



PRESENTS



resources for résumé writers

Determining Your Rates Worksheet

Determining your rates can be one of the most challenging aspects of your résumé writing business. You want to make sure you charge enough to be profitable, but you don't want to charge so much that clients can't afford to work with you. Here is one strategy for determining the rates you charge.

STEP ONE: Estimating Expenses and Income

The first step is to take a look at your estimated expenses. Remember to include your marketing expenses, supplies, rent, utilities, etc. Add your estimated expenses to what you want to make in income. For example, if you want to earn \$100,000 a year in your résumé writing business and you estimate \$20,000 a year in annual expenses, then your income target will be \$120,000.

Annual Expenses (Estimate): \$ _____
(plus) Desired Annual Income: \$ _____
(equals) Income Target: \$ _____

STEP TWO: Your Billable Hours and Schedule

Consider how many billable hours you can work each week. This information will help you determine how many clients you can work with each week, and then you can calculate your annual billable hours. (Don't forget to include vacation time into your estimate. For example, if you normally vacation two weeks out of the year, then your billable hours will be multiplied by 50 weeks, not 52 weeks.)

Here's an example: If you have 25 hours available for billing each week, then multiply that by 50 to give you 1,250 billable hours each year.

Also consider how much non-billable time you need to spend on your résumé writing business. (If you're having a hard time estimating billable vs. non-billable time, keep track for a week and then extrapolate it.) You can make adjustments to your plan as you go along, and you can consider outsourcing some of your non-billable tasks as your profits increase.

Billable Hours Per Week: _____
(times) Number of Weeks You're Expecting to Work _____
(equals) Total Number of Billable Hours Per Year _____

STEP THREE: Calculating Your Hourly Rate

Résumé writers charge for their services using several different methods. You might bill by the hour for updates or by the package for résumés and cover letters (but the quote is often based on the anticipated number of hours the project will take, multiplied by the hourly rate).

Calculating your hourly rate is easy, because you have the information you need. Simply divide your “Income Target” (Step One) by the “Total Number of Billable Hours Per Year” (Step Two). For example, \$120,000 divided by 1,250 billable hours gives you an hourly rate of \$96/hour.

Income Target: _____
(divided by) Total Annual Billable Hours: _____
(equals) Hourly Rate: _____

Keep this worksheet handy and refer to it occasionally. You can increase your rates as your business grows and you gain expertise and credibility in your résumé writing business.

Putting It All Together

You can now use your hourly rate to create:

- An hourly rate for phone consultations or coaching
- Your package rates
- A basis for quotes for résumé updates and other “non-package” services

For example, if your hourly rate is \$79, and you spend an average of six hours on a client package, your typical charge for a résumé and cover letter might be around \$474.

If a client comes back to you for a résumé update, you can either choose to charge your hourly rate (and bill only for the time spent on the project), or you can quote a flat fee (again, multiplying your hourly rate times the expected amount of time to complete the project).

You can also adjust your hourly rate and quotes based on several factors. One of the things to consider is what other résumé writers charge. According to the results of the *2015 Résumé Writers’ Digest Annual Industry Survey*, the average amount charged for a résumé and cover letter is \$603.82, based on an average hourly rate of \$105.64.

Your rates may also depend on the type of client you are targeting. Clients who expect a high level of personalized service also expect to pay more for that attention. How you price — and position — your résumé services is influenced by the type of client you wish to attract.

What do your customers value?

- Customer service
- Perks (feeling like part of an elite group)
- Easy to use

- Authority and credibility
- Reliability
- Results
- Access to your Network / Connections
- Focus / Accountability
- Other _____

The more value you provide, the more you can adjust your hourly rate and pricing accordingly.

Looking for more information on pricing, positioning/marketing, and profitability?

Here are some additional resources:

“Pricing Your Resume Services for Maximum Profit” Special Report:

<http://store.payloadz.com/go?id=2232264>

“Resume Writers: Let’s Talk Pricing” teleseminar recording and transcript:

<http://store.payloadz.com/go?id=2232286>