



Quality Enterprise Technology Solutions & Services

Welcome to XTIVIA, Inc.

Thanks for taking a moment to get to know us a little better. We hope we can offer you encouragement and information about the many possibilities for your future.

Because XTIVIA is not a standard placement, headhunting, or consulting firm, our process for helping you will probably be different than what you've experienced in the past. Our reputation has been built on establishing long-term, trusting relationships and our process is designed to do everything we can to ensure that you succeed, not just now . . . but also in the future.

XTIVIA was founded in 1992 and its founder brings more than twenty-five years of experience helping IT professionals find direct-hire and consulting opportunities. Although we serve clients nationwide, we have invested years developing an extensive local client network along the Front Range with top-notch companies who are also committed to quality.

If you would like to know more about direct-hire or contract consulting opportunities we currently have available, or if you would like an update on currently "hot" IT skills, please let me know. In addition, if you would like a second opinion about an opportunity you currently have, please feel free to call us. We'll be happy to share any information we have that will help you make confident decisions.

I look forward to getting to know you better!

Sincerely,

Jody Gilloth  
Senior Technical Recruiter

## Contact Us

*Welcome to our office, or more accurately, our house. Located in charming downtown Littleton, our office is the hallmark of many important beliefs we have here at XTIVIA. We highly value career, family, a balanced work and personal life, and a great place to work - not just for ourselves, but for you, too!*

***Please feel free to call or stop by any time!***

**Maureen Clarry**  
**Jackie Roberts**  
**Gary Wall**  
**Judy Kammerzell**  
**Todd Saunders**  
**Paul Navin**  
**Jeff Webster**  
**Jody Gilloth**  
**Lorna Rickard**  
**Eric Jacobshagen**  
**Jean-Marie Willis**

Founder & Managing Director  
Executive Administrator/Office Manager  
Controller  
Financial Assistant  
EVP Customer Solutions  
Senior Business Development Executive  
Senior Business Development Executive  
Senior Technical Recruiter  
Chief Workforce Architect  
Systems Administrator  
Marketing Administrator

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# **XTIVIA**

Quality Enterprise Technology Solutions & Services

5602 South Nevada Street, Littleton, Colorado 80120-1116, (303) 730-7171 MAIN, (303) 797-8369 FAX, [www.xtivia.com](http://www.xtivia.com)

<b>Have a question about ...</b>	<b>Please call ...</b>
Availability	Jody, <i>Technical Recruiter</i>
Client Issues	Todd, <i>EVP Customer Solutions</i> Paul, <i>Senior Business Development Executive</i> Jeff, <i>Senior Business Development Executive</i> Maureen, <i>Founder &amp; Managing Director</i>
Contracts	Gary, <i>Controller</i>
Invoices or pay checks	Gary, <i>Controller</i>
New opportunities	Todd, <i>EVP Customer Solutions</i>
Rates	Todd, <i>EVP Customer Solutions</i> Paul, <i>Senior Business Development Executive</i> Jeff, <i>Senior Business Development Executive</i> Maureen, <i>Founder &amp; Managing Director</i>
Referring another consultant	Jody, <i>Technical Recruiter</i>
Training, career development	Jody, <i>Technical Recruiter</i>
Updating your skills	Jody, <i>Technical Recruiter</i>
Engagement satisfaction	Maureen, <i>Founder &amp; Managing Director</i>

# Professional Services for Independent Consultants

## Financial Planning Services

### **Phil Dispense**

Morgan Stanley Smith Barney  
370 17th Street, Suite 2800, Denver, CO 80202  
Phone: 303-572-4825 Fax: 303-825-4407  
phil.dispense@mssb.com

## Accounting and Tax Planning

### **Rebecca Shreck, CPA**

4251 Kipling Street, Suite 510  
Phone: 303-832-2900 Ext. 1 Fax: 303-832-3813  
rebecca@rshreckcpa.com

## Incorporation Specialist

### **K.C. Groves**

Ireland, Stapleton, Pryor & Pascoe  
1675 Broadway #2600, Denver, CO 80202  
Phone: 303-628-3642 Fax: 303-623-2062  
kcgroves@irelandstapleton.com

## Insurance

### **George Grieder, CIC**

The Hartford  
3600 Wiseman Boulevard, San Antonio, TX 78251  
1-800-447-7649 Ext. 4331  
george.grieder@thehartford.com

### **Jeff Brachfeld**

Brachfeld Insurance Services  
5203 S. Ironton Way, Englewood, CO 80111-3822  
Phone: 303-617-7757 Fax: 303-617-1399  
jeffbrachfeld@aol.com

### **Kaiser Permanente Medical Insurance**

1-800-819-5854  
[www.kp.org/health/co](http://www.kp.org/health/co)

*This information is provided for reference only. XTIVIA recommends that before using the services of any individual or organization listed above, you evaluate their qualifications and check their references. Regardless of the individuals or organizations you select, please let us know about your experiences.*

***If you are interested in becoming an independent consultant, there is a wealth of information available to help you:***

- Websites: Colorado State FAQ [www.sos.state.co.us/pubs/business/faq\\_business.htm](http://www.sos.state.co.us/pubs/business/faq_business.htm)  
Office of Economic Development [www.state.co.us/oed/bao/index.html](http://www.state.co.us/oed/bao/index.html)  
Small Business Administration [www.sba.gov](http://www.sba.gov)  
Counselors to America's Small Business [www.score.org](http://www.score.org)  
The Entrepreneur Network (TEN) [www.tenonline.org/sref.html](http://www.tenonline.org/sref.html)  
Small Business Advisor [www.isquare.com](http://www.isquare.com)  
Entrepreneur.com [www.entrepreneur.com](http://www.entrepreneur.com)
- Articles: <http://tenonline.org/sref/ap2.html>  
[http://www.personneltoday.com/Articles/Article.aspx?  
liArticleID=25698&PrinterFriendly=true](http://www.personneltoday.com/Articles/Article.aspx?liArticleID=25698&PrinterFriendly=true)  
<http://www.artima.com/forums/flat.jsp?forum=121&thread=86911>
- Books: *How to Succeed as an Independent Consultant, 3<sup>rd</sup> Edition*, by Herman Holtz  
*The Consultant's Quick Start Guide*, by Elaine Biech  
*Getting Started in Consulting*, by Alan Weiss  
*Successful Independent Consulting*, by Douglas P. Florzak  
*How to Start and Run a Successful Consulting Business*, by Gregory & Patricia Kishel  
*The Independent Consultant's Q & A Book*, by Lawrence W. Tuller
- Associations: Association of Independent Consultants (<http://www.aiconsult.ca/>)  
Association of Professional Computer Consultants (<http://www.APCCOnline.com>)  
Independent Computer Consultants Association (<http://www.icaa.org>)
- Other: Denver Business Assistance Center (720-913-1715)  
Small Business Hotline (303-592-5920)

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## About XTIVIA, Inc.

In 1992, XTIVIA, Inc. was created as a unique alternative to the IT staffing organizations previously available. XTIVIA was designed to treat both clients and IT Professionals equally and objectively, without bias toward either party. Because we do not maintain a “bench” of consultants, XTIVIA does not simply assign available consultants to clients. Engagement staffing decisions are made mutually between you and the client to ensure your objectives are met. XTIVIA is committed not only to building extraordinary IT teams, but to sustaining their performance. We offer a full spectrum of services related to IT staffing including contract consulting, contract-to-hire, direct-hire placement and team or organizational development. More than finding “just another job,” we’re committed to helping you build a long-term career.

### **XTIVIA offers you:**

- More than thirty years of experience refining the matching and team development processes, and an established reputation for quality. You can be confident that we have minimized the hassles to maximize your success in any opportunity you decide to accept.
- An extensive network of clients and IT Professionals. The truth is, good opportunities don’t develop overnight. XTIVIA has invested years building a network of relationships that continually produce quality opportunities that are not advertised externally. You can take advantage of our experience, reputation, and network without investing years to develop one yourself.
- Great jobs *and* the ability to retain control of your career. With XTIVIA, we want you to maximize your earning potential without sacrificing the freedom to control the growth and direction of your career.
- Long-term commitment to support your career. We’ll spend time getting to know you and what you want most from a career. As soon as you finish this engagement, we’ll be ready to find you the next one!

### **XTIVIA’s approach differs in three significant ways.**

1. **No Bench.** Our model does not include a “bench” of full-time employee consultants but rather utilizes an ever-changing network of IT Professionals. This ensures that XTIVIA acts as an objective third party and that all opportunities are presented to you because they’re a good solution, not because they’re the quickest or cheapest for XTIVIA.
2. **Customized Solutions.** Because we don’t retain a “bench,” you’re guaranteed all opportunities are presented to you based on what you want for your career. We’ll also continue to help you manage your expectations throughout the course of the engagement to ensure your expectations and those of the client are met. No short-cuts. No “fast food” solutions. No exceptions.
3. **Integrity.** Most importantly, XTIVIA’s business model values integrity in relationships. We’re always looking for people who share these values. At XTIVIA, people come before money and what’s right comes before what’s easiest ... every day of the week.

**Benefits you'll receive with XTIVIA's model include:**

- ✓ **Job type** – You choose what's best for you: direct-hire placement, contract-to-hire, term contract employment, or independent contract consulting.
- ✓ **Security** – Focus on developing career security, not job security.
- ✓ **Honesty and Full Disclosure** – All rates, salaries and company names are disclosed upfront.
- ✓ **No "floating" resumes** – You decide where we send your resume and you interview only for positions you want.
- ✓ **Variety** – There are always a variety of job types, rates & locations available to choose from.
- ✓ **No fees** – All fees are client paid.
- ✓ **Career Mentoring** – We'll help you understand current market trends, challenge you to grow, and help you stay marketable.
- ✓ **Professional compensation negotiation** – As an objective third party, we will negotiate your complete compensation package to ensure your needs are met.
- ✓ **Qualified job opportunities only** – XTIVIA screens all opportunities to qualify and clarify job.
- ✓ **On-going and honest communication** – You'll never be left in the dark about the progress of opportunities you are considering.

**You will be in control of your:**

- |                      |                     |
|----------------------|---------------------|
| ✓ Projects           | ✓ Work Environment  |
| ✓ Income             | ✓ Benefit Choices   |
| ✓ Commute            | ✓ Lifestyle Balance |
| ✓ Free Time          | ✓ Billable Hours    |
| ✓ Career Development |                     |

**Additional information about XTIVIA:**

XTIVIA staff members speak regularly on strategic staffing, career planning, recruiting, retention, and creating high performing IT work teams. We are on the faculty of The Data Warehousing Institute (TDWI), and have written several publications on how to successfully hire IT staff. XTIVIA is based in Littleton, Colorado and serves clients nationwide from a variety of industries and in a variety of product lines including:

IT Management	Data Management
Project Management	Data Warehousing
E-Commerce	System Development and Support
System and Network Administration	Human Systems
Healthcare/Clinical Specific Environments	Team Development

# XTIVIA's Recruiting Process

Because XTIVIA is not a standard placement, headhunting, or consulting firm, our process for placement will probably be different from those you've experienced in the past. Our reputation has been built on establishing long-term relationships and our process is designed to do everything we can to ensure that both you and the client succeed.

- Step 1** In our initial meeting, we will review your resume and answer any questions you may have about XTIVIA. Our goal is to get to know more about you than simply what's listed on your resume. While we need to know what you've done, we'd also like to know what you want to do so we can help you find the job and career you want most.
- Step 2** If it looks like you would be a match for an opportunity we currently have, we will present the information to you. If you are interested, we will submit your resume and information to the company. If the client requires a background check, your social security number will be required so we can conduct a degree and/or certification check. If the client has any other pre-interview requirements, such as a questionnaire or screen documents to be submitted, we will share those with you as well. Your resume will NEVER be sent without your permission, you will always have an opportunity to interview in person, and all rate/salary and negotiation information will be disclosed upfront.
- Step 3** In the event that we do not have an immediate match for you, we will keep your resume in our database for possible matches in the future. Since our requirements change constantly, we will contact you as new positions arise that may fit your interests. Please notify us if you: accept a position, update your skills or education, or change your mind about the type of opportunities you want most so we know how best to help you.
- Step 4** You will always have the opportunity to decide if a position, permanent or consulting, is a fit for you. If you are interested in a company and a company in you, we will arrange an interview. We'll prepare you for the interview by providing you with any information we have available, such as company history, position information, and corporate culture factors, that might affect your interview.
- Step 5** Following each interview, you will receive feedback from us on your interview. We will continue to stay in touch with you throughout the process to ensure your success.
- Step 6** If you are offered an opportunity, we will negotiate the rates (or compensation package) and the contract terms. Sometimes a background and/or drug check may be required by the client.
- Step 7** For all consulting engagements, we will schedule a "check-up" approximately three weeks after your start date to review your progress and any concerns or questions you or the client have. Unlike most other firms, XTIVIA will remain involved in the relationship between you and the client to facilitate the resolution of any issues or concerns that may arise throughout the course of the engagement.
- Step 8** Approximately six weeks before your consulting engagement contract expires, XTIVIA will contact you and the client to determine if a contract extension is appropriate. If you would like, we will also talk with you to reexamine your goals. If a contract extension is not available or desirable, we will begin reviewing your skill set and available opportunities.

# Consulting Model

Because we represent, rather than employ IT professionals, you will notice several distinguishing characteristics of our business model that directly benefit you. Like a consulting company, we provide marketing, negotiation, and fee collection services, so 100% of your work time is billable, not spent finding your next contract or administering your current engagement. However, unlike other firms, XTIVIA offers you these additional advantages compared to working direct or at a consulting firm:

- the opportunity to make more money
- the freedom to make the final choices regarding clients, projects, career path, work location, and billable rate
- affiliation with a network of high-caliber IT professionals built by referrals, never advertisements
- a reputation for quality among our clients and other members of the network
- devoted time to understand your professional goals to ensure the best possible match between you and a client
- continued involvement to help all matches be successful throughout the course of each consulting engagement

At XTIVIA, you have a choice of two ways to work as a consultant, which are described briefly below. Feel free to ask for more information.

## XTIVIA Independent Consultant

<b>Description</b>	Individual is sub-contracted to XTIVIA clients for the term of an engagement.
<b>Business Entity</b>	S Corp, C Corp, LLC
<b>Rates</b>	XTIVIA negotiates a fair market rate for the skills required by the client. Independent consultant is paid 70% of that hourly rate. For the remaining 30%, XTIVIA provides marketing, contract negotiation, billing, and account management services, plus professional liability insurance. It also covers our operating expenses and profit.
<b>Taxes</b>	Consultant company is responsible for paying all taxes, including federal and state income, employee and employer social security and Medicare, and federal and state unemployment taxes.
<b>Insurance</b>	XTIVIA provides professional liability insurance. Consultant company is responsible for providing a minimum of \$1M of commercial general liability insurance. Consultant company is also responsible for providing workers' compensation insurance. If consultant corporation has no employees, workers' compensation may be waived.
<b>Payroll</b>	Payment is made to you 30 days from the receipt of the invoice, or immediately upon XTIVIA's receipt of client payment if the payment is received sooner.

## XTIVIA Term Employee

<b>Description</b>	Individual becomes a temporary employee of XTIVIA for the term of an engagement.
<b>Business Entity</b>	N/A
<b>Rates</b>	XTIVIA negotiates a fair market rate for the skills required by the client. Term employee is paid 60% of that hourly rate. For the remaining 40%, XTIVIA provides marketing, contract negotiation, billing, payroll, and account management services, plus commercial general liability, professional liability, and workers' compensation insurance.
<b>Taxes</b>	All employee income, social security, and Medicare taxes are withheld by XTIVIA during payroll processing. XTIVIA pays employer portion of social security and Medicare taxes.
<b>Insurance</b>	XTIVIA provides professional liability, commercial general liability, and workers' compensation insurance for all term employees.
<b>Payroll</b>	You are paid twice monthly. XTIVIA will process your payroll and direct deposit is available.

# Organizational Development

XTIVIA is the only company that uses a workforce effectiveness approach to ensure optimal performance among IT staff and the departments with which they work in your organization. XTIVIA is the first choice for IT workforce effectiveness because our 20 years of experience provide us a unique insight into achieving maximum productivity and profitability from IT organizations.

## The Challenges

- A survey of 3,500 managers in a cross section of businesses indicated that 60% believed that lack of trust in senior management was the primary restraining force in organizations. Additionally, poor communication, poor empowerment skills, and misaligned organizational systems were significant obstacles to quality results.
- Turnover rates of IT professionals average 15% in the United States. The cost of turnover is estimated to be one to two times annual salary.
- Compensation for IT professionals has risen from 30% of the IT budget to 40% of the IT budget.
- Of the top 10 reasons why people quit, seven are related to dissatisfaction with co-workers, management, and organizational culture.
- Surprisingly, only 54% of U.S. companies have a retention strategy. The Gallup Organization estimates that for a company with 40,000 employee, reducing net turnover by 3% will result in 1,000 employees per year that don't need to be recruited, hired, and trained. The overall cost savings to that organization is \$36 million in a year.

## How We Can Help

When you are serious about building the IT workplace that delivers positive bottom-line results to your business problems, XTIVIA can help. Our relationships with IT organizations, IT candidates and IT consultants over the last 20 years have provided us the opportunity to observe first hand what makes IT organizations successful and to develop an organizational development methodology to produce results in your organization.

## In fact:

- Teams are one of the most successful methods of solving problems. Businesses have long looked to teams as a means to improve financial performance. According to a recent Gallup survey, very satisfied workgroups and teams achieved 24% higher profitability, 29% higher revenue, and 10% lower employee turnover than the least satisfied workgroups.

## CONNECT Clients

American Family Insurance  
American Honda  
Anthem Blue Cross Blue Shield  
AT&T  
BEA Systems  
Bristol Myers  
Cabela's  
Canyon Solutions  
CH2M Hill  
City of Longmont  
Claritas  
Clorox  
CoBank  
Coca Cola  
Comcast Cable  
Commonwealth Edison  
Corporate Express  
Data General  
Deluxe Corporation  
Denver Public Schools  
Detroit Edison  
Direct TV  
Echostar Communications  
Exxon  
Farm Credit Leasing  
Florida Dept. of Transportation  
Freddie Mac  
Hallmark Cards  
Harley-Davidson  
HBOC McKesson  
Hewlett Packard  
Intel  
Intuit  
JD Edwards Company  
Jones Intercable  
Kaiser Permanente  
Kroger  
Level 3 Communications  
Lockheed/Martin  
M&M Mars  
MBNA  
Michelin  
Navistar  
Pacific Bell  
Pillsbury  
Polaroid  
Procter & Gamble  
Qwest  
Southwestern Bell  
StorageTek  
Quizno's  
US Dept. of Education  
Western Gas Resources

In Fortune Magazine's Top 100 Best Companies to Work For, employees cited ongoing training and education as the single most important benefit. On average, these top 100 companies invested in an average 40 hours more education and training per employee per year than their counterparts.

The Council for Adult and Experiential Learning reports that 80% of employees surveyed identified training as a critical factor when considering a new job and keeping an existing one. Companies generally invest in developing and training to:

1. Improve performance by building confidence
2. Empower employees
3. Retain employees
4. Improve communications
5. Instill confidence and trust among coworkers
6. Enhance company culture

Even in volatile economic conditions, training budgets remain steady.

Despite industry-wide salary freezes and personnel reductions, Training Magazine recently reported that across all industries and company sizes, 85% of companies reported the same or higher training budgets. Companies that made a commitment to developing their employees spent an average of \$1,574 per year per employee.

High-performing teams find their work to be thrilling. As such, they remain focused, invest time above and beyond the call of duty, and experience extreme satisfaction in a job well done.

Every organization and individual is unique in their development and we customize the solution to fit your situation. The following is a representative list of topics we have delivered over the last 7 years:

- Partnership between functional groups
- Organizing IT teams
- Retention strategies
- Assessing your skills inventory
- Knowledge transfer strategies
- How to interview for the right fit
- Systems thinking
- Conflict management
- Communication skills
- Collaboration
- Decision making models
- Developing accountability and responsibility
- Sales skills for IT professionals
- Developing characteristics of top IT teams
- Leveraging diversity of styles
- Effective facilitation and meetings
- Effective team participation
- Building change-ready teams

## Testimonials

*"This was the most amazing, exciting, and insightful experience I've ever had. I now feel truly empowered to have a positive impact on strategic projects . . . helping to ensure that they are delivered on time, within budget, and of superior quality."*

Jeff Wiss, Principal  
Maccel Group

*"Exceptional! It was timely and insightful and has powerful applications to workforce productivity and effectiveness."*

Helen Drexler  
Values Management  
Program Director  
Anthem Blue Cross / Blue Shield

*"The organization exercise characterized and captured the essence of what really occurs in the workplace . . . I gained great insight into productive and unproductive behaviors, and how to recognize the situations that cause me to step into unproductive behaviors."*

Mike Summers  
Vice President  
Product Development  
McKesson Health Solutions

*"PPP is a highly interactive program that will push you outside of your comfort zone and give you new insights into organizational behavior, systemic dynamics, and their impacts on getting things done in today's workplace. Most importantly, though, it highlights the behavioral pitfalls to which we're all prone and provides tools and techniques for sidestepping those in the future."*

Eryc Eyl  
Independent Consultant

## Other Comments:

*"A 'must have' to reduce risk on strategic project."*

*"From now on, we are going to have some of the most satisfied customers in the industry."*

*I now see how I can produce more and better results with fewer resources."*

## Job Type Comparison: Direct-Hire vs. Term vs. Independent

One of the most important decisions you can make is determining which *type* of job you want. There are advantages to each option you consider. It's essential to choose the option that's best for YOU. Following is a brief description of each type. On the back-side of this page is a comparison of income based on these different job types.

***Direct-Hire Employment*** – This is the most common and familiar situation. You are employed by a company in their IT department. Typically the company provides salary and benefits. The upside is you will not need to seek job opportunities on a regular basis. The downside is you may make less money than a consultant.

***Contract-to-Hire*** – This offers both you as the professional and the potential employer the opportunity to “test the fit” before a employee offer is made/accepted. The contractual arrangements for this option are handled by XTIVIA and the client. The normal term for contract-to-hire without financial penalty to the client is six months. That means that for the first six months of an engagement, you are a consultant to the client. At the end of that six month period, the client has the option of offering you full-time employment.

***Consulting Firm*** – Most firms retain a “bench” of IT professionals who are employees of the consulting firm. The firm then assigns consultants to positions or projects as they become available. On the upside you will have a regular paycheck and some benefits, and will not have to seek your own engagements. On the downside you will likely make less money than if you were independent and have little or no choice of assignments or career path. The firm may not manage the engagement once the placement is made. Also, some people are not comfortable with the rate discrepancy between what the client pays and what the consultant receives, or with the lack of disclosure of this information.

***Independent Consultant*** – More people are choosing to establish themselves as independent consultants. On the upside, you have freedom to control your schedule, clients, projects, career path, work location, and billable rate. You will likely earn a higher hourly rate than other job types. Due to incorporation, you may be able to defer more pre-tax income in a qualified retirement plan and have business expense tax advantages.\* On the downside, in addition to service delivery, **you are also responsible for your sales and all business administration functions.** According to industry statistics, only 60-70% of your time is billable, and the remainder will be spent on marketing, rate and contract negotiations, and billing. You will be responsible for filing estimated income tax payments periodically. Also, self-employment insurance and tax costs will reduce your net pay. **You may be required to carry professional liability insurance (approximately \$3,000/year). You must carry a minimum of \$1M of commercial general liability insurance (approximately \$400/year).** Independent consultants pay employer Social Security, Medicare and unemployment taxes, health care, and other benefits.

\* Consult your tax and financial advisors for specific information.

***XTIVIA Independent Consultant*** – Just like all independent consultants, you have the freedom to control your own schedule and can choose clients, projects, career path, work location, and billable rate. You will need to incorporate and provide commercial general liability insurance. The tax advantages, costs, and responsibilities are the same as noted above for independent consultants. On any engagement, XTIVIA will seek market value for your skills and you will retain 70% of the hourly bill rate. This is based on the industry statistic that only 60-70% of your time is billable when you go direct, and the remainder will be spent on seeking new engagements, negotiating rates and contract terms, and collecting fees. At XTIVIA, we will perform these services for you. We have a vast network of clients and we will do the “lead generation” for you. **We will also provide negotiation, client billing services, and professional liability coverage.** The net result of working with XTIVIA is your business administration functions will decrease while your billable time can increase.

***XTIVIA Term Employee*** – This job type is similar to that of a XTIVIA independent consultant; however, each time XTIVIA places you on a consulting engagement, you become a temporary employee of XTIVIA for the length of that contract. The upside is that you do not need to incorporate. In addition to covering you on our professional liability insurance policy, we will provide your commercial general liability insurance. XTIVIA will also withhold and remit your income taxes, pay your employer FICA taxes, and issue a W-2 for your tax returns. You will receive all the same services we provide to XTIVIA independent consultants, however, due to the additional taxes and withholding XTIVIA provides, you will earn a lower hourly rate than a XTIVIA independent consultant (60% versus 70%).

# Annualized Compensation Comparison\*

## Independent vs. Bench vs. XTIVIA Independent vs. XTIVIA Term

	Independent Direct to Client	Consulting Firm "Bench" Employee "Bench"	XTIVIA Independent	XTIVIA Term Employee
<b>Average Programmer</b>				
<b>Client Rate/Hr: \$65</b>				
<b>Consulting Hrs/Mo: 160</b>				
Consultant Rate/Hr	\$65	N/A	\$46	\$39
Taxable income	\$80,560	\$43,200	\$80,560	\$68,080
<b>Annual Gross Pay</b>	<b>\$87,360</b>	<b>\$50,000</b>	<b>\$87,360</b>	<b>\$74,880</b>
<b>Employee Taxes</b>				
Social Security	\$4,241	\$3,100	\$4,241	\$4,241
Medicare	\$1,267	\$725	\$1,267	\$1,086
Fed Income Tax	\$19,836	\$8,801	\$19,836	\$15,967
State Income Tax	\$4,028	\$2,158	\$4,028	\$3,404
<b>Employer Taxes</b>				
Social Security	\$4,241	Paid By Employer	\$4,241	Paid By XTIVIA
Medicare	\$1,267	Paid By Employer	\$1,267	Paid By XTIVIA
<b>Insurance</b>				
General Liability	\$400	Paid By Employer	\$400	Paid By XTIVIA
Prof Liability	\$3,000	Paid By Employer	Paid By XTIVIA	Paid By XTIVIA
<b>Net Pay</b>	<b>\$52,114</b>	<b>\$35,942</b>	<b>\$54,614</b>	<b>\$51,268</b>
<b>Average Project Mgr.</b>				
<b>Client Rate/Hr: \$100</b>				
<b>Consulting Hrs/Mo: 160</b>				
Consultant Rate/Hr	\$100	N/A	\$70	\$60
Taxable income	\$127,600	\$89,200	\$127,600	\$108,400
<b>Annual Gross Pay</b>	<b>\$134,400</b>	<b>\$96,000</b>	<b>\$134,400</b>	<b>\$115,200</b>
<b>Employee Taxes</b>				
Social Security	\$4,241	\$4,241	\$4,241	\$4,241
Medicare	\$1,949	\$1,392	\$1,949	\$1,670
Fed Income Tax	\$34,394	\$22,515	\$34,394	\$28,467
State Income Tax	\$6,380	\$4,460	\$6,380	\$5,420
<b>Employer Taxes</b>				
Social Security	\$4,241	Paid By Employer	\$4,241	Paid By XTIVIA
Medicare	\$1,949	Paid By Employer	\$1,949	Paid By XTIVIA
<b>Insurance</b>				
General Liability	\$400	Paid By Employer	\$400	Paid By XTIVIA
Prof Liability	\$3,000	Paid By Employer	Paid By XTIVIA	Paid By XTIVIA
<b>Net Pay</b>	<b>\$81,745</b>	<b>\$64,785</b>	<b>\$84,745</b>	<b>\$77,073</b>

\* This document has been prepared for conceptual illustration purposes only. Compensation for "Independent: Direct to Client" consultants assumes that of the total hours worked per month, 30% of the hours worked will be spent on non-billable tasks, including marketing, sales, negotiations, legal consultations, billing, and collections. Federal income taxes were estimated for single individuals with no dependents. State income taxes were estimated based on 1998 rates in the state of Colorado. Insurance premiums were estimated based on information provided by an independent insurance agent. Actual compensation, taxes, and insurance premiums may vary.

# Frequently Asked Questions

## ***How is XTIVIA different from a consulting firm, placement firm, or headhunter?***

The most significant differences are that XTIVIA:

- does not maintain a “bench” because we believe it’s not in yours or the client’s best interest
- represents both clients and individuals equally and objectively, without bias toward either party
- provides marketing, negotiation, and fee collection services so your billable time can be increased
- invests time to understand your professional goals, job preferences, and skills in advance to ensure you and a company are the best possible match for each other
- remains involved after each match to ensure it is successful throughout the course of the engagement
- gives you control of decisions, such as where your resume is sent, with whom to interview, and final acceptance of a position
- discloses all rates upfront (yours, the client’s, and XTIVIA’s)
- offers different job types: direct-hire, independent, term consulting, and contract-to-hire
- focuses on retention and long-term solutions, not just immediate placement

## ***What is XTIVIA’s recruiting process?***

After we have met with you to find out about your skills, salary or rate requirements, desired geographic area, and what you are really looking for in your next position, we’ll share with you any current opportunities we have that might interest you. We will never send your resume to any client without first discussing the opportunity with you and getting your approval. Since our requirements change constantly, we will contact you as new positions arise that may fit your interests. We will also contact you with interview feedback and regular status reports on rate and contract negotiations. Once you accept a consulting engagement, we will remain in contact with you and the client throughout the course of the engagement. You are also welcome to check in with us from time to time. Please notify us if you: accept a position, update your skills or education, or change your mind about the type of opportunities you want most so we know how best to help you.

## ***What if I have already submitted my resume to a company where XTIVIA also wants to submit my resume?***

Not a problem, just let us know you’ve already been submitted there. In most cases, XTIVIA will not submit you if you are already there. This will protect you from being “double submitted,” which could jeopardize your chance to interview with a firm and most likely would result in your resume being eliminated.

## ***Am I under any restrictions or obligations if I work with XTIVIA?***

Absolutely not. In fact, our business model is specifically designed so that you retain control over your career decisions. However, to help maintain professional integrity, we do ask that you keep information regarding opportunities, clients, and their business environments confidential.

## ***Will I receive feedback from XTIVIA or the client after I have an interview?***

After your interview, you will receive the client’s feedback from XTIVIA. We will also ask for your feedback on the interview and whether or not you’d like to proceed. Although we try to provide feedback as soon after your interview as possible, we ask for your patience as we do not immediately receive information from the client.

### ***Who negotiates my salary/rate and who pays the fee?***

All fees are client paid for both direct-hire and consulting opportunities. After we have established your salary/rate requirements, XTIVIA will negotiate for you. XTIVIA's unique business model allows us to act as an objective third party negotiator, which assures a win-win outcome for both you and the client. In addition, you will always have the freedom to accept or decline an offer.

### ***What is the split on a consulting engagement?***

Unlike most other firms, XTIVIA will always disclose what the client is paying and what you will be paid. The specific split of the hourly rate depends on whether you are a XTIVIA independent consultant or a term employee.

- **XTIVIA independent consultants**: You receive 70% of the hourly rate paid by the client. For the remaining 30%, XTIVIA provides marketing, contract negotiation, billing, and account management services, plus professional liability insurance. Of course, that fee also helps to cover our on-going operating expenses. As with any viable business, we strive to make a reasonable profit (and remain in business next year to help you again!). The consultant's company is responsible for paying all taxes, including federal and state income; employee and employer social security and Medicare; and federal and state unemployment taxes.
- **XTIVIA term employees**: You receive 60% of the hourly rate paid by the client. Thirty percent is used to cover the same services provided to independent consultants. The additional 10% is used to pay for payroll processing, employer social security and Medicare taxes, workers' compensation, and commercial general liability and professional liability insurance.

### ***How and when do I get paid?***

- **XTIVIA independent consultants** must submit an invoice to XTIVIA for pay periods 1st - 15th and the 16th - end of the month. The consultant will need to enter their time and any travel expenses into the Replicon time keeping system. The time sheet will be generated from the Replicon system after time has been entered. No later than 30 days after XTIVIA's receipt of invoice, XTIVIA will pay you for services performed and reimbursable expenses that are approved by XTIVIA and the client.
- **XTIVIA term employees** will be paid twice monthly. Checks will be mailed or direct deposited on the 15th and the 30th/31st of each month. XTIVIA pays term employees on a two-week delay (i.e.: the check on the 15th is for hours worked 16th - end of the month.) Term employees will need to enter their time weekly into the Replicon time keeping system. The time reports will be generated from the Replicon system (after time has been entered) to process payroll.

### ***What is XTIVIA's contract-to-hire policy?***

Contract-to-hire is an employment agreement established in advance where a client agrees to contract a consultant, usually for a six-month period, with the option of extending a full-time employee offer at the end of the engagement. In this situation, both parties can "test drive" the other to see if the fit is right before full-time commitment is made.

### ***What if I want to become a full-time employee where I am currently a consultant?***

If you are on a consulting engagement and the company approaches you about a full-time employee position with them, please let us know. Because there are consulting contracts already in place, XTIVIA will need to facilitate this process. If you are interested in a full-time employee position with a different company, we expect you to fulfill your obligations through the end of your contract before accepting any other offer.

***What is XTIVIA's review process after I get the job/contract?***

Two to three weeks after you begin your job/contract, we will ask how you like the position; what your expectations, functions, and deliverables are; what potential obstacles you see; and if you have any issues or concerns. We will also meet with your manager separately to get his/her expectations and perspective on how you are doing. We will facilitate the exchange of this information to ensure both you and the client are satisfied with the choices you've made.

***What should I do if I acquire new skills?***

Please call us or send us an e-mail with your updated resume and a brief summary of the new skills or education you've acquired, your skill level (beginner, intermediate, advanced), and if you would like to pursue opportunities in this area. This information will help ensure we don't pass you by for an opportunity you may qualify for.

***What should I do if I hear of an opening at the location where XTIVIA has placed me, especially if I have a friend who is a fit?***

By all means, please let us know. We may already know about the opening, but we appreciate the information. Our business is based on referrals and we want to partner with you to ensure you, your friend and our client succeed.

***What should I do if I am a consultant in a position to hire additional people?***

Please call the client advisor at XTIVIA who is responsible for the account. They will meet with you and the client to understand the role XTIVIA should play in staffing the positions.

***If I'm a consultant, what happens when my contract is up?***

Approximately six weeks before your contract is up, we will talk with you about what you would like to do next. We will examine the possibility of a contract extension and/or start looking for new opportunities.

***Can I end my contract early?***

Please let us know as soon as possible that you are considering ending your contract and the reasons for doing so. We may be able to solve any problems that are causing you dissatisfaction. It also allows us to resolve any conflict of interest with those affected by your departure, including negotiating your departure terms with the client so that you and the client can end the contract as professionally as you began. If you must end your contract early, we will need a 14-day written notice. We strongly discourage this, to protect both your interests and the client's. You have contractual obligations to fulfill your commitments to XTIVIA and to the client. By ending your contract early, you risk affecting your reputation as being a reliable, trustworthy, and professional consultant.

***What happens if the client is not happy with my work, or if I am not happy with my assignment?***

If either you or the client is not happy with the current situation, we will meet with both you and the client to identify the issues. XTIVIA does not consider communication difficulties, personality differences, or minor conflicts as valid reasons for terminating a contract, but rather as reality of most work environments. We believe professional, open, and honest communication is a necessity to resolve any

such difficulties and that such events are tremendous opportunities for professional growth. We will seek a mutually agreeable solution and a plan for implementation. We expect all parties to fulfill their contractual obligation until all agree to do otherwise.

***What training opportunities are available?***

XTIVIA offers several training sessions throughout the year on a variety of topics and we negotiate scholarships with a variety of vendors. If you are interested in a particular topic, please let us know.

***Does XTIVIA have a referral program?***

Yes. We value your opinions and feedback on our performance. If you are happy with our services, we hope you will pass our name along to others. These referrals are a way for us to help others and to ensure the viability of XTIVIA. We want to be here as a valued partner when you need help in the future. We are constantly evaluating and updating our referral program. Call us for details.

***What determines your margin?***

Our margin is designed to cover our daily operational expenses, as well as the time invested in the ongoing development of opportunities. XTIVIA has invested a great deal into our professional staff and office infrastructure to ensure the marketing, billing, payroll, invoicing, insurance, tax, and legal services offered are the best possible. We are continually networking to develop more opportunities on your behalf that can take years to cultivate.