Letter to the Editor

Because you’re worth it?

To the Editor – I read the recent article on the fourth EMWA freelance business survey1 with great interest and some considerable concern.

When freelance writers express an interest in working with Rx Communications, one of the first things we ask them is for an indication of the hourly rate they charge. This is by no means a perfect indicator of reimbursement cost as clearly the time taken to complete a project and to what standard are as important, if not more so, to our costs. It is, nonetheless, a useful indicator. Recently I’ve noticed that many freelancers are charging similar hourly rates, regardless of experience. These rates are very close to the average rate published in the fourth EMWA freelance business survey,1 so I thought I’d have a look in detail at the survey and compare it to the latest EMWA salary survey,2 which focused on salaried medical writers. What was immediately apparent was that the freelancer survey did not include any indication of experience level. This seems to be a massive oversight. The salary survey, on the other hand, broke down average writer salaries into five experience categories. In the past, freelance medical writers would tend to work for a minimum of 10 years (often longer) before becoming freelancers. Lately, however, I have had contact from many freelancers with less than 5 years’ experience, including some with no previous experience at all as a medical writer. Do their hourly rates reflect their relatively low experience, or the EMWA freelance average rate? In my experience it’s always been the latter. At the same time, how can an inexperienced freelancer hope to accurately price themselves if the relevant EMWA survey doesn’t include the required level of detail?

Comparing the EMWA salary and freelance surveys brings up some interesting figures. The average annual income for a salaried medical writer is €61,505.5 Annual incomes aren’t given in the freelance survey, although this wouldn’t be a fair comparison anyway as nearly half of all respondents to the survey worked 30 hours or less per week; in the salary survey, 76% of female respondents and 95% of male respondents worked full time. To make a rough comparison, let’s say the average salaried medical writer works 37.5 hours per week and receives 5 weeks’ holiday per year. Let’s then convert this to a comparable freelance rate: 37.5 hours per week × 47 working weeks per year × €77 per hour (EMWA freelance average for medical writing4) = €135,713. This suggests freelancers are charging on average more than double the rate at which salaried medical writers are reimbursed. Of course, this comparison would benefit from some raw data and statistical methodology to give it some weight but it gives us a ballpark figure. Now, I hear you say, aren’t freelance medical writers typically more experienced than salaried writers? The answer is yes, probably (again, I really wish EMWA would add an experience question to the freelancer survey). Having said that, I refer to an earlier point that there appears to be an increasing number of freelancers with less than 5 years’ experience. Furthermore, even writers in the highest experience category of the salary survey (>15 years) reported an annual income of ‘just’ €79,363, still far short of my pro rata estimate generated for the average freelancer.

How can I explain this discrepancy? Well, apart from the (potential) differing levels of experience between the two writer groups, salaried writers may be privilege to some additional reimbursement such as bonuses, pensions, or other benefits not reflected in the salary figure. Additionally, freelancers typically have to spend part of their working week on activities such as securing future projects and administration, for which they may not be reimbursed (although at Rx we take on many of these responsibilities so that our freelancers are free to concentrate on what they do best: writing!). Finally, employing an in-house writer will involve additional costs compared with using a freelancer, including the reimbursements mentioned above as well as insurance, provision of IT and a workstation, and training costs.

I have a few issues with the EMWA freelance business survey in its current form. Firstly, as mentioned above, it needs to take into account experience level.
Otherwise, as is the case presently, every freelancer will tend to charge the same hourly rate whether they have 2 or 20 years’ experience. Also, the survey relies on the honesty of respondents. This is hard to avoid but runs the risk of some freelancers inflating their rates when responding and then using the results of the published survey to, well, inflate their rates. Great for freelancers, not so good for communications agencies and pharma. We at Rx Communications don’t want to see external writers becoming so expensive that pharma revert to doing all their writing in-house, putting everyone else out of a job. The figures presented in this article suggest that employing an in-house writer is already a lot cheaper for pharma than using a freelancer, assuming the in-house writer is as efficient, of the same standard, and constantly occupied with writing.

Lately [...] I have had contact from many freelancers with less than 5 years’ experience, including some with no previous experience at all as a medical writer. He then asserts that there …appears to be an increasing number of freelancers with less than 5 years’ experience. This assertion seems to be based entirely on his employer’s recent experience. In the absence of convincing data, we are not able to comment on this. However, we are at a loss to understand why any potential client would consider paying the average FBS 2012 writing rate to an inexperienced freelancer. In the absence of hard data on experience levels, rate negotiation is the logical avenue for pursuit.

Duncan’s employer describes itself as a ‘boutique medical communications agency’. We therefore deduce that the company is interested in engaging the services of freelance professionals for medical communications work. In the FBS 2012, medical communications agencies provided a mean of 24% of the work of respondents. The other 76% was from other work providers, with pharmaceutical companies accounting for a mean of 28%, academia a mean of 16%, and CROs a mean 10% of the work. Only a quarter of the work of respondents was from medical communications agencies, arguably providing a starting point for discussion around what might constitute mutually acceptable charges for both service provider and client.

Our greatest concern is that he makes only cursory mention of incidental employment costs and overheads associated with employing salaried staff, and takes no account at all of the additional costs borne wholly by freelance medical writers. These oversights lead to unrealistic calculations. It is not therefore surprising that Duncan concludes:

The figures presented in this article suggest that employing an in-house writer is already a lot cheaper for pharma than using a freelancer, assuming the in-house writer is as efficient, of the same standard, and constantly occupied with writing.

References
We wish to bring objectivity to all sides of this interesting debate through our publication in this issue of *MEW*, which includes what we consider to be realistic cost calculations.3

Finally, we note that Duncan states

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Exactly the same could apply to the employed medical writers’ salary survey.4 Mean hourly rates for freelancers could only be distorted in this way by improbably broad collusion in the freelance medical writing community. The majority of clients respect the ethic, work, and integrity of freelance service providers.

We thank Duncan Marriott for raising these issues.

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References