

Treating Your Career Like A Small Business

by A. Harrison Barnes on January 22, 2009

No one seems to take the time to consider that their careers are businesses. Your career is no different than any small business. You have a product (you) that you are selling to your audience (your employer). You need to run your career exactly like a business person runs a business. There is no greater skill to have with your career than to run it like a business. As a business, your goal is survival and to sell your product for as much money as possible. So too it is with your career.

Be a good business person and your career may go far, ignore the business realities and you are likely to run into trouble. I have been a [recruiter](#) for several years and have seen countless attorneys "go out of business" because they did not run their careers well. In fact, this is something I see on a daily basis while reviewing resumes of out of work attorneys. Just as companies make bad decisions that result in them going out of business, people also make bad decisions with their careers that result in them going out of business and finding themselves unemployed.

- They may choose to concentrate on a profession that becomes obsolete—*They are trying to sell a product no longer in demand.*
- They may have resumes that do not serve them well—*They are not presenting/"packaging" their products correctly.*
- They may choose to work in an area where there are no jobs—*They are trying to sell a product in a geographic area where there is no demand.*
- They may have done something bad that makes people not want to hire them—*They have a bad "brand".*
- They may be too old to [get a job](#)—*People are "tired" of their product.*
- They apply to only a few jobs and do not get a job—*They are not marketing their brands to a large enough demographic.*

Your career is a business and you are a product. You need to understand that using simple business principles to market yourself is something that can be of massive benefit to you.

Before I go further, there are a couple of other things I would like to cover. First, I believe that working for other people is an incredibly smart thing. When you think about your career and working for other people as a business, you will quickly realize that there are few businesses that offer higher pay for less risk, the ability to shut off work when you are not there, the ability to leverage others' assets as your own, the ability to be part of a social network and the ability to concentrate your efforts on one thing.

Working for other people has a tremendous number of rewards and these rewards are both psychological, financial and otherwise. When you are working for someone else you are in business for yourself but allowing your employer to take most of the risk. Another secret of working for other people is that you can take advantage of economies of scale and inefficiency. If you go to work for a large enough company, the company will hopefully be throwing off huge amounts of money with thousands of workers and you can claim your desired share of this as your compensation. For some strange reason, however, when I meet people at various public functions (and elsewhere) they all start telling me how they want to start their own businesses. Whether they are doctors, accountants or lawyers, everyone seemingly wants to start their own business. I do not understand this.

When you meet people who have little education and start hugely successful businesses and become fabulously

wealthy, they rarely want their children to follow in their footsteps. They want them to go to school and become professionals and work for other people. There are a lot of reasons for this—the respect, the stress, predictability, the ability to be involved with large groups of people, the ability to be part of society and more. The point I am trying to make to you is that working for other people is something that the most successful people in the world want for others. It is good to work for other people.

Many Americans seem to have a belief that it is much better to work for themselves and stay fixated on this idea throughout their careers. The truth is when you are working for someone else you are actually already in business. Working for others is a very smart and shrewd choice for many people and if you were a business person it would be advisable in most instances to work for others rather than yourself. Someone who makes a \$100,000 a year working for a company is no different than someone with a \$1,000,000 a year at a company who is clearing a 10% profit margin. This is an impressive profit margin and something that not many people could accomplish, but being able to step into a job where you are guaranteed this profit margin is extremely smart. When you work for others there is often less risk; other people are risking capital and not you. And if you choose the company right, you may have a lot of security.

A few years ago I was meeting with a lawyer friend of mine who had a salary of \$200,000 a year, who was (like many people I spend time with) telling me in detail how interested he was in starting a business. The more I thought about it, the more incredible I realized making a salary like this is. He was sitting there talking about how he wanted to start one business after another. One business he wanted to start was a winery. Another business was a dry cleaners. The list of businesses he was interested in went and on.

“What sort of profit margins are you interested in making?” I asked him.
“At least 10%” he said.

“Well, in order to make \$200,000 a year you are going to have to bring in at least \$2,000,000 a year. If a bottle of wine sells for \$5 wholesale that means you are going to have to make and bottle over 400,000 wine bottles to generate the \$2,000,000 needed to make your profit margin.”

He gave this idea some thought and is still practicing law today. There are many people who dream of starting businesses when they would be far better off not dealing with the idea of a business at all.

Running businesses is hard. Most businesses fail. How hard is it running a business?

A couple of years ago I hired a now world famous [executive consultant](#) to come and look at my companies. At the time the companies I was running were generating several millions of dollars a month and had over 700 employees. The coach sat me down and for a full day (and \$40,000) lectured me about everything that was wrong with the companies I was running.

“You would be a good [CEO](#),” I said. “If you know so much about this why don’t you try going to work for a company,” I said.
There was a pause and then the guy said something I will never forget.

“I could never run a real business. I have never been able to fire people. I just cannot do it.”

It occurred to me that here I was paying someone thousands of dollars an hour and he did not even have the nuts to be able to fire people. Running a business involves all sorts of things like this. You must be willing to take the unpopular position for the benefit of the company and consistently do this regardless of the consequences to your

psyche. And then there are budgets, payroll and all sorts of other things that most people do not even think about. The stress of running a business is incredible. There are a million small things like this that come up when you run a business as a business owner. When you limit your business exposure to your career and what you are doing on a day-to-day basis, you are much better off.

Just understand that when you are working for someone else you still need to run your career like a business. I would like you to consider the following business realities of your career.

First, that your career, like any business, needs to have a marketable product. This means that you need to be in a profession that is marketable in the geographic area you are in. There are countless professions that are marketable in some geographic areas and not others. For example, it would not be profitable to be a cowboy in New York City, but this would work in rural Wyoming. It would not be profitable to be a [financial analyst](#) in rural Wyoming, but it would be profitable to do this in New York City. Furthermore, the profession you are in can be under attack from various forces (including the economy) at various points in time. If you were a [computer programmer](#) 15 years ago you had a very bright future. In today's economy, however, this is not necessarily the case. Many of these jobs have been outsourced to India, Romania and other locations where they can be done more cheaply. At all points in time you need to be asking yourself whether or not you have a marketable product.

Second, you need to understand the importance of your "brand" to marketing your product. Everything you do in your career will have an impact on your ultimate brand. The better your brand is, the more in demand your product will be. The best brands typically work in the most competitive markets. The worst brands typically work in the least competitive markets. For example, if you go to Harvard Business School you are going to have a better chance of getting a job with a top bank in New York City than you would if you went to University of Phoenix at night for an executive MBA. This is not to be insulting to this school, it is just to point out a reality that you need to consider when you market yourself.

Third, you need to know how to market your product for the maximum possible success. When you market yourself you need to put your brand before the largest possible market to make the most "sales"—i.e., to get the most interviews and job offers. You need to know how to position yourself and [your resume](#). You need to understand what to say in order to impress the employer in the correct way.

A. Your Career, Like Any Business, Needs a Marketable Product

Every business needs to have a marketable product in order to succeed. While businesses can sell all sorts of things, your business is selling yourself and what you do. This is something that will need to be carefully managed throughout your career. It is important to realize that when we are in the workforce we are all like small business people. We are selling a product (which is ourselves) and need to follow certain rules in order to sell this product effectively.

The first thing you need to consider is that your product needs to be marketable. A lot of my family is from Toledo, Ohio. They are house painters and do other sorts of [blue collar jobs](#). From the time I was around 10 until I was around 17 or 18 they kept telling me I should be a machinist. They told me about how they knew various machinists and how well they did as machinists. One machinist had his own boat, another machinist just redid his home. Being a machinist was a very good profession 20+ years ago in the Midwest. You could work for auto companies and other companies that were doing work that required the skills of a machinist. Today, it is almost impossible to [find jobs](#) as machinist in the Midwest. If I had chosen that career path I would be "out of business."

What do most machinists do when they lose a job? They try and find another job as a machinist. If you are working in an area where auto companies are closing and there are no opportunities for machinists (like Toledo, Ohio) you

might have to wait a very long time indeed before you get a job. The problem with finding a job is not you—it is that you do not have a marketable product. Lots of people do not have marketable products and yet continue to look for jobs when their product is not marketable.

When people lose a job the path they follow is often ass backward. They do not think about themselves as a product in need of a market. You can only sell what people are buying. You need to have something that is in demand. You can never cling to something that once was. I have seen so many careers ruined by this very idea.

I know someone who, 12 months ago, was in a field that was very much in demand. It no longer is. He was making upwards of \$70,000 a year at this profession. Now the most he can make if he continues doing this for a living is \$12 to \$14 an hour. He goes into every interview and tells people he expects to make \$70,000 a year. The market for what he is doing around his geographic area has gone away, and to the extent it has, he can no longer sell himself for that amount. This is just the way it is.

If I was a machinist in the Midwest I might try looking for a job in other areas around the country where the skills of machinists are in demand. I would get the hell out of Toledo, Ohio if I realized there were no opportunities. If there were not opportunities for machinists around the United States, I might consider another career. Or, I might consider how to package myself differently.

Since I am in the [legal career](#) industry, I have recently witnessed something quite remarkable that I think you can learn from. During the [real estate](#) boom in the United States, a ton of small real estate firms became overwhelmed with real estate work. Companies and others were purchasing an incredible amount of real estate and this generated a lot of work for these real estate firms. About 18 months ago this work started dramatically slowing down to the extent that most of these firms started aggressively letting go of [real estate attorneys](#). Things got so bad I was under the impression that most of these real estate firms would start going out of business. The crisis they were facing was incredible and beyond anything that had happened in the past. I was not sure what was going to happen. Recently, something incredible has happened with many of these real estate [law firms](#). They have started representing to their clients (real estate companies) that they have great skill in bankruptcy involving property. Now, many of these bankruptcy law firms are thriving again and doing well. They are actively hiring. This is a remarkable reversal of fortune and something I certainly did not expect to see. This is because these law firms have figured out how to have a marketable product.

As a business person and operator of a small business you are going to be faced with countless decisions as to how you operate your own business. You need to remember that every decision you make will determine your marketability.

Everyone has a myriad of choices about how they operate their businesses. They may brand themselves as a big company employee, small company employee, government employee, you name it. Whether you are working on your own or for a large firm, you are always in charge of your career.

There are aspects of your product that will never change. Wherever you are in your career right now, you simply cannot change the things you have done in the past. This includes your education to date, performance in school, the first company you worked at (or second, or third), your current skills and any variety of things that you have done in your career. However, if you look around, there are literally thousands of small businesses operating. The pedigree of these businesses does not matter so much as whether they are in business and how well they are operating.

You need to look at the field you are in like the business world as well. Whatever type of business you are running, it

must have a marketable product. If you are a computer programmer who programs in PERL, you have a product. You will be able to sell your product in certain areas and with certain audiences better than others. For example, your programming skills will be more valuable in Silicon Valley, most likely, than rural Nebraska. The list goes on and on. Everything is about having a marketable product throughout your career in the area that you are working in.

The point of any business is to survive and, for many businesses, to grow. You need to consider the market for your skills and run your business accordingly. One of the most important aspects of running your business involves the type of work you do. If you are a sales person of premium automobiles, you help companies sell expensive cars. If you are an accountant, you will help people deal with tax issues. Whatever you do, it is important to understand that your product likely has more appeal (to the market) in some areas and points in time than others. Your objective is to get business and the decisions you make in this regard are important.

There are certain jobs that may be bad business to choose. For example, railroad law used to be a popular practice area for attorneys, but you would have a difficult time running a small business now that focused on such an antiquated type of law. Several years ago, corporate work was enormously in demand. Later, however, this market was doing horribly and [corporate attorneys](#) from top 10 [law schools](#) who performed well both in school and in high profile firms were, in some cases, looking for work for more than a year. Years later, corporate work was again available. For many small businesses/attorneys, corporate law would have been a bad choice for them to get into because there is no demand for that product. In this current economic climate, bankruptcy would be a more prudent venture for the business-minded attorney.

The list goes on and on. The point is that you need a marketable product.

Likewise, the geographic area you are in, the stability of your current employer and your opportunity for advancement at your current firm are all factors to keep in mind in operating your small business. These are all things that will have a bearing on whether or not your business will succeed.

Far too many people fail because they fail to adapt their business to the current economic climate. This is why most businesses out there end up failing. They simply fail to adapt.

B. The Importance of Your “Brand” to Marketing Your Product

When you are working in any profession, you need to have a good personal brand. The quality of your brand will determine a great deal about what happens to you. The quality of the work you do, your interpersonal relationships and a variety of other factors will determine the strength of your brand. The point is that all brands have certain attributes and over time you will develop a certain brand.

Companies spend an inordinate amount of money both protecting and developing their brands. There are certain things that come to mind when you think of any brand. For example, think of BMW or Chevy. Likewise, RC Cola creates a different thought than Coke. A brand is developed over time. The places you work, your practice area and all of the aforementioned factors will have a bearing on the quality of your brand.

Generally, better brands can charge more and have more interest directed towards them than poor brands. All of the rules of the business world apply to managing your own brand. You always need to be cognizant of how you want your brand to be viewed by the outside world and potential employers. Think through what type of brand you want carefully, and ensure that you manage that brand the best you can.

You are shaping your brand in so many ways, both by the things that you do and do not do. Your brand is shaped

by the type of companies you have worked for, how long you have worked at these companies, the promotions or the demotions you have received, the awards you have received, the articles you have written and the general enthusiasm you have demonstrated for your job.

There are numerous things that shape your personal "brand," which is the general perception employers have of you. You need to be conscious that everything you do is reflecting on this brand. Something I have seen a ton of in my career are employees who move around a lot—they move every one, two, or three years. Once you have done this enough times you and your brand will start getting a reputation as someone who cannot be trusted to work with the same employer for a long time. If you do the opposite, you will also get the reputation as someone who can be trusted and will remain with the same employer for a long length of time.

If you start out working for small, non-prestigious companies and gradually over the course of several years rise into more and more prominent positions and companies, you will get the impression as someone who is improving. Similarly, you will get the same reputation if you are consistently rising to higher and better positions with your employer over several years.

It is important to understand that everything you are doing has a major impact on your brand. You shape your brand by the choices you make. The reason your brand is so important is due to the fact that it will impact your ultimate marketability.

C. How to Market Your Product and Brand for Maximum Possible Success

As an attorney, consider hypothetically that your salary is \$100,000 per year. Also consider that you are being billed out at approximately \$200 per hour and expected to bill 2,000 hours a year in the law firm you are working in. This means that your small business is generating \$400,000 per year and out of that amount you are "netting" \$100,000. This is not bad from a business standpoint.

As a [legal recruiter](#), I am not surprised that most attorneys want to go to the law firms that pay the most money and have the most prestige associated with them. These are all business decisions. If you are an attorney, over time you presumably would like the amount of money you make to increase. You would also like the percentage of the money you collect from your billings to increase. For example, if you generate \$400,000 from your work, you would rather make \$200,000 than \$100,000, as in the prior example. You want to become a partner and earn more. The business game continues.

Everything that happens to your career is the result of selling your product on the marketplace. The amount of money you receive as your salary (i.e., the amount of money the market will pay) will be influenced by the type of brand you have. Hypothetically, you could have no education and start out as a clerk in a small firm. This is something thousands of people do each year. Then, several years later, you could be earning in excess of a million dollars per year leading the same company you started out in. To many people this may seem like an aberration. Nevertheless, this is not an aberration and it happens all the time. The reason this happens is because of how people ultimately (1) brand themselves and (2) market their brand.

Marketing is the single most important thing you can do for yourself and your career. Marketing is about how you package yourself, the things you say and the value the market perceives that you offer.

The point of this essay is not to act as a diatribe on marketing; however, a few comments on marketing should make a helpful point. When you market a product, you need to appeal to people on both an emotional and rational (cost) level. When marketing personal services—which your specific skills are—people tend to want to deal with people like

themselves. It is for that reason that large companies typically prefer a certain type of employee, small law firms prefer a certain type of employee and certain types of clients (rich, poor and in between) prefer dealing with a certain type of employee. We have a tendency to want to deal with people like ourselves. Thus, your product is likely to be well accepted in some areas and not others.

I remember one thing when I was clerking for a federal judge and I had the opportunity to see different trial lawyers come into court and conduct trials. I also spent a year trying to write a book about [personal injury attorneys](#) several years ago and once again I made a similar observation. The one thing I noticed about the most effective personal injury attorneys was that they were nothing like big firm attorneys and almost never had big firm experience or top law school credentials. What they did know how to do was market themselves and their clients' grievances to like-minded jurors. They also tended to be quite flamboyant in their marketing efforts, but that is another story.

In small towns all across America, there are very successful attorneys. In most cases, these attorneys grew up in the area and are similar to the people they do work for. What is most significant about the attorneys who are most successful in small towns, from those who are not, is their marketing ability. They fraternize in local clubs and bar associations. Stories circulate about their successes. All of this is marketing.

The same thing occurs in large law firms in big cities. Here, the marketing is confined to the law firm and getting clients to hire you as you advance in seniority. What is most significant, though, is that the marketing component and what the individual's brand represents are always at the forefront.

The issue then is how you market yourself and advance your own career. While this may not be obvious, a large part of a [recruiter's job](#) is helping people market themselves to employers. They know what the employers want to hear and how the attorney should say it. Virtually every week at our [recruiting firms](#) we get [attorneys jobs](#) at firms that I know they could not have gotten on their own. That is because we "packaged" the person to the employer in a certain way and told him/her what to say in order to portray the particular brand the firm is interested in.

What is so interesting about the work exceptional recruiters do is that none of what we do is dishonest. In fact, it is just knowing the market, the particular brand of the firm and what makes a person marketable to them. People need to be themselves, but also be aware of what the particular employer wants.

If you are looking for a position you need to keep the idea of marketing at the forefront of what you do and how you think about everything. You have a product to sell and in order to sell your product you must brand it and package it in the right way. In order to sell your product, and get the highest price for it, you also need to have the largest possible market.

You need to know what the market is for your product.

D. Conclusions

You are a product. Your career is a small business. Run it like a small business and realize the importance of your brand. Most importantly, realize you always need to have a market for your product. If you remember this, you will be well served throughout your career.