

Free Agent Realities

By Paul Bednar

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When you jump into the free agent arena, it doesn't take long to figure out a new set of rules and expectations exist. Those who know and embrace these new realities thrive. Those who are either not aware or ignore them fail.

Here is a list of 5 realities that are critical to the success of any free agent.

1. A different skill set is required

No longer is it enough to only know your area of expertise. That's for employees. As a free agent, you need something different. You need a new skill set that has both technical expertise and the knowledge to run a business. Most people do not have any trouble with the expertise aspect but have significant difficulties with the business functions. Some of the necessary business skills are:

- * Marketing
- * Writing proposals
- * Giving effective presentations
- * Managing finances
- * Adhering to various state and federal rules and laws

You have to be committed to continuously learning a lot of information and comprehending it within a short period of time. If you would rather have a company to look after you and provide structure, you should stick to your current job.

2. Cash flow is the name of the game

This is the most important component of being a free agent. Cash flow refers to the amount of money that "flows" through your business. It replaces your paycheck. The first part of cash flow is the "cash" or the money you receive from clients for work you perform. If you do not have any

clients, you will not receive any money. If you do not receive any money, you will not be able to pay your bills.

Next is the "flow" aspect. If your monthly bills are more than your monthly income, you have a negative cash flow. If your monthly income is more than your monthly bills, you have a positive cash flow.

It doesn't take a rocket scientist to figure out that the length of your free agent career depends on whether you have more months of positive cash flow instead of negative cash flow.

3. Your reputation is vital

As an independent worker, you no longer have the financial might of your employer or their marketplace creditability as support. When you were an employee and would mention your company's name at a family or social gathering, people were "impressed" because it was something they could relate to. Also, you could feed off your company's reputation. Unfortunately, people are easily impressed with job titles and big buildings.

Now, your reputation is your meal ticket. Everything you do impacts it. Always keep this in mind. Some clients will hire you solely because of your reputation. Your free agent career lives and dies by it.

4. Peer relationships change

When you get together with your former colleagues for the first time since becoming a free agent, you will notice a remarkable difference. Your former colleagues will still be focused on their job while you are focused on marketing, writing proposals, meeting with potential clients, and oh yeah, doing actual work for which you'll get paid.

During your discussion, do not ask your former colleagues for advice about being a free agent. They don't know what you are going through, how much progress you've made, and cannot comprehend your new responsibilities. Most of these people will never understand. Don't take it personally. Accept it now and save yourself the frustration.

The issue is not that you don't value their opinion. It is that your former colleagues aren't knowledgeable about the issues you now encounter. For example, do you take your automobile for repairs to the dentist? Of course you don't!

Develop a network of other free agents. These people do understand your issues and can provide fantastic guidance.

5. Initiate all contact

As an employee, a certain structure was provided, mainly an office and a paycheck. However, the most important and not often talked about structure was a means of regular conversation with other people. Being a free agent has the potential to be very lonely and can be isolating especially if you work out of your home. It is possible that the mailman or UPS driver is the only person you'll talk to during the day. This lack of human interaction can cause your productivity to nosedive in addition to being very lonely.

Make sure you stay connected with the world. Go to lunch with former co-workers. Call up friends and keep up your network. Be sure to have at least one conversation with a human every day. However, you have to initiate the contact, it doesn't come to you like when you were an employee.

Paul Bednar helps people cut the corporate chains and become a free agent or consultant. His web site has informative articles, answers to common questions, and lessons learned. Subscribe to the free newsletter at <http://www.free-agent-information.com> or by sending email to <mailto:subscribe@free-agent-information.com>.

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