

STC's

U.S. INDEPENDENT CONTRACTOR/ TEMP AGENCY EMPLOYEE SURVEY

Twenty-five percent of all STC members call themselves independent contractors. This number has remained fairly constant over the last ten years, despite many changes in the profession.

In 1999, STC conducted a survey of technical communicators in the United States who call themselves independent contractors or temp agency employees. Like our annual survey of STC members who identify themselves as technical writers and editors, this survey looked at compensation. But the independent contractor/temp agency employee survey also sought other information in order to shed some light on this major demographic group.

STC sent this survey to a random sample of two groups: those who identified themselves as consultants on their STC membership forms (either membership application or membership renewal) and those who joined STC's consulting and independent contracting special interest group. A total of 1,500 forms were sent out; 380 people responded (a response rate of approximately 25 percent). Of these, 374 were used in the results that follow.

The first question on the survey was

used, where appropriate, to examine the differences between those who identify themselves in two ways. The first question read:

From the choices below, please select one that best describes how you earn a living.

- A. Independent contractor (receive IRS form 1099)
- B. Employee of a temp agency (receive IRS form W-2)
- C. Both "A" and "B"
- D. Other _____

The number of respondents who checked each were:

- A 231
- B 80
- C 63
- D 6

By combining responses from those who selected A or C, STC was able to generate data for all who identified themselves as independent contractors. By combining responses from those who selected B or C, STC was able to generate data for all who identified themselves as temp agency employees. Throughout the

following pages, the following labels indicate these combined groups:

Independent Contractors

indicates all independent contractors (A plus C, 294 total respondents)

Temp Agency Employees

indicates all employees of temp agencies (B plus C, 143 total respondents)

All Respondents

indicates all respondents (A plus B plus C, 374 total respondents)

Note: For each question, a certain number of respondents did not provide data, or provided data that was inconsistent with the question. They were not included in the results for that question.

The results of the survey are presented in the following tables.

Table	Page
Work Habits.....	26
Marketing	26
Job Satisfaction.....	26
Salary.....	27
Conducting Business.....	28
Legal Status	28
Kinds of Business	29

Work Habits

INDEPENDENT CONTRACTORS

During a typical week, how many hours do you work?

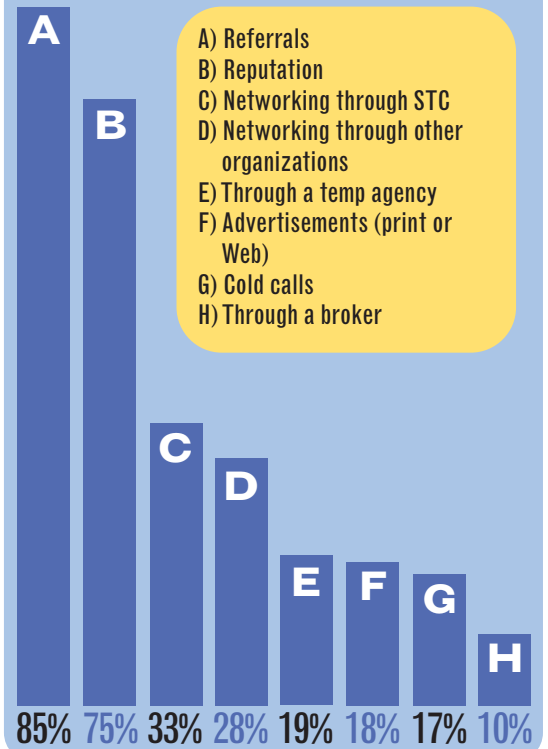
How many hours do you bill?

	Base	Mean	25%	50%	75%
All Respondents					
Hours Worked	336	40	35	40	48
Hours Billed	336	36	30	40	40
Independent Contractors					
Hours Worked	265	40	33	40	48
Hours Billed	265	35	30	35	40
Temp Agency Employees					
Hours Worked	130	42	40	40	47
Hours Billed	130	41	40	40	45

Marketing

INDEPENDENT CONTRACTORS

How do you get new clients? ❖



- A) Referrals
- B) Reputation
- C) Networking through STC
- D) Networking through other organizations
- E) Through a temp agency
- F) Advertisements (print or Web)
- G) Cold calls
- H) Through a broker

Job Satisfaction

ALL RESPONDENTS

How many years have you worked in the technical communication field?

14 years (average)

INDEPENDENT CONTRACTORS

Is being an independent contractor what you expected?

Yes	89%
No	11%
	100%

Given the choice, would you opt to be an independent contractor over a full-time salaried position?

Yes	93%
No	7%
	100%

TEMP AGENCY EMPLOYEES

Is being an employee of a temp agency what you expected?

Yes	81%
No	19%
	100%

Given the choice, would you opt to be an employee of a temp agency over a full-time salaried position of another type of company?

Yes	82%
No	18%
	100%

❖ Because respondents were asked to give multiple answers, percentages do not add up to 100%.

ALL RESPONDENTS

Give the most important reasons why you are an independent contractor or temp agency employee. ❖



- A) Flexibility in work schedule
- B) Opportunity for greater income
- C) Need for autonomy/independence
- D) Makes the most of my skills/interests
- E) Prompted by getting laid off
- F) To avoid organizational policies
- G) Best way to break into the field

Salary — Annual Wages

STC's 1999 Independent Contractor/Temp Agency Employee Annual Salary Survey

(Note: The figures below represent U.S. dollars per year. Respondents who work less than 35 hours per week were not included in this table.)

Grouping	Base	Mean	10%	25%	50%	75%	90%
Total	244	\$56,410	\$30,000	\$50,000	\$65,110	\$85,000	\$120,000
Independent Contractor	175	64,440	30,000	50,000	67,120	94,250	121,000
Sole Proprietorship	133	67,530	28,600	50,000	67,000	93,250	126,700
Corporation	25	53,770	—	50,000	65,000	99,000	—
Temp Agency Employee	114	59,070	31,180	45,500	65,000	80,000	101,000
Corporation	84	55,360	30,200	41,000	61,000	75,000	92,160
Education Level							
High School	7	72,390	—	—	—	—	—
Associate's	13	39,980	—	—	50,000	—	—
Bachelor's	113	58,280	28,750	44,250	63,000	80,570	101,000
Master's	95	63,430	37,550	51,660	67,000	83,400	120,000
Doctorate	12	108,110	—	—	96,950	—	—
Sex							
Female	142	56,400	30,400	48,160	63,980	82,600	119,000
Male	99	70,810	28,610	49,500	69,560	89,190	111,000
Age							
30–39	51	56,360	36,000	45,750	69,500	86,170	102,950
40–49	100	63,800	28,000	50,000	65,000	85,000	105,000
50 years and over	95	65,890	28,460	50,000	65,000	83,400	127,900

Salary — Hourly Wages

STC's 1999 Independent Contractor/Temp Agency Employee Hourly Salary Survey

(Note: The figures below represent U.S. dollars per hour. Respondents who work less than 35 hours per week were not included in this table.)

Grouping	Base	Mean	10%	25%	50%	75%	90%
Total	278	\$45	\$25	\$35	\$45	\$55	\$70
Independent Contractor	205	48	30	37	48	60	75
Sole Proprietorship	153	48	28	35	48	60	75
Partnership	6	52	—	—	—	—	—
Corporation	31	49	—	42	50	60	—
Temp Agency Employee	125	37	22	30	37	45	55
Corporation	91	36	22	27	36	45	50
Sole Proprietorship	7	41	—	—	—	—	—
Education Level							
High School	8	51	—	—	—	—	—
Associate's	16	42	—	—	44	—	—
Bachelor's	131	41	24	31	40	50	60
Master's	107	47	28	35	48	60	73
Doctorate	12	55	—	—	58	—	—
Sex							
Female	169	44	25	35	45	55	65
Male	106	44	25	33	40	55	70
Age							
30–39	58	45	25	35	45	55	75
40–49	114	44	25	35	45	52	64
50 years and over	97	44	25	33	40	55	75

Conducting Business

INDEPENDENT CONTRACTORS

What percentage of your work is performed on a fixed contract (one price for the job)? What percentage is performed on an hourly rate?

Fixed contract	17%
Hourly rate	83%
	<u>100%</u>

Regardless of your actual employment status, which category best describes your level of authority on your current contract or project?

Staff	44%
Supervisor	4%
Project manager	37%
Other	15%
	<u>100%</u>

Do you subcontract work to others?

Yes	37%
No	63%
	<u>100%</u>

What percentage of your work is performed in each of these environments?

A rented office	5%
Home	59%
Client sites	36%
	<u>100%</u>

TEMP AGENCY EMPLOYEES

What percentage of your work is performed on a fixed contract (one price for the job)? What percentage is performed on an hourly rate?

Fixed contract	6%
Hourly rate	94%
	<u>100%</u>

What percentage of your work is performed in each of these environments?

A rented office	1%
Home	28%
Client sites	71%
	<u>100%</u>

ALL RESPONDENTS

What percentage of your work would you characterize as *consulting* (giving expert professional advice) versus *production work* (performing writing and editing tasks)?

Consulting	24%
Production work	76%
	<u>100%</u>

Legal Status

INDEPENDENT CONTRACTORS

What is the legal status of your business?

Sole proprietorship	80%
Partnership	2%
Limited liability company	2%
Corporation	15%
Other	1%
	<u>100%</u>

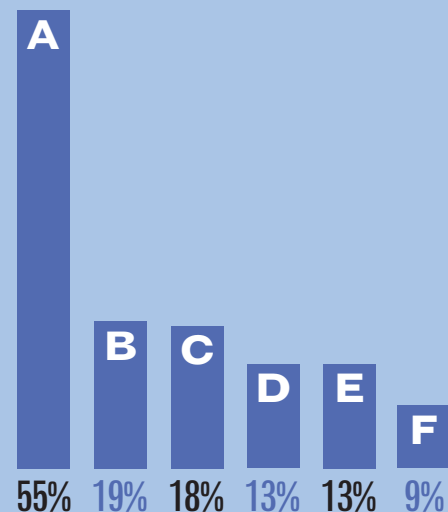
TEMP AGENCY EMPLOYEES

What is the legal status of the entity that issues your IRS 1099?

Sole proprietorship	6%
Partnership	2%
Limited liability company	2%
Corporation	88%
Other	2%
	<u>100%</u>

ALL RESPONDENTS

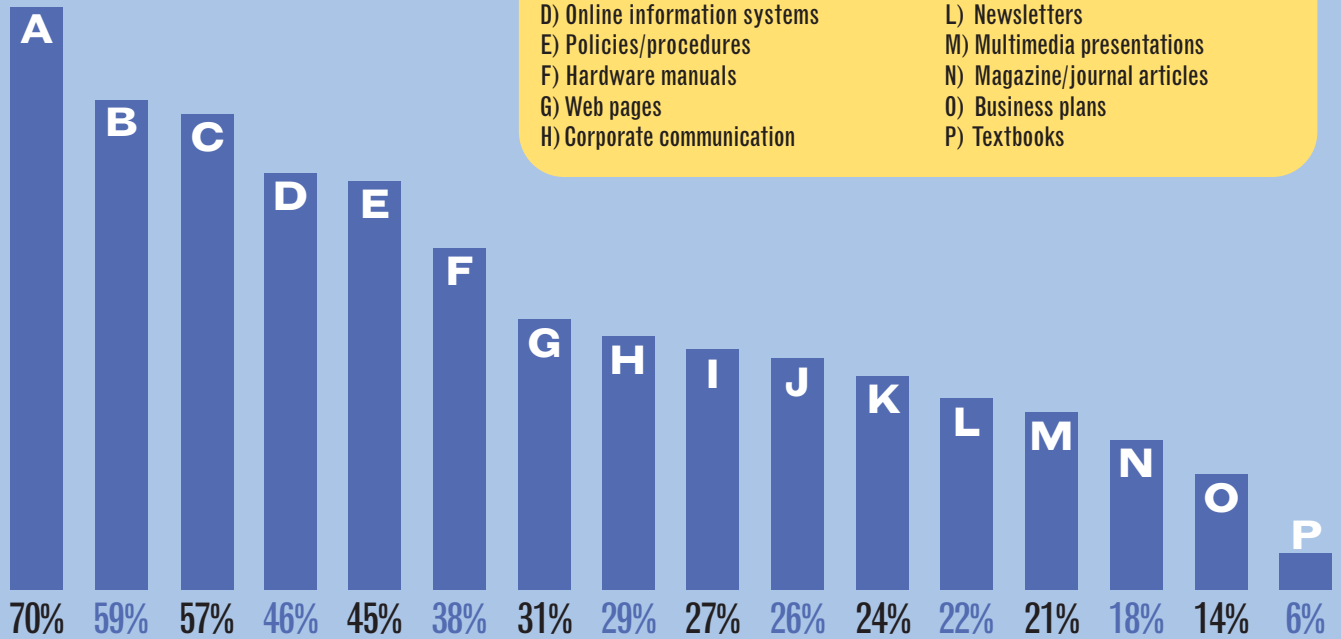
In which industries do you work? ⇨



Kinds of Business

ALL RESPONDENTS

What do you produce for your clients? ⇨

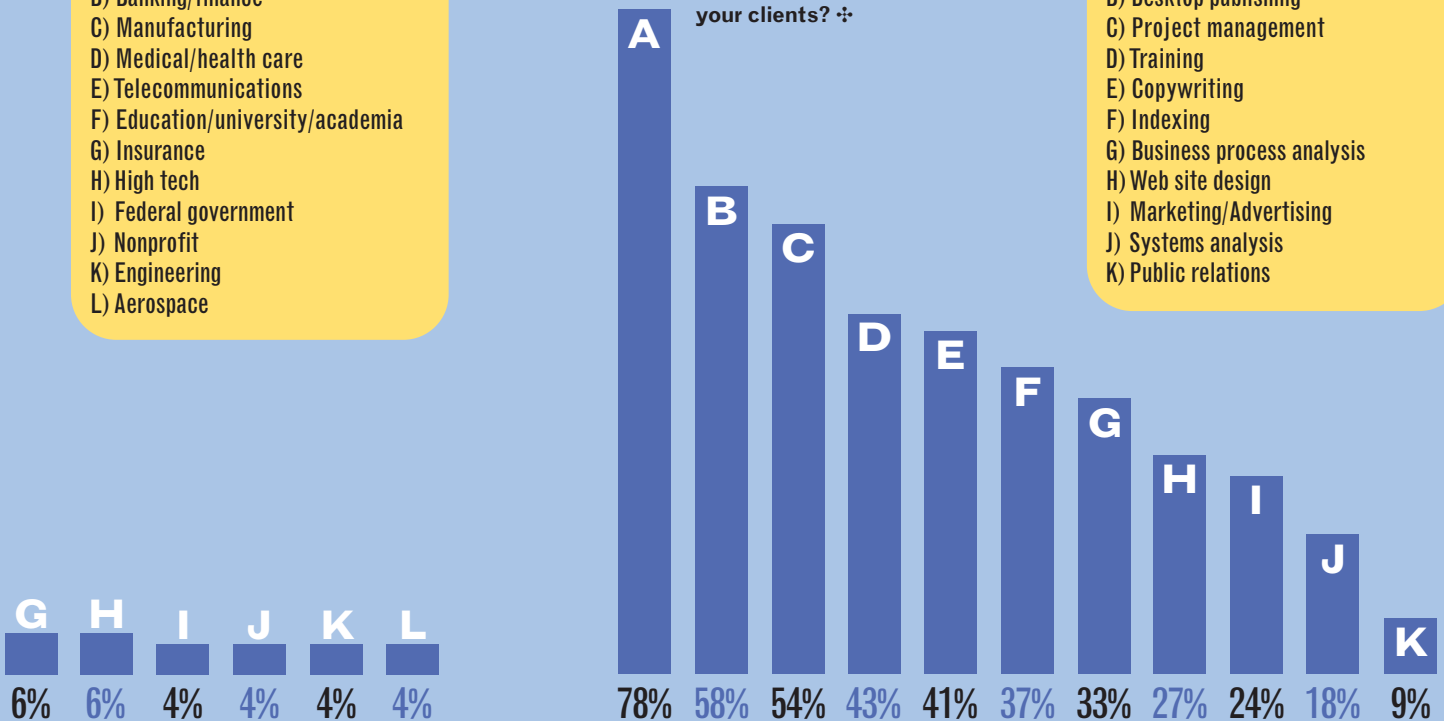


- A) Software manuals
- B) Technical reports/documents
- C) Training materials
- D) Online information systems
- E) Policies/procedures
- F) Hardware manuals
- G) Web pages
- H) Corporate communication
- I) Indexes
- J) Graphic design/illustration
- K) Promotional materials
- L) Newsletters
- M) Multimedia presentations
- N) Magazine/journal articles
- O) Business plans
- P) Textbooks

- A) Computer/hardware/software
- B) Banking/finance
- C) Manufacturing
- D) Medical/health care
- E) Telecommunications
- F) Education/university/academia
- G) Insurance
- H) High tech
- I) Federal government
- J) Nonprofit
- K) Engineering
- L) Aerospace

ALL RESPONDENTS

What kinds of work do you do for your clients? ⇨



- A) Editing
- B) Desktop publishing
- C) Project management
- D) Training
- E) Copywriting
- F) Indexing
- G) Business process analysis
- H) Web site design
- I) Marketing/Advertising
- J) Systems analysis
- K) Public relations

⇨ Because respondents were asked to give multiple answers, percentages do not add up to 100%.