



Willory is a Staffing and Consulting Firm Solely Focused on HR & Payroll

The Pros and Cons of Becoming a Contractor-for-Hire #WilloryWebinar

INTERACT

- Ask questions via GoTo Webinar
- Email Bridgette@willory.com with “Webinar” in the subject line
- Comment along or ask questions using #WilloryWebinar on Twitter

INTRODUCTION



John Bernatovicz
President and Founder



Lisa (Dean) Mamula
Director, Client Relations



Bridgette Klein (host)
Marketing Coordinator



AGENDA

1. The current landscape and demand for contractors
2. The financial implications of contracting
3. Personal life pros and cons as well as the types of people that thrive most as contractors
4. How to market yourself as a contractor
5. Lessons learned from a contract consultant

DEFINITION OF CONTRACT WORK

CONTRACT WORK LANDSCAPE AND TRENDS

Exploding Contractor Marketplace

- By 2020, an estimated 40% of Americans will be independent workers*. Other Estimates have this number at 50%**
- In contrast, this number was 16.2% in 2010***
- In 2014 a third (34%) of American workers were freelancers**

*<https://qz.com/65279/40-of-americas-workforce-will-be-freelancers-by-2020/>

**<https://www.entrepreneur.com/article/275362>

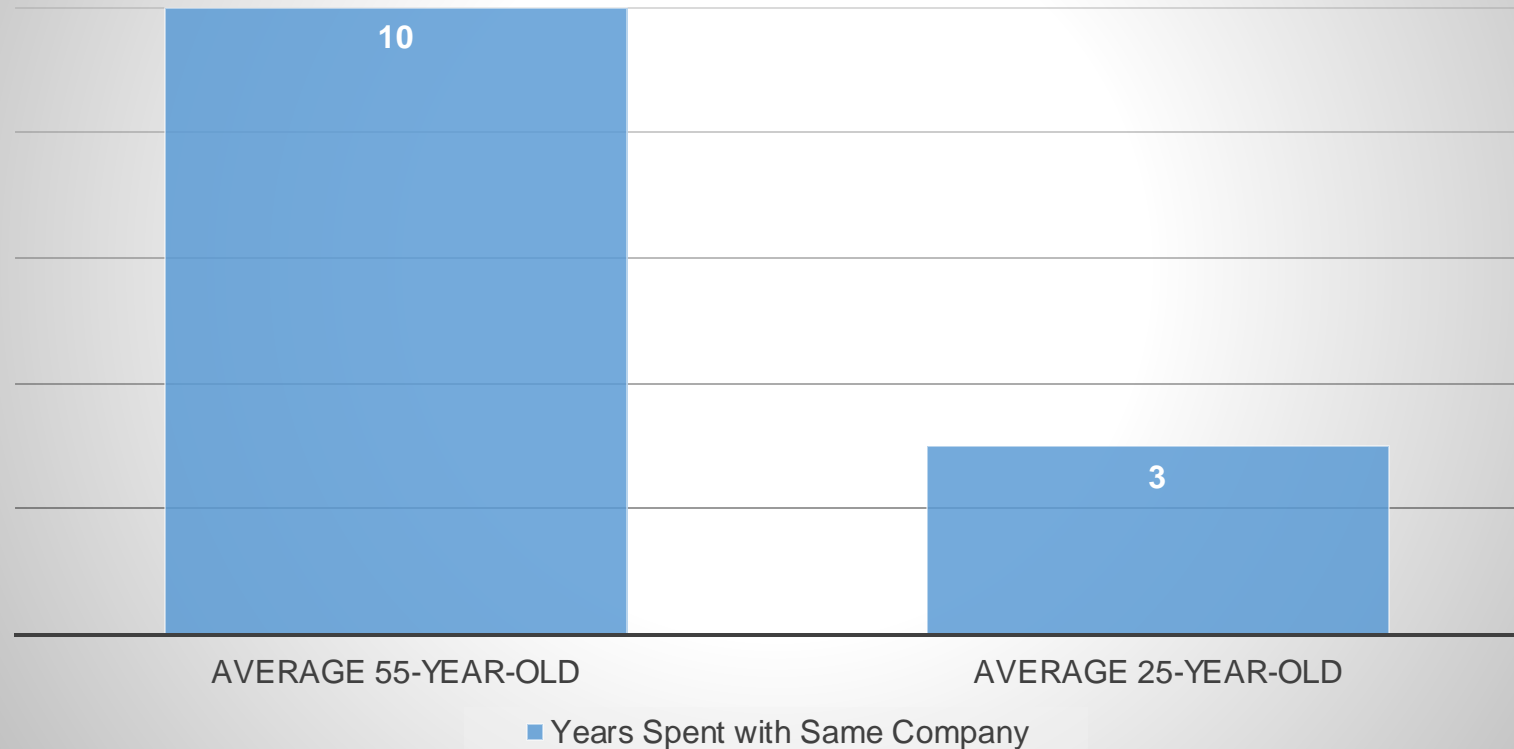
***<https://www.forbes.com/sites/elainepofeldt/2015/05/25/shocker-40-of-workers-now-have-contingent-jobs-says-u-s-government/#658305e214be>

TECHNOLOGY'S IMPACT

- Robust broadband enabling work-from-anywhere
- Multiple platforms assist in helping to match freelancers with employers
- Firms like Willory are expanding their consulting business, helping to place contract employees

GENERATIONAL SHIFT

Years Spent with Same Company



HR/PAYROLL TRENDS

- Because of changing factors, more companies are outsourcing HR and using tech to be more accessible with less people
- Baby boomers are retiring, but not ready to stop working
- Mid/Executive level career women are having babies later than ever

TYPES OF ROLES

- Contract Recruiters
- Client-Side Implementations
- Independent Auditors
- JB: Go through GM report to come up with our most popular.
Split of HR/payroll
- LDM: expand why these exist

TYPES OF HR & PAYROLL CONTRACT WORK

- Payroll – 30%
- Recruiter – 27%
- HR – 14%
- Comp – 12%
- Benefits – 7%
- HRIS – 6%
- Non-HR or Payroll – 4%

WHY COMPANIES HIRE CONTRACTORS

PROJECT FIT

- Align more specific skills to projects
- Utilize contractors with more resources
- Receive a higher level of expertise with fewer hours
- Less management hassle (theoretically)
- **This is a best practice for working with contractors**

WORKLOAD

- Workload may not require full or even part-time help
- Not sustainable over a long period of time
- Back Fill
- Cyclical (merger, benefits enrollment)

BUDGET

- Often hiring a contractor is more efficient and affordable
- No benefits, no payroll taxes no hardware, no office space... all saves organizations money
- Often companies cannot hire FTEs for the purpose of their books but CAN hire consultants
- Many contractors will require less in payment for greater flexibility
- Eliminate onboarding costs, get the job done quickly

Unexpected resignations/leaves

AFFORDABLE CARE ACT

- Caused an increase in contract workers
- Have to be properly classified
- Shared Responsibility component aka Employer Mandate
- Contractor on their own



PROS OF CONTRACT WORK

ALWAYS FRESH

- Find your niche and excel
- Change the project you are working on to create variety
- Sample employers to learn different industries
- Get ahead in your career
- Can participate in several projects at once or focus on one client
- Great way to diversify your experience

SET YOUR TERMS

- Salary
- Hours
- Take significant time off
- Selective about projects worked

POLITICS

- Office politics can be one of the top reasons people leave a job
- Results are the primary goal, not office politics
- If you choose to diversify the jobs you work on, you're never a layoff casualty with no other source(s) or income

CONS OF CONTRACT WORK

ISOLATION

- It's not uncommon for independent workers to feel isolated
- How to Fix: Create a support system! Find regular groups to attend, colleagues to meet with out of the home. Look for co-working spaces

INTERLOPER

- Since other employees will know that you are only there for a specific amount of time, they may not invite you in to their “inner circle” or share as much information with you
- How to Fix: Invite people out yourself!

PAY-TO-PLAY

- Companies don't always supply equipment to contract workers.
- No IT department to help
- It's not all bad: You can use tax breaks to cover expenses and you can select the exact equipment and software you want

FINANCIAL CONCERNS OF CONTRACT WORK

INSTABILITY

- Job security doesn't exist at all times
- Not working? Then you're missing out on money
- You are often on your own when it comes to benefits
- BUT you set your rates and your hours!
- AND if you have multiple clients/projects you actually have more stability than working in a company with random layoffs

TAXES

- The employer does not typically deduct taxes for you
- You are able to deduct items that a direct hire employee cannot
- Self employment taxes – talk to an accountant!



BENEFITS

- Not Typically Covered
 - Health Insurance
 - 401K
 - PTO
 - Severance pay
 - Retirement
 - Training and Development



**WHEN IT COMES
TO YOUR
PERSONAL LIFE...**

HOW IT IMPACTS YOUR PERSONAL LIFE

- Flexible work
- Stress
- Spillover
- You are more available at times your family needs you
- Work the hours you are most effective



PERSONALITY TRAITS THAT WORK

Self-aware

Self-confident

Focused and SELF
Motivated

Problem Solver

Listener

Personable

Networked

Flexible

Positive

Action-oriented

Intelligent

Obsessive

Lateral thinker

PERSONALITY TRAITS THAT DON'T WORK

- Complacent
- Complainer
- Excuse-maker
- Unmotivated
- Irresponsible
- Overly self-promotional
- Negative
- Apathetic
- Insecure
- A High Need for Security

HOW TO SELL YOURSELF AS A CONTRACT WORKER...

RESUME



- It's not the same as a standard resume
- Focus on projects and expertise
- Targeted/highlight achievements that show your project skills or fit the field you are targeting
- Certifications
- Short dates of employment
- JB: convey your transitions become less of a burden. Convey where you've done it before.

DIGITAL PROFILE

- Optimize your LinkedIn profile, including where you can say you're open to that type of work
- 80% of contract work is sourced via agencies-- source
- What you offer as a contractor



JB L/I

INTERVIEWS

- JB: normally a lot shorter. Employer has an immediate need, flexibility to a short-term.
- Have the skills, do the job, their available, have the right rate.
- The interview is more about getting the final steps done
- All about that prep work
- It's a sales pitch
- Understand the issues



LESSONS LEARNED FROM CONTRACT WORKERS

TAMMY MERDA

AMY MASSAT

HOW TO WORK WITH A THIRD PARTY LIKE WILLORY

Independent Contractor vs W2

- If you're committed long-term as a business...business entity arrangement
- If it's a stop gap, normally w2.
- Also depends on the level of pay/responsibilities
- Condition of the work – ic projects

The big difference

- It's agency-based
- Network
- Keep in touch with staffing agency
- Long-term: align yourself with the people who are getting the jobs

VALIDATE AND TRUST

- DON'T GET CAUGHT UP WITH **SHADY CATS**

**WHERE TO START IF
THIS IS SOMETHING
YOU ARE
INTERESTED IN...**

QUESTIONS



CONCLUSION

- Contract work is not for everyone, but it's a wonderful opportunity for many
- You have to be able to hold yourself accountable
- Work with people to get your finances in-line
- Align yourself with the right agencies

CALL TO ACTION

- Current Willory Openings
 - Contract Recruiter
 - HCM Systems Consulting
- Reach out

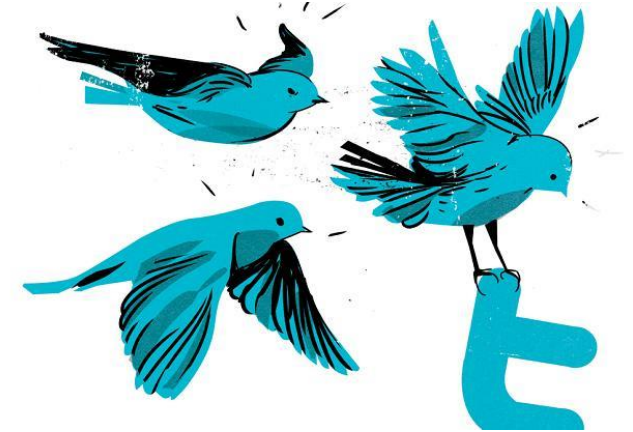
INTERESTED IN CONTACT WORK?



1.855.WILLORY
John: 330.576.5486
Lisa: 330.968.0082



info@willory.com
john@willory.com
lisa@willory.com



@willory1
@JohnBernatovicz
@LisaMamulaHR

WE'LL BE REACHING OUT