

THE ARIZONA REPUBLIC

More jobless aim to consult

Freelancing offers income as full-time work stays scarce

By Jahna Berry, September 18, 2011

Telling people that you are unemployed is so 2009. These days, more job hunters like Nicole La Placa have work as consultants.

Many are trying their hands at consulting to generate income because full-time work in their fields is unavailable or hard to find. Others see their exits from corporate life as an opportunity to hang their own shingles and start one-person businesses.

La Placa was laid off from two paralegal jobs before she decided to pursue her passion and become a health coach. So far, La Placa, 36, says that she has about six clients, a website and has made a few local television appearances. Her goal is to earn at least half of her old paralegal salary of \$59,000 with her consultant work.

La Placa is pragmatic: She continues to look for jobs while she hunts for clients for her business, Lyrical Nutrition.

"It's difficult, but I am a lot happier," La Placa said, adding, "The potential is huge."

There are no statistics that track how many job seekers are dabbling in consulting. But the combination of continued corporate outsourcing and the weak job market has made consulting an attractive option, employment experts say.

Arizona's unemployment rate has been at or above 9 percent since March 2009. Meanwhile, more companies are using consultants and contractors to take on tasks that once were handled by full-time workers, said Andrew Neitlich, director of the Sarasota, Fla.-based Center for Executive Coaching.

"Businesses have a core of full-time people that is getting smaller and smaller, and they are more open to hiring groups of freelancers and consultants that kind of circle their orbit for a bit and move off and aren't part of the core," said Neitlich, who trains consultants and executives.

Nationally, sales in the sector that includes management, scientific and consulting services have increased nearly 19 percent this year among privately held companies compared with last year, according to Libby Bierman an analyst for Sageworks Inc.

While businesses are "gravitating toward these specialists," established consulting firms may be better-positioned to take advantage of this trend and snag a larger share of these new business opportunities, Bierman said.

Several Phoenix-area consultants say that they have had mixed success.

Tim Weaver, a Glendale marketing consultant who gathers information about businesses' competitors, started his business last year.

Before that, he tried running his own Internet retail business for eight years.

"If I had steady work, it would be very satisfying," said Weaver, adding that he has done a few jobs for one client. He hasn't had any other customers since he started his business.

Weaver said it's difficult to explain to prospective clients how his expertise can help small businesses - pitching is not one of his strengths, he said - and shop owners are reluctant to pay for the service.

There is a misconception that people can make a lot of money consulting because the hourly fees are so high, said Weaver, adding that he charged his last client \$60 per hour. The problem is that if you have no projects, you aren't earning any money, Weaver said.

"A lot of people in this job market are calling themselves consultants because they don't have anything else to do," Weaver said. "If you asked them, like you asked me, 'Would you work for another company?,' most of the people you will talk to will say 'Yeah.' "

Eric Lennox, a landscape architect, was laid off from his job with a Denver company in February 2010. Lennox, who lives in the Valley and had been working remotely for the company, had always wanted to start his own business. The layoff forced him to follow his dream, said Lennox, a partner at Artifex10 in Phoenix.

"We have been really, really fortunate to get projects to keep us going, and now we feel like we will survive," he said.

The first year was difficult - Lennox struggled to get clients. But in February, the company landed a contract to design the landscape for the Platform at Culver Station, a commercial development near Los Angeles.

That project helped entice a former co-worker from Lennox's old company to join Artifex10, and now the pair have several projects under way or under contract, Lennox said.

"We have the ability to have discounted fees because we don't have that large overhead," Lennox said. "That seems to be working well in this economy."

Usually a senior landscape architect can earn \$75,000 to \$100,000 a year at a large firm, Lennox said.

He and partner Christopher Mott are on track to earn those salaries or to exceed them next year, Lennox said.

A key part of his success was that he used office space at a cooperative workspace in Phoenix called CO+HOOTS. There, he teamed up with other consultants - such as public-relations and Web-design experts - who helped him market the business early on.

Starting a business during the economic downturn can be challenging, but it can also pay off, said Patti DeNucci, author of "The Intentional Networker." DeNucci coaches "solopreneurs" - one-person businesses.

"When people get started and things are very good economically (in the country), it doesn't give you an accurate measurement of how you are doing," DeNucci said. "If you can do well during tough economic times, that means that you are a rock star."

For the full story featuring Sageworks' recovery survey, please visit [The Arizona Republic – More jobless aim to consult.](#)