2013 AICNCC Committee Chair Report

BY HERMANN AMAYA

In a review of 2013, I can say the Alliance of IEEE Consultants Networks Coordinating Committee (AICNCC) had a very successful year — all due to international and U.S. IEEE members' great interest in engineering consulting.

We launched the IEEE Consultants Network; open to all IEEE members, so they can stay on top of consulting trainings, news and information. In addition, we offered our first in-person workshop, in October 2013, in Chicago, in conjunction with the IEEE Consultants Network of Chicago/Rockford. This day-long workshop brought in numerous attendees from the Chicago consultants community. All attendees were eager to hear presentations by Dr. Gary Blank on *How to Start and Expand a Successful Consulting Practice*; Benjamin Miller, on *Licensure for Consultants*; Larry Nelson, on *The Life of a Consultant*; Bob Krause, who gave a very informational and proactive presentation on *Networking*; and last but not least, William Kassebaum, who taught the group based on his own experience: *How To Build A Start-Up Company*.

We can also look back to our meetings in May 2013, in St. Petersburg Fla. — where we hammered out the details required to consolidate the Consultants' Database requirements — with excellent results, since this Database is now operational and available to all IEEE members.

The Committee has a warm feeling of accomplishment at our successes in 2013. I want to thank each AICNCC member for their efforts and cooperation in 2013. We couldn't have done it without you… And we believe 2014 has more great things in store for the IEEE consulting community.

For 2014, the AICNCC is currently planning to hold a similar workshop to the one we held in Chicago in 2013. This 2014 workshop will be held in Southern California on 12 April, in conjunctions with the Los Angeles Area Consultants' Network/Orange County Consultants' Network. In addition, the AICNCC will hold a Sunday committee meeting to finalize its 2014 agenda. We also hope to hold another such workshop, this fall, at a location yet to be determined. We anticipate this series of workshops will enlighten and facilitate IEEE members to form even more consulting businesses. By educating our members about how to become a consultant and run their own business, it will eliminate the fear of taking that leap into the consulting world.

In 2014, I would recommend that IEEE members interested in consulting look into the availability of a Consultant Network Affinity Group in your local area. Get involved with that organization — participate and contribute to the success of that group — because you'll discover invaluable resources that will benefit and contribute to your long-term success as an independent consultant.

Hermann Amaya is chair of the Alliance of IEEE Consultants Networks Coordinating Committee (AICNCC). He is director of engineering at AMHER Corp. in Tampa, Fla. He is also the chair and founder of the the IEEE Florida West Coast Consultants Network Affinity Group.

From *IEEE-USA SmartBrief*

IEEE-USA SmartBrief provides summaries and links to relevant and important news items of interest to U.S. IEEE members. Published every Thursday, IEEE-USA Smart Brief replaces *IEEE-USA's Eye on Washington*, which focused on political activities affecting engineers. The Alliance of IEEE Consultants Networks Coordinating Committee (AICNCC) has asked the editors of *Smart Brief* to include news items that may be of interest to engineering consultants. Following are some highlights from recent issues of *SmartBrief*:

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From 26 December 2013 *IEEE-USA SmartBrief*
MORE TECH WORKERS GOING SOLO AS INDUSTRY SHIES FROM HIRING
More tech workers are expected to work for themselves in the coming years as an industrywide reluctance to add full-time staff leads to an increased use of contract and temporary employees. Data show that independent workers make up 18% of the tech workforce — with the technology industry outpacing the labor sector as a whole in the rate of independent worker growth. *Computerworld* (12/23/2013)

From 2 January 2014 *IEEE-USA SmartBrief*
IT JOBS MARKET LOOKING UP, BUT BE SURE TO BRING YOUR SOCIAL SKILLS
Nearly three-quarters of tech hiring managers say they plan to fill new full-time positions this year, with Big Data and databasing skills topping the list of the specializations most in demand, according to a poll from Dice.com. The survey of 860 recruiters and hiring professionals also found that HR is increasingly turning to social media to identify and vet candidates and assess their performance once they are hired. *InformationWeek* (12/26/2013)

From 9 January 2014 *IEEE-USA SmartBrief*
WHY ENGINEERS CAN MAKE GREAT LEADERS
Bonnie Rose started as an electrical engineer, then went to business school as part of a path culminating as president of Standards for CSA Group, a Canadian nonprofit. She says engineers are "rigorous, logical, smart strategic thinkers" who can turn into leaders by seeking business opportunities and mentorship. "The key is to find an individual who embodies the characteristics you would like to develop in yourself, who can offer relevant business or career insights and is someone you enjoy being with," Rose writes. *The Globe and Mail* (Toronto) (tiered subscription model) (1/3/2014)

...from the institute

From 8 January 2014 issue of *The Institute*

CHANGES MADE TO IEEE MEMBER DISCOUNT PROGRAM

Updates include new vendors for shipping services and computers, a name change for the IEEE insurance provider, and the end of the IEEE credit card from US Bank.

>> Read the full article

Larry Nelson's War Stories — Part III: Deferred Payments

BY LARRY G. NELSON, SR.

Never…Never...NEVER…**EVER**!

My established policy is to get a retainer, progress payments, and have fixed time limits on terms. I have, on occasion, "worked with" my clients on terms. We all need to learn to walk away when someone pulls out Wimpy's famous line (Wimpy of *Popeye*): "I will gladly pay you Tuesday for a hamburger today." Unless you are a bank, do not act like one for your clients. Never extend more credit than you are willing to lose. Not everyone is as honest as you, and no one will look out for you the way you should. If they have a choice between feeding their family or yours — who do you think they will choose?

Oh all right ... but just this once.

The two times I have accepted deferred payments, I got burned. The first client was an individual with an idea for a new product. He had some funding, and started paying my invoices on time. As we got deeper into the project, he was having problems getting funds, and the payments started slipping. I did some work for free, and he promised me payment for the rest, "real soon." Eventually, he was due to come into some money — so he contacted me with a deal to pay about 50 cents on the dollar, which I accepted for immediate payment. Sometimes, you need to take a gamble. But learn to limit your liability and set a points where you will walk away. Never let deferred fulfillments take priority over paying customers. And be sure to let these types of clients know up front that you expect to be paid for your work.

The second client was a start-up company. The contract was for payment when funds were available, but no longer than one year from signing the contract. Business was slow, so I accepted. This client had promised stock options, and some other incentives. The product looked to be a real winner. The reality was that almost two years went by, with no payment. The stock options evaporated. An offer to allow me to buy stock in the company instead was tendered, but since he had no funds, I didn't find that very appealing. I called him every couple of weeks for a status update, and to remind him I was not going away. I pulled the plug when business picked up for me. Two other consultants behind me on this same project never got paid. The big difference is, I walked away when it was still just labor, and my exposure was limited. Get everything in writing and never expose yourself to more than you can afford to lose. My contract had a clause that a client's failure to pay reverts all intellectual property developed by the consultant back to the consultant. I sent him an invoice by email every month, with interest added. Over a year later, this client found funding from a venture capitalist. During the Due Diligence phase, the venture capitalist asked what part I owned. This client immediately called me and set up payment in full — less the interest that had accrued.

I have been luckier than many of my colleagues in getting paid for my work. At any point in time, you can face a client that declares bankruptcy, or simply refuses to pay. Often, these clients are not worth the time and expense of going to court. But, they are why you need to have a safety net.

Don't let a client become greatly indebted. Keep your leverage and minimize your exposure.

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Consultants Workshop

National Consultants Committee Partners with Local Network for Consultants Workshop

On 12 April 2014, the Alliance of IEEE Consultants' Networks Coordinating Committee (AICNCC) will partner with the Los Angeles Area Consultants Network (LAACN), and the Orange County Consultants Network, (OCCN) to hold a second, all-day workshop. The workshop will train aspiring consultants, as well as help practicing consultants to manage their practices better.

AICNCC aims to partner regularly with other local consultants networks, to hold day-long workshops in other local areas. It partnered with the IEEE Chicago/Rockford Consultant's Network to hold the first all-day workshop in October 2013.

If you're in the Southern California area, the workshop will be held at DeVry University in Pomona, Calif., from 8:30 a.m.-4:00 p.m. Presentations will include *How to Stimulate and Hone your Networking Skills*; *Being an Engineering Consultant: What Does it Take?*; *How to Find Clients Using Networking and the Internet;* and a closing panel discussion on any matters still concerning the attendees.

Register today for this full-day workshop! It will motivate you to network with new and experienced consultants and allow you to brush up on your skills or learn new ones.

Insurance

The Obama Administration Delays Health Care Mandate for Medium-Sized Companies

The Treasury Department announced on 10 February 2014 that companies with 50–99 employees will have until 2016 to provide health care coverage to its employees under the *Affordable Care Act*. This delay is one year from its original 2015 deadline.

Larger companies, with 100 workers or more, are also getting a reprieve from the original mandate included in

the *Affordable Care Act*. They must offer health coverage to only 70 percent of their workers in 2015. In 2016, must offer coverage to 95 percent of their full-time workers.

Remember: Beginning in 2014, the *Affordable Care Act* includes a mandate for most individuals to have health insurance, or potentially pay a penalty, if they are uninsured.

Special Offer

Sign Up for the IEEE-USA Consultants Database at a Reduced Rate for a Limited Time

Independent consultants who are IEEE members now have a chance to place their resume/profile in the IEEE-USA Consultants Database for half of the normal $99.00 cost. Until 15 August 2014, IEEE members can subscribe to the IEEE Consultants Network Membership Premium, which includes allowing members to place their profile in the IEEE-USA Consultants Database for half the cost.

The IEEE-USA Consultants Database allows national companies to find consultants wherever they are. With

an annual listing fee of only US$99 now half priced ($49.50), a single referral will pay for the listing. Along with your database listing, the IEEE Consultants Network Membership Premium subscription includes a free subscription to the IEEE-USA Consultants Newsletter, a free IEEE-USA eBook on consulting and access to a free exclusive training webinar.

Subscribe today and take advantage of this half-price offer!