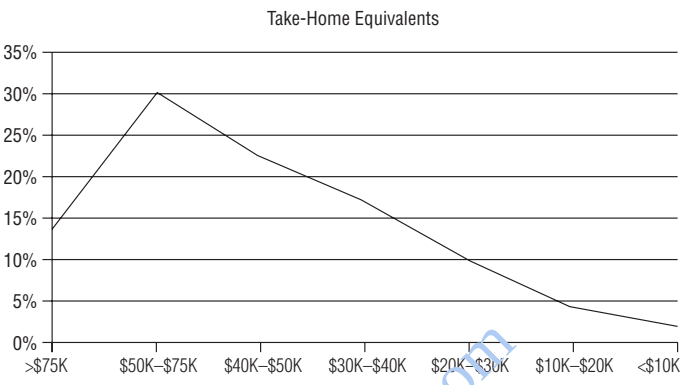
One of the things that you might want from computer consulting is to get wealthy, or it might be to get paid for what you really enjoy doing. You can succeed at the latter, but if your objective is the former, this may not be the right career for you.

Few computer consultants get rich. Most get the great pleasure of being paid to have fun. A few don't make enough to make ends meet. Figure 1.2 shows the annual average incomes as a curve. On the whole, computer consultants do not make much more as independents than they did as employees.

The chart shows that more consultants bill less than $5,000 per month than earn over $12,000 per month. It also shows that twice as many consultants bill less than $8,300 as bill more.

Income is lower than billing. A quick analysis of publicly available data shows that the range of annual income varies from less than $1,700 per month to over

FIGURE 1.2 Average incomes for computer consultants.



Source: Dice.com: 1999 Rate Survey.

$12,500 per month. However, the median is low—perhaps less than $5,000 per month. While at first these amounts may seem reasonable, consider that for most consultants at least half of all the income goes to taxes and expenses. That means that a gross income of $5,000 per month as a consultant is roughly equivalent to a take-home income of $2,500 per month as an employee.

Adjusted for that, the numbers look something like Figure 1.3.

If you are not comfortable with $4,200 per month (the top one-third of incomes in adjusted numbers) or $2,500 per month (perhaps the median), then you have two general options. Option one is to stay an employee. Option two is to handle your firm differently than most consultants do so that you can get to the top 10%. You will want to pay close attention to Chapter 7. There are some specific strategies identified that the higher-income consultants use. That chapter, and others in the book, are designed to show you as a consultant how to add a little effort and get well paid for that. There you will learn the techniques that can increase your income. This does not mean that you necessarily want to. However, if you do, please consider that you can beat the average by being just a little better than average.

(The information in these charts comes from

FIGURE 1.3 Adjusted average incomes for computer consultants.

Greater than $75,000	13.7%
$50K to $75K	30.2%
$40K to $50K	22.5%
$30K to $40K	17%
$20K to $30K	10.1%
$10K to $20K	4.3%
Less than $10K	2.1%

Source: Dice.com: 1999 Rate Survey.

Dice.com's 1999 Rate Survey, online at http://www.dice.com/ratesurvey/.)

ARE YOU SURE YOU WANT TO BE A CONSULTANT?

Sam Boyd of Northern California is one of the very best at what he does, a combination of manufacturing, computer-integrated manufacturing (CIM), and quality. He has worked for the military and high-tech companies, always known as the man who gets called in a true emergency. Sam has wanted to get out of corporate life for nearly a decade, and made the decision to become a consultant a few summers ago. He found some potential clients, told his boss he was doing it, turned down the offer to stay in the corporation, and started to set up his own office. Today Sam works for another corporation, and it is worth looking at why.

There are three main reasons that computer consultants do not succeed as independents.

1. ***They do not like to market themselves.*** Perhaps half of your time will be spent marketing unless you use brokers. Even then, you are your own

sales team. Some people never get comfortable with it, and as a result return to a corporate umbrella.

2. ***They underprice.*** It is easy to make the decision to price at a rate similar to what you would make working for a corporation. If you earned $60 an hour then, you may want to ask the same now. (Sixty dollars an hour is $125,000 per year.) However, you'll go broke doing that. You have to ask for enough money to cover your business expenses as well as your income. If you earned $60 before, you will need to bill around $120 to get the same income if you stay independent. In a survey we discovered that most consultants charge less because they feel they are not worth more. If that is the case for you, corporate life is safer.

3. ***They or their families miss the safety of a biweekly paycheck.*** Here is the concern that keeps Sam in the corporate world. He feels comfortable that he can go out on his own (using a partner for marketing) but his family does not. Becoming an independent computer consultant is not an independent decision. Your family must be part of the decision. If they are not ready, you are not ready.

   Be careful to take good care of your family as you make this decision. They are the ones who will be without you when you work long hours or travel for a month. And they are the ones who will tighten their belts on faith when you have a lean period. Family is a key support structure for any technology consultant. If they are not ready, you will find yourself trying to manage that at the same time you manage your business, and both will suffer. In this case, it is better to do what Sam did and stay in the corporate world.

PART-TIME CONSULTING

Many computer consultants start part-time, working on their projects in the evenings and on weekends. This is a valid way to enter the business, but carries its own drawbacks.

Consulting part-time does not engender the professional image that you may want to project and maintain. If you work part-time, your clients will be people who are comfortable with part-time consultants. They will offer you more tactical projects and a lower pay scale. They will not ask you to come to midday meetings, but they will not invite you into the discussion of what drives the business, either. They will assume that you are little more than a hobbyist, and usually treat you that way.

At some point you may want to move to full-time. It would be nice if you could just grow your existing clients to fill 30 work hours a week, but that is not likely to happen. Instead, you will probably have to release the old clients and go find new ones. You will be outgrowing the image you have built with your clients, and that often means outgrowing your relationship with them. They may see you as an amateur. You will need clients who can easily perceive you as a professional to be respected and a consultant worth paying at that higher level. It may not be easy to start over with new clients, but it will be easier to do that than to try to change the image you have with your existing customer base.

If you decide to enter the business part-time, make sure that you can identify a group of prospective clients who do not view you as part-time. You may have a split personality as well as a two-tiered fee structure.

GETTING STARTED FROM SCRATCH

A frequent question is "What does it take to get started in being a computer consultant? Do I just take courses

in Java?" The answer is that it takes that, but much more as well. For someone who is unfamiliar with programming, you will want to take some courses. Good places to start might be a local community or technical college. A good curriculum to start with would include courses in:

- ✔ Programming languages (e.g., Java, C, BASIC—Beginner's All-Purpose Symbolic Instruction Code) or applications (e.g., Access or Oracle).
- ✔ Associated technologies (communications, relational database, data structures, operating systems).
- ✔ Associated skills (systems analysis, design, testing methodologies).
- ✔ A basic business core curriculum so that you can understand how best to apply the learning.

These courses, along with the material in this book, will qualify a consultant for an entry-level programming assignment with a broker or end user. That is where the experience is found, and the experience is what makes a consultant useful.

IN THE END, WHAT DO CLIENTS WANT?

When we survey clients and consultants, we find that there is an ongoing conflict between what clients want and what many consultants sell. The majority of consultants are focused on selling hours and the processes that they use. The majority of clients want a specific result, not a process.

Clients tell me over and over again that they hire a consultant to get a result. They want to buy a working network, not the hours. They will pay for real-time code that works absolutely correctly, not the training you need to make that happen. How that result is achieved may

matter, but the result is what they want. And most consultants find that delivering a result is more fun than just doing a process.

Throughout this book, I will look to show you ways to present a result and get the rewards for doing that. It is up to you to consider building your practice of technology consulting around either results or processes.