

Associate Agreements; Free Fire Extinguishers?

Consultant PN Executive Team member, Harvey T. Dearden, explains the virtues of associate agreements with freelance technical professionals.

You would not wait until you could feel the flames before you installed a fire extinguisher. Yet this is the approach adopted by many in terms of professional technical resources.

A gap in your own in-house resources might arise for a host of reasons:

- A peak in demand/work load
- Particular technical difficulties
- Departure or absence of key personnel
- Particular policy/procedural developments
- Regulatory issues
- Downsizing

Trying to find the right quality resource when you can already 'feel the flames' is likely to be difficult and distracting, and may lead to compromised quality and a damaged reputation.

This is where an established associate agreement can be of real benefit. (By which I mean a partnership with an independent professional who has the knowledge and skills that are complementary to your business). If the agreement is already in place, you can make the call as and when the need arises and not be faced with the additional burden of finding a suitable candidate and negotiating arrangements just when you are at your busiest.

A suitable associate will:

- Provide professional services as a complement to client company in-house resources.
- Establish and maintain a partnership with the client company, with an understanding of the client's standards, corporate values and operational practices.
- Provide a credible, professional presence in any dealings on behalf of the client with any third parties (e.g., customers, regulators, suppliers), that will maintain or enhance the client company's standing and reputation.
- Represent any involvement as that of an associate of the client company and an established component of client resources. (Unless independence is a specific feature of an associate's involvement, it is usually inappropriate for an associate to overtly promote independent status. However it is unwise to pretend direct employment or deny independent status; there is always the possibility of encountering a given contact in a different context).
- Undertake ad hoc assignments on the basis of an established agreement.

Since the costs are largely or wholly confined to those occasions when you actually make use of your associate, this can be an extremely cost effective arrangement. Be realistic though, do not expect any freelance associate to work for the same rate as your own employees and also provide their own sick pay/holiday pay/pension/insurance/training/equipment! Remember that something of a premium must be payable for the pick-up-able/put-down-able nature of the agreement.

I distinguish here between conventional 'contracting' where a specific full time project role, often of several months' duration with essentially guaranteed hours is assigned, and the intermittent/part-time associate support role.

Ultimately, the contractor will move on to the next assignment and is unlikely to be available until that in turn expires. Almost by definition, freelance associates are unlikely to be in a position to dedicate themselves full time to a single client for an extended period.

By virtue of his exposure to multiple clients/situations, the associate may also bring a useful new perspective to many issues your company may be facing. He may also be a useful medium by which skills are transferred into your own workforce; this may of course be by formal training sessions, but may also be by collaboration with your personnel during an assignment.

Freelance consulting is a growing market and provides a cost effective, flexible arrangement for many organisations. The IET has a knowledge network (KN) dedicated to the support of freelance consultants. If you are operating as a freelance consultant you should consider registering with the KN.

If you are a manager faced with the never ending struggle of matching resources with demands, I urge you to consider the possibilities of associate agreements. Just think of it as a free fire extinguisher!

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