## **AICN Newsletter**

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# AICNCC Partnering with the South Eastern Michigan (SEM) Consultants Affinity Group for Fall Workshop

For the past two years, the IEEE-USA Alliance of IEEE Consultants Networks Coordinating Committee has partnered with various local consultants networks across the United States, to provide quality, one-day consultants' workshops. Our next stop will be in south eastern Michigan this fall, where we hope many consultants, new and old, will come learn about this great career option.

The workshop will take place on 3 October at Lawrence Technological University, in Southfield, Mich. IEEE-USA

Past President Gary Blank will be a highlight of this workshop, and he will share his vast knowledge about how to be a successful consultant. We invite all of you to come to Michigan to partake in this exciting workshop. The cost is \$20.00 for IEEE member. Register Today!

If any other local networks are interested in partnering with the AICNCC to conduct a full-day workshop in 2016, contact Daryll Griffin at <a href="mailto:dr.griffin@ieee.org">dr.griffin@ieee.org</a>.

## Sign Up for the IEEE-USA Consultants Database at a Reduced Rate

For a limited time, independent consultants who are IEEE members can subscribe to the <u>IEEE Consultants</u> Network Membership Premium — which includes allowing members to place their profile in the <u>IEEE-USA Consultants Database</u> — for half the regular cost.

The IEEE-USA Consultants Database allows national companies to find consultants wherever they are. With an annual listing fee of only US\$99 (now half-

priced at \$49.50), a single referral will pay for the listing. Along with your database listing, the Premium subscription includes a free subscription to the IEEE-USA Consultants Newsletter, a free IEEE-USA eBook on consulting and access to a free exclusive training webinar.

+ <u>Subscribe today</u> and take advantage of this halfprice offer!



#### War Stories #7: Client Failings and Disasters (Part THREE)

### The "Political Hot Potato"

BY LARRY G. NELSON, SR.

The "Political Hot Potato" is always a great justification for an employer to hire a consultant. The job is critical, but it can make or break an employee's career. Sometimes they already have the answer — but it will be an unpopular solution. By hiring a consultant, employees can avoid the heat directly. No one wants responsibility for a politically hot problem, because they like their jobs.

Using a consultant is simply a protective maneuver. If you fail, they can blame you. If you succeed, they can take the credit for hiring you, and guiding you to the winning solution.

I was brought in to solve a solderability problem on some hybrid circuits being manufactured for a government contract. Military standards do not allow you to scrape the component leads to clean them, as the process would damage the plating on the pins.

It should have been an easy task. All I needed to do was locate the source of the problem and fix it. If there was contamination, I had to either find a way to eliminate it at the source, or remove it afterwards. A vendor problem would necessitate trying to resolve with the current supplier, or find an alternate source.

New packages in stock soldered fine. I followed the parts through the entire production process. They were transported from station to station within the company stuck into Styrofoam blocks. One step used a potent solvent to clean the package. As it turned out, the solvent melted the Styrofoam, changing its chemical properties, and made a coating on the leads that was almost impossible to remove without

scraping. I tried to clean the leads with various powerful solvents, but none worked due to chemical hazards during production

But I found the solution — transport via metal trays. I located a surplus of useable trays in the area, from Company B. I informed my client of the component's availability, its close proximity, and the cost savings. The owner did not want to buy the

trays, or change his process. He wanted a

miracle solution that would clean the parts just prior to soldering. Aware of the owner's way of thinking, others brought me in from the outside to independently find this solution — and convince their boss of its validity. My invoice was grudgingly paid, and the boss was still looking for the answer he wanted after I left. His end customer eventually forced him to use the solution we found to

fulfill the contract he had agreed to.

Sometimes, you cannot win by design. Unfortunately, you will not know the scenario going in, and all you can do is make the best of a bad situation. Even when everyone pulls together, we sometimes find ourselves at odds with each other. Everyone has their own agenda, and consultants are the most successful when they can control the diverse directions, and solve the common problems. Remember to drain the lake and sell the crocodiles — before it's too late...

Larry G. Nelson, Sr. can be contacted at <u>L.Nelson@ieee.org</u>; or at Nelson Research at <a href="http://www.mchipguru.com/">http://www.mchipguru.com/</a>.





## **How to Land Interim Consulting Work During Your Job Search**

BY BRUCE KATCHER, PH.D., FOUNDER AND EXECUTIVE DIRECTOR, THE CENTER FOR INDEPENDENT CONSULTING

#### 1. Promote Your Consulting Services — Judiciously

I typically advise new consultants to send an announcement to everyone they know. If, however, you really are planning on finding another job, then sending an announcement about your consulting could be counterproductive. Tell only your closest and most trusted contacts that you are still looking for a job, but offer to help them, or people they know, on a consulting basis, if they need assistance.

#### 2. Don't Become a Commuter

Avoid a consulting assignment where you are required to be on site full time, or even several days a week. You need to maintain the flexibility of your schedule, so that you can make job search-related activities (i.e., telephone calls, emails, and attending networking meetings and job interviews) your major priority.

#### 3. Don't Sell Your Time

Don't put yourself in the position of having to decide, "Should I work for another hour, so that I can charge my client a little more today, or attend that networking meeting?"

Try to avoid charging by the hour or the day. You still want to own your time. If you charge for your time,

you will be looking at your watch, your clients will be looking at their watches, and your valuable time will be used primarily to service your client — rather than searching for your next job.

#### 4. Sell Deliverables or Results

Instead of charging for your time, charge for deliverables (e.g., a report summarizing your findings), or results (e.g., increased revenue). That way, you will be held accountable for what your client needs, rather than the amount of time you spend providing it.

#### 5. Consider the Retainer Model

Another way to maintain control of your schedule is to work for your client on a retainer basis. For example, labor attorneys often charge a fixed monthly fee for a minimum of 6-12 months, to be available to offer their advice when needed on complex legal issues. They don't tie their fee to the time they spend. (That would be charging for their time.) They make it clear what services are within and outside of the scope of the retainer relationship, so that they are protected from having all of their time monopolized by one client. Often, they price their retainer fee for less than their hourly rate, to make it more enticing for their client.

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#### 6. Consider Subcontracting

Generally, serving as a subcontractor to other consultants who need help on projects is not a great practice for independent consultants, because the client is not yours, and you can't charge what you would get if they were your client.

However, for those who are really seeking a job, subcontracting is a great way to land business quickly. Just make certain that you are not commuting daily, or selling your time in ways that make it difficult for you to search for your job.

Think about reaching out to those consultants you hired while you were employed at your last job. They might need your assistance. Also, it is probably very important to them to maintain a good relationship with you, because when you land your next job, they will be anxious for you to hire them again.

## 7. Consider Consulting that Can Lead to Full-Time Work

Another good possibility, of course, is for you to take on a consulting assignment that has the potential to lead to a full-time position. You might even be willing to commute and sell your time, if you think that there is a strong possibility that the consulting assignment could turn into a full-time job. But make it clear to your client that you will need time off periodically to continue your job search. Then, it is your challenge to impress them — to the point where they just feel they have to hire you full time.

#### **Conclusion**

You *can* have your cake (i.e., earning consulting income) and eat it too (still actively search for the job you desire). You just need to take the proper precautions to make certain that your consulting does not interfere with your job search.

Bruce Katcher, Ph.D., mentors consultants and can be reached at 508-349-0477 or <u>BKatcher@CenterforIndependentConsulting.com</u>

**Source:** The Consultants' Corner, The Center for Independent Consulting, 2013.

# AICNCC Welcomes a New Network Lahore Section

The Alliance of IEEE Consultants Networks Coordinating Committee (AICNCC) congratulates Ghalib Shah and the Lahore Section Consultants Network Affinity Group on the formation of their network.

This newest Consultants Network became official on 5 June 2015. If fellow consultants would like to give a personal welcome to this new network, check the IEEE-USA Web site for the contact information. If other IEEE members would like to form a consultants network, the IEEE-USA Web site also contains step-by-step instructions about how to start a formal network.



We encourage new consultants networks to register as Affinity Groups. After a group forms a network, it can take advantage of IEEE's branding and resources, and also qualify for funding through IEEE Section rebates. If you don't see your consultants network's contact information listed on our Web site, contact Daryll Griffin at d.r.griffin@ieee.org.



# INDEPENDENT CONTRACTOR

## **EMPLOYEE**

## **Independent Contractor or Employee** — Which One Are You?

For federal tax purposes, this distinction is important. Worker classification affects how you pay your federal income tax, social security and Medicare taxes, and how you file your tax return. Classification affects your eligibility for Social Security and Medicare benefits, employer-provided benefits, and your tax responsibilities. If you aren't sure of your work status, you should find out now.

The courts have considered many facts in deciding whether a worker is an independent contractor or an employee. These relevant facts fall into three main categories: behavioral control, financial control, and relationship of the parties. In each case, it is very important to consider all the facts — no single fact provides the answer. Carefully review the following definitions:

#### **Behavioral Control**

These facts show whether there is a right to direct or control how the worker does the work. A worker is an employee, when the business has the right to direct and control the worker. The business does not have to actually direct or control the way the work is done—as long as the employer has the right to direct and control the work. For example:

<u>Instructions</u> — If you receive extensive instructions on how work is to be done, this suggests that you are

an employee. Instructions can cover a wide range of topics, for example:

- · How, when, or where to do the work
- · What tools or equipment to use
- What assistants to hire to help with the work
- · Where to purchase supplies and services

If you receive less extensive instructions about what should be done, but not how it should be done, you may be an independent contractor. For instance, instructions about time and place may be less important than directions on how the work is performed.

<u>Training</u> — If the business provides you with training about required procedures and methods, it indicates that the business wants the work done in a certain way, and suggests that you may be an employee.

#### **Financial Control**

These facts show whether there is a right to direct or control the business part of the work. For example:

<u>Significant Investment</u> — If you have a significant investment in your work, you may be an independent contractor. While there is no precise dollar test, the investment must have substance. However, a significant investment is not necessary to be an independent contractor.

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<u>Expenses</u> — If you are not reimbursed for some or all business expenses, then you may be an independent contractor, especially if your unreimbursed business expenses are high.

Opportunity for Profit or Loss — If you can realize a profit or incur a loss, it suggests that you are in business for yourself and that you may be an independent contractor.

#### **Relationship of the Parties**

These are facts that illustrate how the business and the worker perceive their relationship. For example:

<u>Employee Benefits</u> — If you receive benefits, such as insurance, pension, or paid leave, it would indicate that you may be an employee. If you do not receive benefits; however, you could be either an employee, or an independent contractor.

<u>Written Contracts</u> — A written contract may show what both you and the business intend. This contract may be very significant if it becomes difficult, if not impossible, to determine status based on other facts.

#### When You Are an Employee...

Your employer must withhold income tax, as well as your portion of Social Security and Medicare taxes. Also, your employer is responsible for paying Social

Security, Medicare, and Unemployment (FUTA) taxes on your wages.

Your employer must give you a Form W-2, Wage and Tax Statement, showing the amount of taxes withheld from your pay.

You may deduct unreimbursed employee business expenses on Schedule A of your income tax return, but only if you itemize deductions, and the deductions total more than two percent of your adjusted gross income.

#### When You Are an Independent Contractor...

The business may be required to give you Form 1099-MISC, Miscellaneous Income, to report what it has paid to you.

You are responsible for paying your own income tax and self-employment tax (Self-Employment Contributions Act – SECA). The business does not withhold taxes from your pay. You may need to make estimated tax payments during the year to cover your tax liabilities.

You may deduct business expenses on Schedule C of your income tax return.

**Source:** Publication 1779 (Rev. 3-2012) Catalog Number 16134L, Department of the Treasury, Internal Revenue Service, www.irs.gov



# IEEE SPECTRUM Is Your Data Worth a RAID from Western Digital?

Backing up your data is essential in today's business world. The AICNCC believes that all consultants need some form of backup. Take a look at *IEEE Spectrum*'s great article about Western Digital's NAS (Network Attached Storage) systems, with Redundant Array of Independent Disks (RAID) configuration. Check it out here!