

# The *Solo* Move

---

Employee to Contractor

Playbook

By Martin Kerr



## Legal Notice & Disclaimer

This Playbook is provided for general informational and educational purposes only.

The content reflects the personal views and professional experience of Martin Kerr and does not constitute legal, financial, taxation, accounting, employment, or business advice. Every individual's circumstances differ.

Before making decisions based on this material, you should seek independent professional advice appropriate to your situation.

While reasonable care has been taken in preparing this Playbook, no representation or warranty is made as to the accuracy, completeness, or suitability of the information provided. Use of this Playbook and reliance on its contents are at your own risk.

By using this Playbook, you agree to indemnify and hold Martin Kerr harmless against any claims arising from your application of its contents.

This Playbook forms part of The Solo Move intellectual property created by Martin Kerr.

You may share this Playbook in its original, unaltered form, provided Martin Kerr is clearly credited as the author of The Solo Move and this Playbook.

No part of this publication may be modified or reproduced for commercial purposes without the written permission of Martin Kerr.

**© Martin Kerr 2026 All rights reserved.**



## Why This Playbook Exists

There is a moment in most professional careers where employment starts to feel constrained.

- You may be performing above your pay grade.
- You may be frustrated by bureaucracy.
- You may feel under-recognised or under-leveraged.

Or you may simply sense that your capability has outgrown the structure that contains it.

For many, the next thought is contracting.

- More autonomy.
- Higher rates.
- Greater control.

Sometimes that's true.

But stepping from employee to contractor is not a lifestyle upgrade. It is a commercial shift.

This playbook is designed to help you assess that shift with maturity, not emotion.

- It is not designed to persuade you to leave.
- It is designed to help you decide properly.

If, after reading this, you feel more grounded rather than more excited, that's a good sign.



# The shift: Employee vs Contractor Mode

At a surface level, contractors and employees may appear similar. Both may work in the same organisation. Both may perform comparable work.

But structurally, they operate under different rules.

As an employee:

- You are paid for occupying a role.
- Income is relatively predictable.
- The organisation absorbs most commercial risk.
- The institutional brand partially reinforces your identity.

As a contractor:

- You are paid for capability and output.
- Income fluctuates.
- You absorb risk directly.
- Your reputation travels independently of any one employer.

The distinction is subtle but significant.

Employees optimise for continuity.

Contractors optimise for perceived value.

If you move without understanding that difference, you will experience avoidable stress.



# The Psychological Shift

The most underestimated change is not financial.

It is psychological.

Employment provides:

- Defined expectations.
- Structured escalation pathways.
- Embedded community.
- Institutional credibility.

Contracting removes much of that scaffolding.

You must:

- Hold your own standards.
- Manage ambiguity.
- Navigate unfamiliar environments quickly.
- Protect your own energy.

Contracting is not about freedom first.

It is about responsibility first.

If that feels heavy, pause.

If it feels clarifying, continue.



# The Five C's of Contracting

Over time, I've observed that successful transitions share five consistent characteristics. I was introduced to them years ago.

1. Competence.
2. Commercial Awareness.
3. Confidence.
4. Credibility.
5. Continuity Planning.

These are not personality traits. They are preparedness indicators.

We will examine each.



# 1. Competence

Contractors are rarely hired for development.

They are hired for delivery.

When an organisation engages a contractor, they are typically:

- Behind schedule.
- Under-resourced.
- Lacking specific expertise.
- Under pressure.

They are not looking to train you!

Ask yourself honestly:

*Could I enter a new organisation and add measurable value within 30 days?*

*Do senior stakeholders seek my judgement or simply my labour?*

Competence is not about being technically skilled.

It is about being commercially useful.

If your capability still relies heavily on guidance and supervision, employment may remain the better developmental environment for now.



## 2. Commercial Awareness

Technical excellence does not equal commercial literacy.

As a contractor, you must understand:

- Day rates vs annual equivalence.
- Utilisation assumptions.
- Tax obligations.
- Insurance requirements.
- Payment terms.
- Scope boundaries.

Many first-time contractors compare salary to day rate.

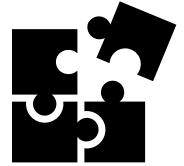
This is flawed.

A \$1,000/day rate does not equal a \$260,000 salary.

You fund:

- Leave.
- Downtime.
- Superannuation.
- Insurance.
- Accounting.
- Business overhead.

If commercial conversations make you uncomfortable, that discomfort must be addressed before the transition, not after.



## 3. Confidence

Confidence in this context is not performance.

It is calm self-possession.

You will encounter:

- Rapid onboarding.
- Limited guidance.
- Competing stakeholder expectations.
- Political dynamics.
- Ambiguous deliverables.

Confidence means:

- You can operate without constant reassurance.
- You can say no.
- You can ask clarifying questions.
- You can disengage professionally if needed.

If your sense of security relies heavily on organisational validation, contracting will amplify that dependency.



## 4. Credibility

Before you resign, examine your external market presence.

If someone searches your name:

- What appears?
- What do peers associate you with?
- Are there visible case studies?
- Do you have articulated positioning?

Contractors without credibility compete on price.

Contractors with credibility compete on value.

This difference compounds over time.

You do not need a personal brand empire.

But you do need clarity in how you are perceived.



## 5. Continuity Planning

Most contracts are fixed-term.

Three months.

Six months.

Twelve months.

What happens after that?

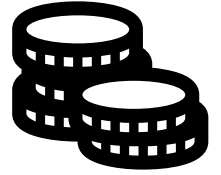
If your first engagement ends unexpectedly, do you:

- Have savings?
- Have pipeline conversations?
- Have relationships beyond one hiring manager?

Dependency on a single client is a common early mistake.

Contracting requires forward thinking.

Not a panic reaction.



## Financial Buffer Rule

At a minimum, a 3–6-month personal expense buffer is advisable.

Not as fear insurance.

As psychological leverage.

Money buys patience.

Patience protects pricing.

Without a buffer, you may:

- Accept poor terms.
- Underprice.
- Stay in unhealthy environments.
- Compromise standards.

Financial preparedness reduces emotional decision-making.



## The Income Reality Check

Employees are paid for presence.

Contractors are paid for productive engagement.

Assume:

- You will not be 100% billable.
- There will be gaps.
- There will be a ramp-up time.
- There will be an administrative load.

Model conservative utilisation (for example, 70–75%).

If your financial plan only works at 100% utilisation, it is fragile.

Fragility creates pressure.

Pressure erodes judgment.



## Structure & Insurance Basics

At a minimum, investigate:

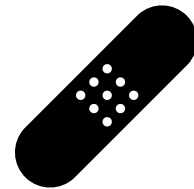
- Professional Indemnity Insurance
- Public Liability Insurance
- Appropriate business structure (sole trader vs company)

Seek professional advice.

Do not treat this as an administrative inconvenience.

Your structure is part of your risk boundary.

When you become independent, your protection must be deliberate.



## Common Early Mistakes

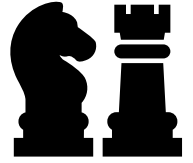
1. Leaving emotionally rather than strategically.
2. Underpricing due to fear.
3. Relying on one client.
4. Saying yes to everything.
5. Confusing busyness with progress.

Contracting exposes weaknesses quickly.

That is not a threat.

It is feedback.

If you approach it as development rather than identity, you will mature rapidly.



## The Hybrid Strategy

You do not need to burn the bridge.

Consider:

- Negotiating fixed-term secondment.
- Unpaid leave arrangements.
- Transitioning via part-time engagements.
- Building a pipeline before resigning.

Hybrid reduces risk while building confidence.

Mature transitions are rarely dramatic.

They are measured.



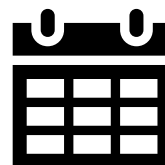
## Who This Playbook Is For

You are likely ready if:

- ✓ You consistently operate above your formal role.
- ✓ You understand your market value.
- ✓ You are comfortable with negotiation.
- ✓ You seek responsibility, not escape.
- ✓ You want sovereignty with accountability.

You are likely not ready if:

- You are leaving to avoid conflict.
- You dislike commercial conversations.
- You need certainty to function well.
- You want less accountability.
- Clarity prevents regret.



# A 30-Day Preparation Plan

## **Week 1: Financial Audit**

- Calculate your monthly burn rate.
- Establish your buffer target.
- Model conservative utilisation.

## **Week 2: Market Validation**

- Speak discreetly to trusted contacts.
- Test realistic day rates.
- Understand demand.

## **Week 3: Credibility Upgrade**

- Refine your LinkedIn positioning.
- Clarify your value proposition.
- Document 2–3 measurable outcomes you've delivered.

## **Week 4: Structural Readiness**

- Obtain insurance quotes.
- Speak with an accountant.
- Plan timing intentionally.

No announcement required.

Preparation speaks louder than intention.



# The Real Question

The move from employee to contractor is not about freedom.

It is about maturity.

It is the willingness to:

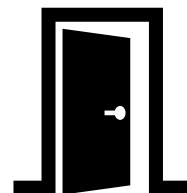
- Carry your own commercial exposure.
- Protect your standards.
- Price your capability honestly.
- Accept both upside and volatility.

The question is not:

*“Can I get a contract?”*

The question is:

*“Am I ready to carry myself commercially?”*



## This Is the Doorway

This guide addresses the first strategic shift.

But contracting is not the final destination for many.

Over time, some professionals evolve further from contractor to consultant.

That evolution requires:

- Pricing psychology
- Client maturity awareness
- Risk exposure modelling
- Positioning strategy
- Long-term reputation building

These deeper layers are explored inside The Solo Move.

This **Playbook** is the briefing.

The **Book** is the full map.





## Your Next Step

If this resonated, do not rush.

- ✓ Refine.
- ✓ Model.
- ✓ Prepare.

Strengthen your foundations.

When you move, move deliberately.

Professional sovereignty is not claimed through excitement.

It is earned through readiness.

Martin Kerr

### *The Solo Move*

