



2014 PIC MEMBER FEE SURVEY

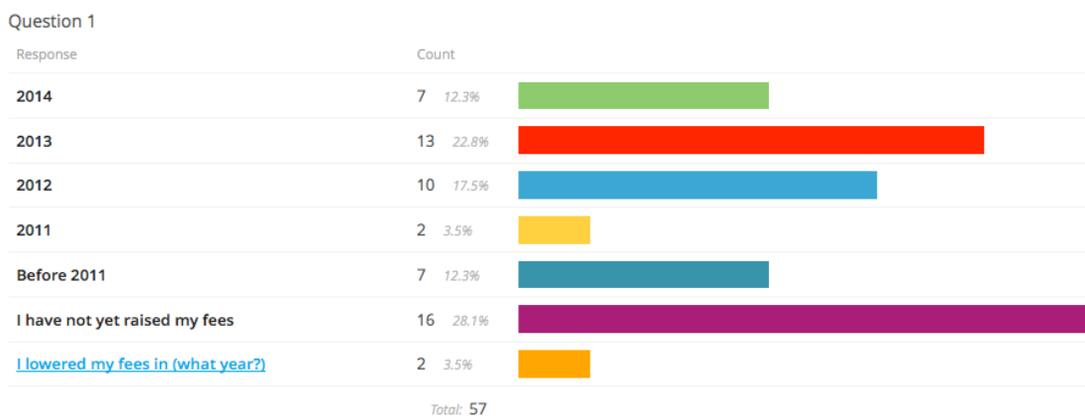
Results as of May 27, 2014

IABC/Toronto's Professional Independent Communicators (PIC) sent the 2014 fee survey link in an email blast to 161 PIC members on the Constant Contact mailing list on April 3 and 25, 2014. Links were also included in the March, April and May issues of *The Buzz* newsletter, and posted on Twitter and the PIC LinkedIn group. A total of 57 people responded, for a response rate of 35.4%.

PIC's "sister" group in Calgary, Company of One, conducted a fee survey in 2013. Some of the questions overlap, and where possible, their results are shown in the detail about PIC findings.

Question 1

When did you last raise your fees?



- The most frequent response (28.1%) was that respondents have not yet raised their fees; this was true among some with 15 or more years as an indie as well as those with less than a year or two under their belts.
- The next most frequent response (22.8%) was that they raised their fees in 2013. Among those raising their fees in 2013, their experience as an indie ranged from one year to 16, with a median of 10.
- Two respondents with an average 12 years as an indie lowered their rates; one in 2010, one in 2011.
- Nearly half of Company of One's respondents last raised their fees in 2011.

Question 2

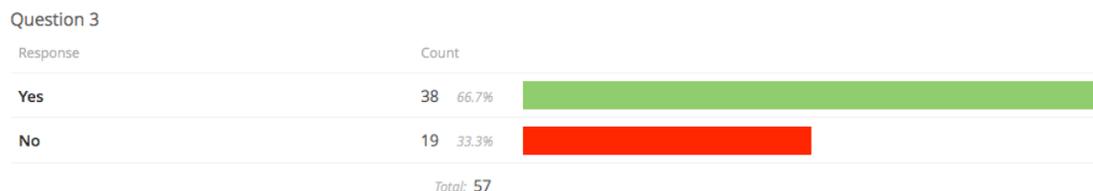
If you have a day or retainer rate, what is it and when do you use it?

- Nine said this didn't apply (including "Haven't used it," "Don't have a specific day or retainer rate" and "No. Should I?").

- Those who said yes said it depends on the assignment, with some using a retainer for training sessions; rush jobs taking a day or more; client strategy meetings; short-term work with non-profits; or long-term projects or clients. Two offered a 20% discount on hourly rates for long-term projects.
- Rates charged for a day or retainer ranged from \$350 to \$2,500; median was \$800.
- Seven Company of One respondents said they used a day rate, which ranged from \$850 to \$2,400, with a median of \$1,200. The rates typically applied to training or facilitation, one- or two-day projects and activities where same-day travel out of town is involved.

Question 3

Do you charge different rates for long-term clients, extended projects, working on retainer or as a single-client contractor?



- The majority (66.7%) do have reduced rates (10% to 50%) for long-term clients or projects, ongoing work, personal relationships, business development opportunities and non-profits.
- Respondents charged more for difficult and short-term clients, strategic counseling, rush jobs and one-off projects.
- Company of One reports that 33% charge a lower rate (10% to 40% off their normal rate) for extended or contract work.

Question 4

How do you currently handle fees for services to charities and not-for-profits?

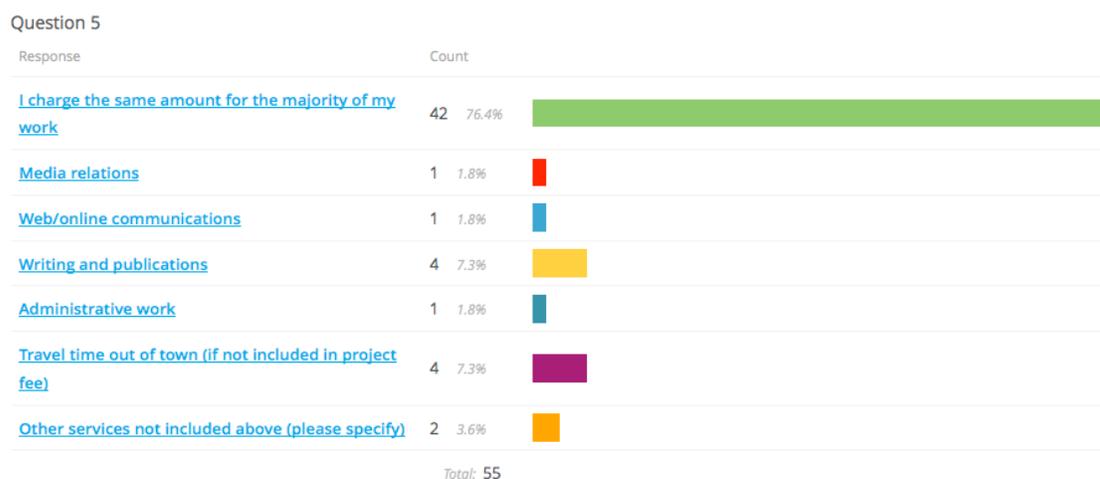


- The highest number of PIC members (42.9%) charge lower fees for work for charities and non-profits.

- Other options are charging for fewer than total hours worked but listing the total amount (14.3%); only listing charged hours while charging for fewer hours than worked (8.9%); returning a portion of the fees for a receipt (10.7%); or charging for fewer hours because the client does some of the work (7.1%).
- About 16% treat these clients no differently than others, while the same amount do not work for charities.
- Those answering “other” said they might offer a discount to small charities, or would do pro bono work. Rates might also reflect personal relationships or commitment to a cause.
- Company of One respondents treat non-profits no differently (35%); or have multiple strategies, such as a reduced rate (29%); charge for fewer hours but list the total (35%); invoice for fewer hours (12%); get a donation receipt (24%); or have the client do some of the work (29%).
- Note that Calgary’s Company of One recommends charging for fewer hours rather than reducing your rate as a way of affirming the value of the work.

Question 5

What HOURLY RATE do you use to calculate your fees?



- Most respondents (76.4%) charge the same amount for the majority of their work. This was the case for those with as little as one year as an independent and as many as 30. For Company of One, 59% charge the same for all services.
- The lowest hourly rate cited was \$45; the median was \$100; the highest was \$250. For Company of One respondents, the lowest hourly rate cited was \$50; the median was \$123; the highest was \$300.
- Few PIC members spelled out rates for specific services. Those who did said they charged \$30, \$65 or \$120 an hour for writing/publications (Company of One: \$50 to \$150); \$75 an hour for media relations (Company of One: \$120 to \$150); \$45 to \$75 an hour for editing (Company of One: not listed); and \$25 to \$50 an hour for administrative work.
- Only a few PIC members had different rates for travel time, including three who mentioned half their hourly fee and one who sometimes charged an unspecified mileage fee.
- Few Company of One respondents mentioned charging travel fees. Of those, four charged half their normal hourly rate for travel, and two used a day rate when travel was involved.

Question 6

If you subcontract work to other individuals, do you charge for their time at a higher rate than what you pay them?

Question 6

Response	Count	
Yes	25 52.1%	
No	23 47.9%	
Total: 48		

- A slight majority (52.1%) charge for subcontracted time at a higher rate, ranging from 15% (five people) to 100% (two), with a median of 15%.
- Some said it depended on the complexity of the project, the amount of client liaison or project management required.
- Two people calculated the charge as \$20 per hour of the subcontractor fee and one person charged a flat \$50.
- Of the nine Company of One respondents who subcontract, four charge the client the same rate they pay; one adds a \$30 per hour mark-up; and the other four add “little or no” mark-up.

Question 7

How do you usually handle disbursements or minor expenses related to work for clients?

Question 7

Response	Count	
I bill related expenses back to the client.	24 43.6%	
I bill back expenses with a mark-up to reflect administration.	4 7.3%	
I absorb these expenses in my fees.	22 40.0%	
Other (please specify)	5 9.1%	
Total: 55		

Most PIC members (50.9%) bill related expenses back to the client, 7.3% with a markup; 40% roll the expenses into their fees.

Question 8

How many different clients did you have in 2013?

- PIC responses ranged from as few as one major client to as many as 20, with a median of five.
- Company of One clients ranged from one to 26, with a median of eight. The group warned that consultants with a single client should be aware that Canada Revenue can declare them to be de facto employees, which has implications for EI and CPP contributions.

Question 9

How many years have you worked in communications?

Respondents had as few as four and as many as 43 years' experience in communications, with a median of 20.

Question 10

How many years have you been an independent consultant?

Respondents had a range of experience as an independent, from less than a year to as many as 30 years, with a median of 10.

Question 11

Please indicate the primary professional association to which you belong.

The most frequent choice (46 out of 54) was IABC, either alone or in eight cases in combination with CPRS, PWAC or other organizations.

Question 12

Are you accredited by IABC, CPRS or other?

Most (24 of 41) respondents who answered the question were not accredited. Of those who were accredited, it was most often with IABC (12), then CPRS (5). One replied, "No. I have a Masters, which has more credibility. Most clients don't even know what ABC is." One had accreditation with the Institute of Canadian Advertisers.

Question 13

Do you work in the Greater Toronto Area?

Most respondents (89.7%) were in the Greater Toronto area.

***Professional Independent Communicators (PIC)** is a special interest group of IABC/Toronto. PIC's mission is to support independent IABC/Toronto communicators through professional development, networking and marketing. Connect with PIC on the web at pictoronto.com or by email to info@pictoronto.com. Fee survey results compiled by **Sue Horner**, PIC's Director, Communications.*