The gig economy has always been a part of the economy, however in the past decade the number of those who pursue freelance work has greatly increased due to technology platforms and “Do-It-Yourself” mindsets. A total of 36% of US workers currently participate in the gig economy as a primary or secondary job, with the estimate of it reaching 52% by 2023. Giggling is a great way to try things, a viable option for employment in today’s world and is the future of work.

WHAT IS THE GIG ECONOMY?

The gig economy crosses all industries and can also be referred to as: freelancing, independent contracting, consulting, moonlighting, entrepreneurship, contingent work, and self-employment. Two main differences between freelancers and traditional workers are; 1) gigs are temporary and 2) a self-employed person has the ability to choose which gigs to take.

Note: If you are an international student on a visa, freelance work is limited to only university-affiliated organizations.

PROS & CONS

**PROS:**
- Try out professional curiosities
- Flexible schedule, location and workload
- Supplemental income
- Potential for skill growth & development
- Talk to people through networking opportunities

**CONS:**
- No associated benefits (health, retirement, etc.)
- Temporary engagement
- Inconsistent income
- You are responsible for all aspects of gigging

FREELANCING TIERS

Being a freelancer can range anywhere from occasional moonlighting to full-time self-employment. The level of interest and commitment changes the amount of preparation, work, and responsibilities a freelancer can expect. No matter the end goal, all gigs are considered professional work and should be treated as such.

GETTING STARTED

WHAT IS YOUR PURPOSE?
As you think about freelancing, knowing why you choose to freelance is important. Are you curious and pursuing gigs as a way to try out the field as a career path? Are you looking to increase your income or enhance your skill sets? Understanding this can change your approach, time, and money you invest. Before jumping in, answer these questions to see if freelancing is right for you.

TALK TO PEOPLE
Since the opportunities for self-employ is vast, understanding the potential in your particular field is crucial. Connect with those in your industry to learn more about the ins-and-outs of freelancing and develop a support system.

Do Some Research: Talk to faculty, alumni, and professionals in the field about their experiences in the industry. Use UoR’s Meloria Collective and LinkedIn to connect and network. If relevant, also research your particular city to understand the areas' need, establish appropriate pricing, and discover ways to connect with local clients.
**Finding Support:** In addition to your network, connect with unions and associations. In some fields, joining the union is required to be contracted. Unions not only provide a community of individuals whom you can learn from, but can also offer jobs, benefits, insurance, and other services to support freelancers. There are many industry-specific associations, but the U.S. also offers an over-arching Freelancers Union to those who wish to become a member.

**TELL YOUR STORY**
In order to receive work, you will have to consider how and where you plan on telling your story to prospective clients. For starters, develop a freelance brand, which will make it easier to consistently market yourself across multiple platforms and to clients. As part of your professional storytelling, or brand, consider including a bio, a pitch of your services, logos/headshots, sample materials, and recommendations.

**Marketing Yourself:** There are numerous mediums in which to tell your story - social media, personal websites, word of mouth, podcast/YouTube videos, signing up for freelance websites, etc. Consider your audience and which platforms or sites they would most likely utilize.

**Independent Marketing:** Creating your own personal platforms (websites, social media, etc.) to market your services has pros and cons. You have more control over your story and how you gain clients, but it requires a lot of preparation and upkeep to make sure you are hitting your target audience. Make sure to account for the time you put into marketing yourself!

**Freelance Job Boards:** The number of websites and platforms supporting the gig economy are immense! Some potential pros of these sites include automatic marketing, payment system for you to use, assistance in client complaints/issues, and even certification opportunities. The cons of these are having to pay fees, competition on the sites, limited industry options, and potential pre-screening of your skills. They vary depending on industry type, so explore to see if they are right for you.

**Communicating with Clients:** Remember, no matter how small the project for which you are hired, be professional in all aspects. Communicating clearly with a client before, during, and after a gig is essential to not only complete the work as expected, but for potential opportunities in the future. For this, you might want to think about creating a contract detailing specifics. When you are clear in your communications, you can stay competitive in the field.

**GETTING PAID**
No matter the level, it’s important to get paid as a freelancer! It may be a challenge at first, but practice articulating and answering questions around the details of payment with your clients so you can advocate for yourself.

**Pricing & Payments:** Sometimes, organizations will already have determined their budget for the contractors they hire. In other instances, you may be responsible for setting your price, which can vary depending on location, qualifications, project expectations, and timeline. Read about Pricing Freelance Work before taking on a job. If you do set the price, make sure to detail when and how you would like to be paid (check, Venmo, Paypal, etc).

**Taxes:** Even as an occasional gigger, you are responsible for claiming freelance income on taxes, once you hit a certain annual amount. There are two main ways freelance payments impact taxes. If you are contracted, the organization is responsible for taking out taxes and will send you a tax form later on (W-2 or 1099). Meanwhile, with “under the table” payments (personal card, check, or cash) taxes are NOT taken out in advance. You still have to pay back taxes on under the table work which you claim under “self-employment.” For more information about filing as a freelancer, see IRS Self-Employment Tax Center & FreelanceTaxation.com.

**BEING A FREELANCER FOR A LIVING**

**REMEMBER - IT’S A BUSINESS**
Being a professional freelancer is more than providing a quality product or service. In addition to the specialized skill sets you bring, freelancing part or full-time means you will be running a small business.

**Business Plan:** Taking the time to develop a short-term business plan will help you fully assess and prepare for the freelance work you are planning on doing! These plans include executive summaries, market research, branding, organization, finances and more. Here are some recommendations on developing small business plans.

**Business Types:** As a long-term opportunity, you will need to register your self-employment business. To do this, research the different business types and determine which is the best for you. Not all types are suited for freelancing, and each have their pros and cons, but it’s crucial to understand the classifications so you can protect yourself.
**MONEY, MONEY, MONEY**

Being self-employed, finances are essential for not only your business, but for your own personal income. In addition to pricing, payments, and taxes necessary for all giggers, as a professional there are additional financial responsibilities.

**Bugeting:** To ensure that you are hitting your desired revenue, develop an annual budget to anticipate all expenses and income. This will also help you determine potential pricing for your services and the number of projects you will need to pursue. There are budget templates to guide your preparations and tips on calculating a freelance rate.

**Keeping Records:** When you determine a business type, this will also help in setting up a business-related bank account. By establishing this bank account, it becomes easier to separate your personal finances from your business (which also helps with potential legal issues). In addition, you will want to maintain very detailed records of ALL purchases, receipts, and income. These records will be immensely helpful when you are doing taxes so you can appropriately detail your revenue and deduct business expenses.

**LEGAL CONSIDERATIONS**

When turning your freelancing opportunities into a business, there are additional considerations.

**Contracts:** Developing a contract not only helps with providing clear communication, but can be used to protect yourself and your business. Although in some states emails are binding agreements, it's recommended that you still draft a contract to ensure you understand the terms and are paid appropriately.

**Insurance:** You will also want to protect yourself with insurance policies. In addition to getting your own personal insurance (health or life) being self-employed, you will want to explore insurances for the business. Liability insurance protects you and your business should a client file a suit. Note: If you decide not to register your business and the business is sued, they can come after your own personal assets – savings, checking, car, house, etc.

**BE CURIOUS**

Pursuing a position in the gig economy has potential for creating additional income, increasing autonomy, and making connections. However, it also comes with responsibilities, so it is best to do some research and become fully informed. If being self-employed has piqued your curiosity, try it out to see if it's a good fit for you!

**CONNECT WITH US**

If you have further questions, feel free to connect with us via phone, email, or our appointment application, Handshake.

https://app.joinhandshake.com/login
4-200 Dewey Hall
585-275-2366
career.center@rochester.edu

**ADDITIONAL RESOURCES**

**5 Must-Have Resources for Freelancers:** Organizational, marketing and website software, as well as job board recommendations via Vault (Note: Requires Vault account to access – University of Rochester students use your NetID).

**U.S Bureau of Labor Statistics:** This site researches and maintains current data and trends around the gig economy. Occupational Outlook Handbook profiles and sorts gig occupations based on job type and details specifics of median pay, job outlook, work environment, and state/area data.

**State or City Support:** Some local government agencies acknowledge the importance of the gig economy to their area and provide legal support for freelancers. For instance, New York City’s Consumer Affairs has developed the Freelance Isn’t Free Act to grant rights to those who are self-employed. Their page can help you understand your rights and what information may be crucial to put in a contract. Check other local government offices to see their support services.
FREELANCER CHECKLIST

As you prepare to take on gigs, answering the following questions will help you tell a stronger story and build a stronger career as a freelancer.

☐ **Services & Storytelling:** What services are you offering? What do you have that makes you unique? What sample works do you have to demonstrate your skills? Develop a short 1-2 sentence pitch describing your services and specialty.

☐ **Purpose:** What are you hoping to gain from freelancing – extra income, connections, skill building, supporting others? Articulate to yourself why you are doing this and identify the priority it takes amongst other things you are doing.

☐ **Time Management:** How much time are you willing to dedicate to freelancing? In the time allotted, what percentage are you doing the freelance work vs. administrative tasks (looking for websites to join, writing description of your services, collecting recommendations, etc.). How many projects can you realistically take on at one time?

☐ **Pricing:** When you have control over your pricing, it’s important to answer these before seeking clients so you can specify what you require.

  - What do you charge – is it hourly or a flat-fee?
  - Will you negotiate with customers on your pricing? If so, at what point do you walk away?
  - Do you charge extra for special requests (needing to travel to a location, rushed timeline, etc.)?
  - Do you want to ask for a percentage of money upfront?
  - How would you like to get paid (Venmo, Paypal, external website)?
  - When do you expect to be paid after completing a project?

☐ **Marketing Yourself:** Where are you going to advertise your services? Will you use your own platforms such as a personal website or social media pages? Will you sign-up for job boards or other freelance bulletins? Will you produce ads? Do your research to determine what might get you the best results!

☐ **Collecting Information:** What should be in your list of questions to ask each client so you are prepared to offer the best service? For example, their deadline or date/time of gig, expectations, location, paperwork/materials to be filled out, preferred form of communication, special requests, etc.

☐ **Being Professional:** What steps will you take to separate your personal life from your freelancing life? What will be your main form of communication to clients (through a website, email, social media)? How will you keep track of your work time? What is your turn around for answering clients’ emails and requests? How will you respond to negative feedback?