

Biographies

Joshua M. Horstman

Josh Horstman is an independent statistical programming consultant and trainer based in Indianapolis with 25 years of experience using SAS, primarily in the life sciences industry. Josh is a SAS Certified Advanced Programmer who loves coding and presenting at PharmaSUG and other industry conferences. Josh also enjoys travelling and hiking with his family and has been to 47 states and 28 national parks.

Show Me The Money! Promoting Your Consulting Business and Setting Your Rate

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May 21, 2024

Promoting Your Business

Looking Like a Real Business

- Logo
- Checks, letterhead, invoices, etc.
- Business Cards
- Internet domain, website, email
- Separate business phone line (free cloud-based service)
- Business mailing address (private mailbox)

Finding Work

- **#1 source for work: Your professional network**
- **Recruiters and staffing agencies**
- **Freelancing platforms (Upwork, Toptal, Freelancer.com, etc.)**
- **Online job postings**
- **Watch industry news**
- **Advertise**
- **Cold call**

The Power of Networking

- It really is "who you know".
- Build/maintain robust network – requires time & effort
 - Conferences and professional associations – volunteer!
 - LinkedIn and other social media
 - Maintain relationships with former coworkers, classmates, professors
 - Use virtual tools (Teams, Google Meet, WebEx, Zoom, etc.)
- Include peers, influencers, decision makers, recruiters, etc.
- Follow up whenever a lead or opportunity arises
- Relationships must be genuine and mutually beneficial.
- Ideally, start well before you go into business

Rate Setting

How Much Should I Charge?

- **Most contracts are based on an hourly rate.**
- **Rates depend on many factors:**
 - Type of work
 - Level of expertise required
 - Consultants' prior experience
 - Quantity of work
 - Travel expectations
 - Payment terms
 - Direct or indirect contract
 - Competition
 - Availability
 - Flexibility provided to client
 - Software licensing (e.g. SAS)

Rate Setting: Factor in Benefits

- **Health Insurance – costly, but available**
 - ACA premium subsidies are enhanced through 2025
 - Unclear whether favorable changes will be extended
- **Retirement – Solo 401(k) can be very advantageous**
 - 2024 employee contribution limit: \$23,000 (or \$30,500 if over age 50)
 - 2024 employer contribution limit: 25% of employee compensation
 - 2024 Combined total limit: \$69,000 (consult tax pro for other rules/limits)
- **Paid Time Off – nope!**
 - Factor this into your rate structure
 - Build reserves to even out cash flow

Rate Setting and Benefits Example

With appropriate rate setting, an independent consultant can construct a compensation package like one provided through traditional employment.

	Emily the Employee	Connie the Consultant
Gross Income	\$145,000 annual salary	Bills \$100/hour, 35 hours/week, 46 weeks/year = \$161,000
Time Off	6 weeks (paid by employer)	6 weeks (unpaid)
Health Insurance	Paid by employer	Pays \$6,000 annual premium
Retirement Plan	Employer contributes \$10,000 to 401(k)	Contributes \$10,000 to Solo 401(k)
Taxable Income	\$145,000	\$145,000

Disclaimer: These numbers are arbitrary and should not be considered representative of anything in particular. This example is grossly simplified and omits many details.

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