

Determining Your Résumé Writing Rates Worksheet

Determining your rates for résumé writing can be one of the most challenging aspects of operating a résumé writing business. You want to make sure you charge enough to be profitable and to place value on your time. However, you may feel like you don't want to charge so much that potential clients cannot afford you.

Let's take a step-by-step approach to help you determine the right rate range for your business and your prospective clients.

STEP ONE: Estimating Expenses and Income

The first step is to take a look at your estimated expenses. Start by estimating all the costs that will be involved in your résumé writing business. These can be broken down into both fixed and variable costs.

Fixed costs are those expenses that you have on a regular basis, whether weekly, monthly, or yearly. This might include your autoresponder, memberships to résumé writing associations, and your domain and hosting services.

Variable costs are any expenses that are one-off or only occur periodically. Examples include the cost of an annual conference, a résumé writing training or certification, or the amount you will pay to a graphic designer for ebook covers for the information products you will create to supplement your résumé writing services.

Add your estimated expenses to your desired income. For example, if you want to earn \$80,000 a year in your résumé writing business and you anticipate \$15,000 in annual expenses, then your revenue target will be \$95,000.

Annual Expenses: \$ _____
+ Desired Annual Income: \$ _____
= Revenue Target: \$ _____

STEP TWO: Your Billable Hours & Schedule

Consider how many billable hours you can work each week. Also consider how much non-billable time you need to spend on your business. When you're starting your résumé writing business, you may have to guess the non-billable hours. The more time you spend on your business, the easier it will be to correctly estimate your time. You can make adjustments to your plan as you learn and grow.

This information will help you determine how many clients you can work with each week and then you can calculate your annual billable hours.

Non-billable hours: _____

Billable hours per week: _____

Annual billable hours: _____

Don't forget to include vacations into your estimate. For example, if you normally vacation four weeks out of the year, then your billable hours will be multiplied by 48 weeks. Here's a working example: If you have 25 hours available for billing each week, and multiply that by 48 — that gives you 1,200 billable hours each year.

STEP THREE: Calculating Your Hourly Rate

While most résumé writers bill by the project (flat rate), often that quote is based on your hourly rate times the estimated number of hours the project will require. Your hourly rate can help you price your résumé packages.

Calculating your hourly rate is easy — you already have all the information you need. Simply divide your total annual revenue (the sum of your desired income and your expenses) by the number of billable hours you have available each year.

Example, \$95,000 divided by 1,200 billable hours gives you an hourly rate of \$79.

Annual Revenue:	\$ _____
/ Annual Billable Hours:	_____
= Hourly Rate:	\$ _____

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 *2012 Résumé Writers' Digest Annual Industry Survey*, the average amount charged for a résumé and cover letter is \$491.28, based on an hourly rate of \$90.71. This is down slightly from the 2011 survey, in which survey respondents reported an average résumé sale of \$511, based on a rate of \$83/hour.

Your rates may also depend on the type of client you are targeting. Clients who expect a high level of personalized service 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.

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

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

Check out the “Ready, Set, Goal: Business Planning and Goal Setting For Résumé Writers” special report:

<http://bit.ly/readyssetgoal>

