COACHING SUCCESS GUIDE

Breakthrough tips from the Millionaires' Coach

How to achieve $500K Income!

ADVANTEX PUBLISHING HOUSE

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Contents

Introduction to the First Edition

This book is the result of thirty years of personal coaching experience, half of which has been spent as a coacher's coach. Also, as the Founder and Managing Director of several multimillion dollar companies, I have been able to glean information about the do's and don'ts of the coaching profession which has never before been divulged – not even in my previously published ten books about the advice business.

Statistics indicate that at least 80% of entry-level coaches fail within the first 12 months, and 80% of the rest fail within the following 12 months. They also point up the fact that 40% of those coaches who have been practicing "successfully" for a number of years earn an average of $85,000 a year.

The newcomers are not failing for lack of expertise in their respective fields. Indeed, most are experts at what they do. They fail because of lack of knowledge of the BUSINESS of coaching. Coaching is a profession, yes, but it is also a business; and those hapless coaches who refuse to face this fact – either because of snobbishness or ignorance – are doomed to join the 50% of failures.

Medicine, dentistry, and law are professions and the business end of those professions are never taught in those graduate schools; but these professionals soon learn that they must know how to promote their practices to get clients and patients as well as how to set appropriate fees and how to control their expenditures to gain their financial independence i.e. succeed.

The old coaching pros that do not exceed their annual revenues of $85,000 have not honed their business practices nor learned the most modern strategies for financial success. But, here is a little-known statistic: 10% of all truly successful independent coaches, on average, have annual revenues of $500,000!

This book may help to achieve an income of $300,000 in the first year, there-by joining that small group of 10% that do. ***How is this guarantee possible?*** Because it contains all of the business expertise of that elite 10% as well as all of the pitfalls of the other coaches who have either smashed into a financial "wall" or who have failed altogether.

In short, following the tenets and avoiding the mistakes exemplified in this book will give you a floor of even $500,000 per year and a ceiling that is limitless. It is a well-known fact that the "Big Six" coaching firms garner combined annual revenue of thirty billion dollars a year worldwide. But it is a little-known fact that the independent coaches of the world, working completely alone or with very small staffs of one to three people, garner an equal combined revenue. Yes: thirty billion dollars a year!

Business coaching is the most burgeoning, flourishing profession in the world, but only for those who know how to do it. As they say about anything, *"It's simple once you know how."* You are about to learn how. But SIMPLE is not EASY.

The first requisite is commitment to your business.

One of the reasons that so many drops out within the first twelve months is the same one that causes our divorce rate to rise exponentially each year: LACK OF COMMITMENT. Those who take their marital vows with the attitude that, if it doesn't work out, they can always divorce, and usually do divorce. Similarly, those entry-level coaches who think that, if it doesn't work out, they can always go back to writing for someone else will always fail. It takes total commitment. That is why doctors, dentists and lawyers never drop out. They have total commitment to their practices by reason of the fact they have spent to many expensive additional years in school. That investment, they believe, must pay off, and they do everything in their power to make it pay off.

One final word about the precepts set forth here being simple but not easy. All aspects of the coaching profession can be compared to ribs in a wheel. Remove any rib, and the wheel collapses. For, you may, by dint of your overwhelming personality and adherence to proven market strategies meet innumerable prospective clients at the outset, but if you don't know how to conduct yourself in a professional manner at the exploratory first meeting, you will fail.

If you meet these first two requirements but don't know how to write a winning proposal, you will fail. If you succeed at these three endeavours, but don't know how to set your fees equal to your worth and at the same time acceptable to the client, you will not get the assignment. If you have passed these four hurdles and enter into a contract that puts you at risk, you will fail.

Finally, if you are an expert at all of the foregoing, but do not understand the ethics of our profession in today's litigious society, you will fail.

So, EVERYTHING put forth in this book is important, not just those things you find enjoyable or about which you feel competent. As your dentist admonishes, *"If you don't like to floss, then just floss those teeth you want to keep."*

Chapter 1: The Coaching Profession: An Overview

Change:

Until one is committed, there is always hesitancy, the chance to draw back, always ineffectiveness. Concerning all acts of initiative (and creation) there exists one elementary truth, the ignorance of which kills countless ideas and splendid plans: That the moment one definitely commits oneself, then Providence moves too.

All sorts of things occur to help one that would never otherwise have occurred. A whole stream of events issue from the decision, raising in one's favour all manner of unforeseen incidents and meetings and material assistance, which no man could have dreamt would come his way. I have learned a deep respect for one of the Goethe's couplets: "Whatever you can do or dream you can, begin it. Boldness has genius, power, and magic in it."

- Michael Yacoub

We coaches do not need extra schooling in the form of graduate work. We don't even need a license. Anyone can print a calling card that says *"Coach." (Unfortunately too many non-coaches do, but we shall deal with that later.)* This is both a blessing – and a curse. It is a blessing because it makes coaching so easy to get into. The start-up costs are minimal. And you can get started right away – no need to train for a certification or degree.

It is a curse because the ease of entry also results in an ease of exit. Because it is so easy to hang out a shingle and call yourself a coach, thousands of people do it – and then, when they discover that there is hard work involved, abandon it at the first difficulty and go back to their safe, easy 9-5 job. This is definitely not the road to coaching success.

A doctor is committed to succeed in his medical practice. With the many years of training (undergraduate, medical school, residency) and hundreds of thousands of dollars he has paid in tuition, failure is not an option.

"You must utterly be committed to your coaching practice and profession."

The trouble with most people who decide to "try" being independent coaches is just that – they are merely "trying" it, but are not committed to success. Their only investment is some business cards and letterhead, and so they are not committed to the same degree that the M.D. is. But to succeed in coaching you must be.

That is the ultimate secret of coaching success: You must be utterly committed to your coaching practice and profession. If you treat it as a hobby or an avocation, you will never reach the $500,000 a year mark or even come close. So you must psyche yourself by make believing that you did spend as much time and money as any doctor, dentist or lawyer to attain coaching status. You must consider this a do or-die endeavour: Tell yourself "*you cannot fail or give up",* because you have no fall-back position – no plan B. You must make this a solemn vow to yourself; this alone will immeasurably enhance your chance for success.

"Tell yourself you cannot fail or give up because you have no fall-back position."

Another imperative psyching mechanism is the conquering of any and all fears. Fear of failure, fear of the prospective client, fear of getting an assignment that you cannot accomplish, fear of not being paid for your work etc. All of these must be abolished from your mind set.

None of the above will happen if you know that you are an expert at what you do, if you do not regard the client the way you used to regard your boss (he has the power and the money and you don't) and if you know in your heart that you are a true professional expert.

For in fact, the client is not your boss. At the very least you are his peer. He has the problem that cannot be solved by himself or his staff. He alone has a project which he or his organisation cannot handle without an outside expert. You on the other hand, have no problems and no projects, which cannot be handled. He or she is in trouble and you are not.

If he is your first client, try not to be nervous. He doesn't know that. You are the doctor, he is the patient. What doctor ever said to a patient, *"This is the very first time I will have ever performed this procedure?"* There is no need to tell, so don't. Clients invariably pay coaches promptly for work accomplished. You are a true expert in your field, or you would not have embarked on this career.

Perhaps you do not feel like a **PROFESSIONAL COACH** yet, that is understandable, because it is true:

A professional coach is one who has sold his or her expertise in blocks of time for a fee and has been paid by the client.

If you are brand new this has not yet happened to you, but know that in the beginning, neither does any other kind of professional before he treats his first patient or handles a legal matter for his first client. All professionals experience this initial stage fright.

"When you make a speech or presentation stick to three main points; make the most important point last, the second-most important point first."

If you have ever had surgery, think about this: someone hired your surgeon to perform his very first operation. If a novice surgeon can get patients (clients) to hire him, so can a novice coach. And they do, all the time.

So you must psyche yourself into a professional attitude. How? First by changing your vocabulary. Never use the word ***"customer"***, substitute for ***"client."*** Eliminate the word ***"price"*** from your vocabulary; it's a ***"fee."*** Plumbers, electricians and other trades people get jobs; we get assignments. You are never ***"hired"***; you are ***retained.*** Use professional language at all times.

Here is another example of wrong psychology practiced by many hapless coaches. They invariably solicit an assignment by providing the prospective client with a resume or curriculum vitae. They cannot get it out of their heads that they are no longer seeking employment. True professionals just don't do this. Any client requesting it is exhibiting a lack of respect for your professionalism. He wouldn't request a resume from his doctor, dentist or lawyer. References, yes, but a resume is out of the question.

Develop an attitude of success. This is not done by image, flash or any other accoutrements like fancy cars, offices, or clothes, nor is it done by brashness or arrogance. It is accomplished by developing a mean that bespeaks the truth about you.

The truth is that you are now living the golden life by being your own boss, by paying your own salary, by keeping your own hours and by the fact that you have complete freedom of choice. You may accept an assignment or reject it. You may charge whatever fee you think yourself worthy of.

You may come and go as you please, wherever and whenever you please. No one can ever fire you! Psyche yourself along all of these lines daily, hourly and every waking moment. You must do this to gain self-confidence. Later, your self-confidence will come automatically from the excellent results that you have achieved for your clients. Self-confidence is not an elective when it comes to consulting success, why? Because prospective clients (as well as everyone else) can smell self-confidence; they can also smell fear. And everyone loves a winner.

"The truth is that you are now living the golden life by being your own boss, by paying your own salary, by keeping your own hours and by the fact that you have complete freedom of choice."

Chapter 2: What does a Coach do?

An effective coach sets out to improve his clients' existing skills, competence and performance, and to enhance their personal effectiveness or business development or long term growth."

Executive Coaching is a one-to-one process focused on helping and facilitative relationship between a coach and an executive (or manager) that enables the executive (or manager) to achieve personal-, job- or organizational-related goals with an intention to improve organizational performance.

Business Coaching is a collaborative process that helps businesses, owner/managers and employees achieve their personal and business related goals to ensure long-term success.

Life Coaching is a helping and facilitative process – usually within a one-to-one relationship between a coach and a coachee which brings about an enhancement in the quality of life and personal growth of the coachee, and possibly a life-changing experience.

Throughout this manual, you will find that in almost every case, it is the perception of the client in all matters that is a paramount importance (the few exceptions will be noted. Understanding the client's perceptions and psychology is one of the most important keys to your success. Once understood, placing yourself in his or her shoes will help you immeasurably in getting assignments and obtaining the highest fees possible.

First it is necessary to understand the great wall of resistance that exists in the client's mind towards our profession in general. Some would rather have a dentist drilling than admit that they need outside help with a problem or project. Clients are often reluctant to expose their internal affairs to a stranger, who may or may not exercise professional confidentiality. They are afraid of being ripped off – of paying a goodly fee to someone who may, in fact, not be an expert at all but a charlatan who might bill them and actually hurt them and their organisation in the process.

After all, many doctors do accidentally kill and many lawyers are unscrupulous. And we mentioned in chapter one the many non-professionals who print cards purport themselves to be coaches. So if you put yourself in their places, on the other side of the desk, you can understand their reticence as far as coaches are concerned.

Once you understand this, your job becomes much easier. Simply present a written copy of your professional code of ethics to dispel most of the clients' fears (which will be discussed in detail further on in this program). Verbalise their fears in an understanding manner. Let them know that they are not one and that you empathise with these fears. Don't take it personally, don't fight them, argue with them, become defensive, or try to educate them. Their perceptions are real to THEM. As we hear as often as today: ***"Reality is nothing; perception is everything."***

In the old days there was an iron-clad rule for succeeding in any business; it was

"The client is always right!"

With few exceptions, you must take the attitude that the client is always right. This is not as difficult as it sounds when you put yourself in his shoes. Even when they are wrong, they are right. And they are wrong most of the time.

As will be explained in detail later, they are wrong when they try to retain the coach with the lowest fee. They are wrong concerning the ethics of our profession (about which they know nothing). They are wrong in their expectations of what will or will not appear in a proposal or contract. And so on.

Here is the perfect example of a wrong perception of clients:
We live in a society of specialists. Clients, patients, and customers demand specialists, not generalists. No patient would dream of being treated for a heart condition by his or her family general practitioner. No person contemplating divorce would appear in any law office but that of a divorce lawyer.

"Be an expert in finding new and innovative markets that have never before been explored!"

So if you are a marketing coach, you know that you can market anything well – be it furniture, professional practices, paper towels, or whatever. You are an expert in finding new and innovative markets that have never before been explored, whatever the industry. But the client, in his ignorance, is not comfortable with this. If you tell the client who manufactures furniture, for example, that you have successfully assisted the big three auto makers in Detroit (complete with references), he or she will ask, *"Yes, but what do you know about furniture?"* This is utter nonsense. As an expert, you can assist him immeasurably with his marketing problems. But he doesn't see this, and no amount of explanation or education will make him see it.

So you must go along with the client's perception by *"creating"* several divisions of your one-personal coaching in advance. It merely requires you printing several sets of calling cards (for a few dollars) and calling on this client with your credentials as head of the furniture industry marketing division. You will then be greeted with open arms. Now you are speaking his language. The language of marketing, of course, it's the same for any industry, but he will be more comfortable when you specify *"furniture marketing"* on the business card and brochure you give him.

Consequently, you will have a healthcare division, computer division, a heavy machinery division etc.

Are you lying or cheating? Not at all. You are doing the client a favour, because you know that you can be of immeasurably service to him, but this is the only way that he can take advantage of it. About 30 years ago, the "Big Six" (that were then the "Big Eight"), realising they could no longer present themselves as coaching firms that could solve any problem in any field, divided their organisations into many divisions. Their business increased accordingly. About that same time, department stores, too, unable to satisfy the public's preference for specialty shops, displayed their wares in "boutique" style settings and increased their sales volume.

It is the perception of the clients that will shape your coaching firm. You may decide in advance that although you are an expert in all areas of the computer industry, you wish to specialise in COBOL. But there is insufficient call for this today. What they want are expert programmers in Visual Basic or XML. So it may be Visual Basic programming that you will have to do until COBOL comes back in style again, if it ever does. Or, the demand may be for something else altogether at which you are proficient, such as network administration or e-commerce.

"Life is what happens
while we are making other plans!"

The most successful coaches will tell you, in hindsight, that it was the market itself that made them "back into" what they are doing today so profitably. Just go with the flow. The life is just as golden. It is wisely said that life is what happens while we are making other plans. The trick is to recognise any opportunities in these happenings and take full advantage of them.

> ***For example,*** *J.L. is a department-store coach. He is an expert in all phases of retailing: sales, unit control, advertising, management, customer relations, security, etc.*
> *J.L. complains that all of his assignments these days involve the prevention of theft – both shoplifting and employee theft. He feels that his other skills are slipping away from him. He does not realise that, for now, the pendulum of his clients, needs has swung far over and that this will eventual pass. As some time in the future, his other skills will come into play. Meantime, he must learn to enjoy his excellent revenue as well as the praise from his satisfied clients. It is the clients and their perceptions of their needs that shape our careers. We can never, ever change their perceptions.*

Often, a coach will invent an innovative type of excellent service never before offered. He or she knows for sure that everyone will need this service. He has the *"Eureka!"* feeling about it. But trying to educate the public about something totally new is the riskiest thing of all. The educational process is too time-consuming and costly.

Venture capitalists would turn down the greatest new invention in favour of a new haemorrhoid suppository that does the job at one-half the price of Preparation-H. Why? Because everyone knows what this product will do and there is no exorbitant cost of educating the public. At the risk of redundancy, you cannot change the client's perception, however misguided, of what he thinks he needs. Instead, you must present your services in a manner that matches his preconceived notion of what he wants. As Tom Peters has sad, ***"People never argue with their own data."***

Chapter 3: Establishing Your Credibility

Attaining an air of professionalism and behaving with self-confidence alone will not make you credible to the fearful client. **You must have credibility.**

> **“To be perceived as a professional, you must have credentials!”**

To be perceived as a professional, you must have credentials. Furthermore, your accreditation must be unique to either consulting or to your consulting specialty. (The root of all these words comes from the Latin verb <u>credere</u>, which means *“to believe.”*) You must be believable in the eyes of the client. College and postgraduate degrees will not cut it. The client is not interested in what you learned *“way back when”* in school; he or she is only concerned with what you know now.

Your accreditation should also be unique in order to put you ahead of your competition. Thousands of coaches appear on the scene each year, so that won’t help, because it doesn’t position you at the top of your profession and just makes you one of the crowd.

Choosing a name for your Coaching Business:

Part of establishing credibility begins with the name you choose for your coaching business. There are several choices:

- Your name
- Your name in a company name
- A made-up company name

Using your own name gives an impression of a smaller firm, but one that provides personalised service and attention. If your name is well known to a certain audience, using it as your business name takes advantage of this established credibility. If you use a made-up company name, your audience may not realise it’s you doing the consulting. You can always start by using your own name and change it later, or you can do business under your name and then start other companies or divisions using a variety of other names.

Think about your audience and your product. **For example**, if you are a well-known motivational speaker named Ron Jones, it makes sense to have *“Ron Jones”* in large type on your promotional brochure and letterhead.

> **“The name you choose depends on the market and type of business.”**

Other products and services require a more official-sounding name **for example:** one of my clients, Norm, owns several banks. You wouldn’t hesitate to open an account at his Sterns National Community Bank. If he had instead named it Norm’s Bank, he probably would not have many customers. Obviously, the name you choose depends on the market and type of business.

When I went into corporate training, I saw that training directors wanted to deal with a company, not an individual. So I started doing business under the name (which I still use), *The Centre for Technical Communication*. Who would you turn to for expertise in technical writing – Bob Bly or *The Centre for Technical Communication?*

If you are using an official-sounding name to create a certain image, you can enhance that image by using a logo, you appear bigger than you really are. Any advertising agency or graphic design studio can design a logo for you. Cost varies widely. NBC reportedly paid a million dollars for their redesigned logo. A local graphic artist should be able to create a simple logo for your business for between $100 and $600.

When you use a company name, you must register it with your local municipality. Contact the county clerk or an official in a similar position. Ask what is required to register a business. The clerk can usually send you all the necessary forms. You may have to buy a **“DBA”** (Certificate of “doing business as”), which shows that you are doing business under the name you have selected. DBA forms are available from office supply stores. Submit three completed DBA forms for approval. Once it’s approved, you keep one form, the local government keeps one on file and you give one to your local bank when you open a business account.

Degrees, diplomas and certifications:

Throughout this book you will consistently find comparisons between coaching and the other professions (law, medicine, dentistry). But sometimes there are disparities. One of those disparities involves the way coaches establish credibility. Whenever you visit your doctor, lawyer or dentist, you will invariably find his or her diplomas in full view in their waiting rooms and/or consultation offices. They are impressive, but those diplomas will not impress your clients. Why? First of all, because clients rarely if ever, come to your office. You almost always do business with them in theirs and nobody carries copies of their degrees around with them. Secondly, as stated above, degrees do not place you as number one in your field.

No, your credentials must be exhibited on your calling cards and stationery. And they should bespeak your expertise at the very top of your field. **What are good credentials for the coach?**

Well, being a member in good standing in one of the many professional coaching associations is a start. Being a charter member is even better. But becoming a Certified Professional Coach (CPC) is arguably the best.
Accountants are no more proficient for having passed their CPA examinations than they were up to the time they did. But the moment that they do, their clients are willing to pay the double fee.

A word about professional coaching associations; membership in any reputable association will give you a certain amount of status; status adds to your credibility. There are approximately 45 of them in the United States alone. They are listed in the *Encyclopaedia of Associations*, which you will find in the reference section of your public or university library. With the exception of the **Advantex Coaching Academy (ACL)**, each of the others deals with one particular field of expertise – management, healthcare, computers, etc. (The consulting profession currently encompasses 279 field of expertise.)

When these associations exercise their mandates – and most of them do – they keep their members on the cutting edge of the particular field of expertise they represent. Many offer some forms of accreditation, after members meet certain requisites. None except **Advantex International**, however, teaches the business aspects of coaching, which this book now covers in their entirety. The **Advantex Coaching Academy** was founded in 1980/1983 with mandate to teach these business practices and up-to-date strategies to members in all fields of expertise.

ACL is the only interdisciplinary, worldwide association of professional coaches extant. All of its teaching and published findings transcend every field, and are vital to coaches of every stripe. Virtually no college or university offers a degree in coaching. At best, some of the finer post-graduate schools of business offer a few courses in coaching. **Advantex International,** however, offers the highest accreditation available: the **CPC (Certified Professional Coach)** diploma. This can be achieved via several methods of study.

> **"Membership in any reputable association will give you a certain amount of status; status adds to your credibility."**

Acquiring accreditation, with appropriate initials after your name, is one of the biggest boosts to your self-confidence as well as the prospective client's confidence in you. Also join one or more associations in our industry or specialty. For instance, I handle a lot of clients in the chemical industry, so I am a member of the *American Institute of Chemical Engineers* (AICHE). If you cannot join such organisations as a full member because you lack credentials (I could join AICHE because I have a degree in chemical engineering), then many will allow you to join as an associate or *"vendor"* member.

Other impressive credentials include published articles in the media and professional journals, a high profile in the industry and the authorship and publication of one or a number of books on your subject.
Let's take a look at each in more detail.

Writing Articles:

Writing articles for publication is the quickest and easiest way, and usually the first step, in building your reputation. Although your objective is to promote yourself, your firm, or your product service, you should not write an article that is a blatant self-promotion. Editors will usually not publish such articles, and if one should get published, readers will not want to read it.

Readers read articles to learn how to run their businesses more profitably or do their jobs better. That's what your article must tell them. The article should be pure information, advice, how-to, strategy, or ideas – useful and immediately actionable, or else conceptual and thought provoking.

Some coaches ask me; *"My information is basically just a repackaging of known information in my field? Won't editors reject it because it's not new?"*
No. People read articles for reinforcement more than anything else. If your article tells them something they already know and believe, they'll think, *"Hey, I agree with this author a hundred per cent. He really knows his stuff!"* This is exactly what you want. If you actually present one or two new ideas in your article, that's a bonus. But it's not necessary. Do not feel pressure to invent something new when writing an article for publication.

Remember, "guru-ship" can wholly be achieved just by repackaging and clearly presenting existing information, without creating a brand new idea or concept.

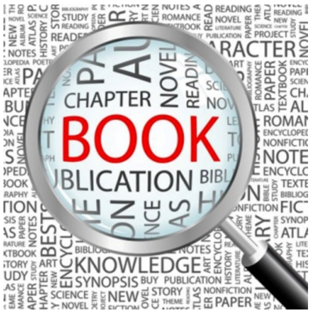
The "advertisement" for you, your company, or your product or your service in the article is your by-line and the brief bio of you that runs with the piece. The bio should give your name, company, a brief description of your product or service, and a way for the reader to contact you, typically your Website or email address.

Refer to Chapter

Get in the habit of skimming a lot of industry publications rather than reading only a few.
Clip articles of interest and mail them to clients with a short note: "FYI – though this might interest you.

Writing a Book:

I tell virtually every self-employed coach, as well as many small business owners, who ask me for advice on how to promote themselves to define their niche specialty, write a book about it, and get it published. While I have done every strategy outlined in this manual, nothing has been as helpful as establishing my own career and generating a steady flow of business than the many books I have written on my specialties of direct marketing, business communication, and more recently, Internet marketing.



Here are just a few of the ways you can benefit from writing your own book and having it published:

- In writing a book on a subject, you are forced to do additional research to flesh out gaps in your knowledge. Your knowledge therefore increases, making you a better authority to your clients.

- Writing a book also requires you to organize your material in logical sequence. Doing so increases clarity of presentation in all your communications, including individual coaching with your clients.

- A book can serve as the basis for a profitable seminar or workshop. The chapters of the book become modules of the seminar.

- Potential clients reading your book will call you to inquire about the services you offer, and will be predisposed to hire you.

- Associations will ask you to speak at their conferences for handsome fees if you are the author of a book that interests their members.

- Listing yourself as the author of a book is an impressive credential on your website, brochure, and other marketing materials. It increases your status.

- You can give copies of your book to potential clients to familiarize them with your methodology and convince them that you are an expert in your field.

- You may be called upon to serve as an expert witness on your topic in court cases, at a handsome day rate.

- Editors will ask you to contribute articles to their publications.

- The media will want to interview you as an expert in your field. This can lead to appearances as a guest on radio and TV shows.

Whenever I want to establish credibility in a new niche market, one of the first things I do is secure a contract to write a book about it. ***For instance,*** when Internet marketing was becoming popular, I worried that my lack of experience in this new field could harm my freelance copywriting business over the long run – especially if the rise in Internet marketing caused traditional marketing to decline.

One of my coaching specialities is writing direct mail packages. A few clients began asking me to write Internet direct mail: Email marketing campaigns. I liked this niche segment of Internet marketing for several reasons. Internet direct mail was similar in many ways to print direct mail, something I knew well and it has less competition than website development, which was already overcrowded. I immediately wrote a proposal for a book on Internet direct mail and sent it to one of my publishers, *NTC Business Books*, who gave me a contract to write the book.

During the next six months, I wrote email marketing campaigns for clients. I read everything I could get my hands on about email marketing. I also interviewed numerous email marketing experts and users about what was working for them to research the book. And of course, I wrote the book.

The result? I gained enormous expertise in email marketing. I now knew how to do it and was doing it, at nice fees, for both new and existing clients.

The interviews I had done, which I would not have gotten had I not been writing the book, showed me techniques that increased the effectiveness of my email campaigns. And when the book was published, it cemented my reputation as a leading copywriter in the email marketing field. Many factors contributed, but the book was certainly the catalyst and driving force that gained me early entry into this new niche market.

"A book can serve as the basis for a profitable seminar or workshop."

Creating information products:

As a coach, you can enhance your reputation as an expert in your field by producing, and either selling or giving away, "information products."

"Information products" are printed, recorded, or electronic files containing prewritten information sold at a per unit price. Information products is a broad term referring to everything from pamphlets, special reports, books, audiocassettes, and videos, to CD-ROMs, software, computer-based training, newsletters, and fax advisory services.

Information products present in-depth data, information, or discussion on a topic related to the speaker or seminar leader's area of expertise.

One coach specialising in ISO compliance, ***for example***, offers as an information product a "boilerplate" quality manual on a disk. The boilerplate can easily be customised to a client's operation, eliminating the time and effort of writing the quality manual entirely from scratch.

There are two major benefits to producing and selling information products.
First, achieving and maintaining your status as a leading expert in your field depends on a steady flow of new thought on your subject. Creating and distributing information products contributes to this flow.
Second, selling your information products can bring in significant incremental revenue. This revenue is *"passive income,"* meaning it earns you money independent of hourly billing. You can run an ad in a magazine selling your $99 audiocassette album, and you can receive 100 orders and checks for $9,900 on Saturday, even though you do nothing but sleep the whole morning. Information products, along with book royalties, are one of the keys to generating income beyond your own billable hours - an important element of achieving wealth.

Information products and book royalties, are one of the keys to generating income beyond your own billable hours!

What type of information product should you start with? Traditionally coaches have offered booklets and special reports (because they are inexpensive and easy to produce), as well as books (because of the prestige and credibility). But with the growth of the Internet, many prospects like to buy information in electronic form, whether as downloads from a website or on a CD-ROM or computer disk. This actually works to your advantage as an information seller: ***You can package essentially the same information in multiple media, and sell it many times over.***

What are the criteria for a marketable information product? Information products provide specific and detailed answers to questions and problems in narrow niche subjects not usually addressed by newspapers, magazines, and general media.

As Richard Saul Wurman observes in his book *Information Anxiety* (Doubleday), *"The information explosion has backfired, leaving us inundated with facts but starved for understanding."*

Information products cut through the clutter, providing clients with the precise information they want in a few words. Another question I hear frequently is, "If I give away my secrets in a free or inexpensive report or booklet won't that eliminate the need for the client to hire me for my expensive training program, coaching, or whatever?" On the contrary, your potential clients don't want to do it themselves. They want a professional to guide them. But they also want to be convinced that, if they hire you, they are making the right choice and you will not disappoint them. Information products that demonstrate your knowledge of the field help give them that comfort.

"People are silently begging to be led," observes marketing coach Jay Abraham Publishing). "When you educate your customers, you'll see your profits soar. Educate your prospective buyers about everything (including a few of the bad or less positive aspects of your product or service) and you'll sell to almost twice as many people as you do now."

Mail your prospects and clients a free newsletter or e-zine:

Thousands of company newsletters are published in the United States. The publishers range from the biggest corporations like *Westinghouse*, *IBM*, and *Raytheon*, to small service firms and independent professionals including lawyers, doctors, dentists, and coaches. These newsletters, whether print or electronic, are published primarily as promotional tools. ***Their main purpose:*** *to establish your image and build your credibility with a select audience (the people who receive the newsletter) over an extended period of time.*

Instinctively, most marketers recognise that they should be in touch with their customers and prospects more often than they actually are. You know, for instance, that there are many people in your life – business and social – whom you don't think about, see, or talk to for long periods of time simply because you are busy and not thinking of them.

Well, your clients and prospects are busy too, and while you may be agonising over why Joe hasn't called you to handle a project, Joe isn't even thinking about you – because he has so much else on his mind. You know you should be doing something to keep your name in front of Joe and remind him of your existence, but how? You may want to call or send a letter, but you think that's too pushy – and besides, there's no real reason to call, and you don't want it to seem that you are begging for business. The newsletter solves this problem. It regularly places your name and activities in front of your customers and prospects, reminding them of your existence and services on a regular basis. And you need no excuse making this contact, because the prospect expects to receive a newsletter on a regular basis. The newsletter increases the frequency of message repetition and supplements other forms of communication such as catalogues, print ads, and sales letters.

> **"Regular newsletters place your name and activities in front of your customers".**

In the old days all promotional newsletters were printed and sent via postal mail at significant cost and effort. Today you can publish and distribute your promotional newsletter electronically over the Internet as an "e-zine" (electronic magazine). Since the cost is minimal, you can afford to distribute your newsletter with greater frequency. Most e-zines are monthly or weekly; a few are daily. The

average print newsletter, by comparison, is quarterly. It is easier for readers to respond to e-zines. All they have to do is click on hyperlinks in the text of the articles.
The links can bring them to your Web site for more information or to fill out a form to request further action with a print newsletter, they have to write you a letter or pick up the phone and call.

"E-zines generate much higher responses to offers than the same offer being promoted in a print newsletter."

Speaking Engagements:

Giving talks, whether as the keynote speaker at a big national convention or speaking at the monthly lunch meeting of a local association, can establish your reputation as an expert.

"Why is public speaking so effective as a promotional tool?"

When you speak, you are perceived as the expert. If your talk is outstanding, you immediately establish your credibility with the audience so that members want you and your company to work with them and solve their problems. Unlike an article, which is somewhat impersonal, a speech or talk puts you within hand shaking distance of your audience. And, since in today's fast paced world more and more activities are taking place remotely via fax, computer modem and video-conferencing, meeting prospects face to face firmly implants an image of you in their minds.

If that meeting takes place in an environment where you are singled out as an expert, as is the case when you speak, the impression is that much more effective and powerful. ***For instance***, a life coach with young executives as a target market would probably profit immensely from a talk on wedding preparation given to engaged couples at a local church.
…………………………………………………………………..**correct this paragraph!**

Speaking is also the promotional tool of choice when targeting a highly specific, narrow vertical market in which many of your best prospects are members of one or more of the major associations or societies in that market. Since your goal is to position yourself as a leader in your field, you want to pick a topic that relates to your specialty but is also of great interest to the group's audience.

Importantly, the presentation does not sell you directly, but sells you by positioning you as the expert source of information in your specialised area. As such, it must be objective and present how-to advice or useful information; it cannot be a sales pitch for your services.

For example, if you sell computer automated telemarketing systems, your talk cannot be a sales pitch for your system. Instead, you could do something such as *"How to Choose the Right Computer-Automated Telemarketing Software"* or *"Computer Automated vs. Traditional Telemarketing Systems: Which Is Right for Your Business?"*

Although you want people to choose your system, your talk should be (mostly) objective and not too obviously slanted in favour of your product; otherwise, you will offend and turn off your audience.

Seminars:

Many coaches give seminars, both to reach new prospects as well as solidify their position as a leading expert. Speeches are short talks, typically an hour long. ***Seminars, in comparison, are more comprehensive presentations ranging from a half day to three days.***

"Seminars have become effective market tools."

Once thought of as strictly a means of training, educating, or informing an audience, seminars have become effective market tools for both business and consumer markets. One of the most effective methods is to give short, free, half-day programs of interest to your target audience. These free, invitation-only programs – given either morning, afternoon, or evening – present useful advice, suggestions, recommendations, or tips on a particular topic. The topic is one that would be of interest to potential clients of the seminar sponsor and relates to services offered by the sponsor. Length is usually one or two hours.

For example, a local financial planning firm offers a free seminar on retirement and estate planning. It attracts people, usually 40 and older, who want to build a *"nest egg"* for a comfortable retirement and leave a large estate to their dependents should they pass away. Subjects discussed include retirement investments, life insurance, pension plans, and wills. ***Why give this seminar for free instead of charging a fee?*** The goal is not to make money on the seminar, but to attract the maximum number of prospects.

Logic dictates that anyone attending a basic seminar on retirement planning and estate planning is interested in the topic, needs to do this planning, but probably is not an expert and needs help, the kind of help the financial planning firm, the sponsor of the program, can provide.

At such a seminar, the emphasis is on giving the audience useful, objective information or at least information that the audience will perceive as helpful and objective. *Actually, the content may be “slanted,” subtly leading attendees to become more interested in certain types of investments than in others…investments that the sponsor just happens to specialise in selling.*

Chapter 4: Marketing and Self-Promotion: How to Get Clients

There is a difference between marketing and sales. ***Marketing means identifying and reaching a particular group of consumers, or, in our case, clients.*** We cover marketing in this chapter.

Sales means talking one-on-one with prospects, and having the client sign on the dotted line along with some form of payment. We will cover the sales process in subsequent chapters.

The Successful Coaching Marketing Program:

Most coaches present themselves in too general a fashion in an attempt to interest too large an audience. Even successful global corporations create different products for different cultures and promote them in different ways.

Today, specialization is the key to coaching success – as well as any other kind of professional success. This is because clients demand specialists when they are in trouble.

Doubtless you are talented in all or most facets of your field and can perform expertly in them. But clients just don't want generalists, no matter that they are virtually *"Renaissance men (or women)"* in their fields.

For instance, many family dentists are equipped to perform most periodontal procedures. But patients would rather pay triple the fee to be cared for by a periodontics – no matter how simple the procedure.

Different kinds of expertise as well as different client universes require slightly different marketing approaches. Recall, if you will, in a previous chapter, the automotive marketing coach who approaches the furniture industry.

So, it is impossible to provide one specific marketing program that will cover all of them. ***Since specialization is the key to professional success, you must select one facet of your expertise as your specialty and one segment of your client universe, which would have a need for this special expertise.*** In that way, you will have a model marketing program which you may change accordingly.

"Specialization is the key to professional success!"

As stated before, although wrong, the client is more comfortable with a specialist in his industry. Thus, you must promote yourself to him as such.

It will become necessary to fragment your coaching into a few "divisions" so that you may credibly market yourself as an expert in every specialty you select and in each industry to which you market.

Attempting to promote all of your services at once to the entire world in order to *"cast the widest net possible for the largest revenue possible"* is a waste of advertising and promotional dollars: it also brands you as a generalist, which brings no esteem at all.

You will find that the basic steps of the **Successful Coaching Marketing Program** will apply to all areas of your expertise as well as to all markets. It merely becomes a question of applying the principles and angling your promotions.

So, consider the following program as multi-purposed for your benefit, and set up each of your specialties as separate coaching services for the purpose of marketing efficiently.

"This marketing program is both simple and effective."

This marketing program is both simple and effective. It has been tested and proven time and again by hundreds of successful coaches in the $300,000 + group.

To make it work for you, it is imperative that you follow every step in the order that it appears. Getting clients is the name of the game, so each procedure has been calculated to get you as many clients as possible in the shortest period of time. Your calendar should be full within 120 days after implementation.

Note: This program does not preclude whatever intelligent marketing steps you are now taking for yourself, such as making personal contact with people who already know you and informing them of your available services.

The *basic difference between this program and others is this:* Other marketing procedures use scattershot means of attempting to reach the client world in hopes that they will all have immediate use and need of your help.

But, as previously stated, your entire client universe will be aware of their needs for outside expertise at one time or another, only approximately two percent of them perceive as having that need **NOW.**

This marketing approach is designed to make those who do need your services at this time <u>come forward and identify themselves to you</u>. You can readily recognise the amount of time, money, and face this saves you.

Let’s put it another way. All coaches fervently wish, and even fantasize, that they could be invisibly omniscient and attend every meeting of decision makers in the client world at the very moment that they decide, ***“We need a coach who is familiar with our field to help us with our current problem. As matters now stand, we will be in very dire circumstances if we don’t get this help soon. That help must have the finest credentials and the best expertise in this matter.”***

Well, some of your potential clients out there are making these kinds of decisions every day, but you have no way of knowing who they are or when they are being made, so you cannot be at the ready with your expertise when and where it is needed.

Since the clients will now identify themselves to you and tell **YOU** when they are ready, you will be ahead of the game and ahead of your competition.

Phase I: Leads with a free booklet offer:

All potential clients have a need to solve a particular, ubiquitous, and constantly recurring problem.

A good example in the realm of management would be personnel turnover; it never ceases and it is costly in terms of training and customer relations. This kind of problem is referred to as *”the nature of the beast.”*

Here’s how to implement the Successful Coaching Marketing Program:

STEP 1

Select three of the biggest problems your potential clients have. These must be problems with which you are totally familiar. And, they must meet four criteria:

- They must be endemic to your client’s operations.
- They must be problems which automatically crop up from time to time.
- They must be extremely costly to the client.
- They must deal with one specific aspect of your client’s operations.

STEP 2

Of the three problems you have selected above, choose the one with which you are most familiar, the most expert in dealing with, and with which you have had the most experience.

STEP 3

Write a booklet or special report on how to solve this problem. Title it *"How To ______."*

This report should be written in the following manner:

1. Write it as though you were writing an article for the most prestigious business/trade magazine or professional journal. Make believe that the editor of that publication has commissioned you, the top-notch expert on that subject, to write it for a fee of $5,000. (Psyching yourself again.)

2. Write it as though you are being paid by a client who is too far away geographically to retain you on his premises, but wants you to solve his problem by mail. He has stated the problem, but has not filled you in on the particulars regarding his specific organization.

3. Be certain that the report requires approximately ten minutes of reading time. Write it as a report, not as a piece of prose. Enumerate each paragraph and break your solution down to steps in a procedure. *(Use the format of this chapter as your guide.)*

4. Treat the problem generically, and offer the solution in barebones fashion, since you are unaware of the particulars for any one given client.

At the end of the report, write one page about yourself and your expertise. This is your advertising.

Your one-page *"ad"* should be done boldly, but in good taste. Each of your services and areas of expertise must be described in such a manner as to convince the client of the benefits to his organisation.

> **"Be certain to use any accreditation you have, and urge the client to contact you for further information."**

Be certain to use any accreditation you have, and urge the client to contact you for further information concerning his or her situation. Include all your contact information: address, phone, fax, and web site address.

STEP 4

We call this informational booklet or special report a "bait piece" because you use it in your marketing as a lure to attract potential clients.

You can take your bait piece manuscript to your favourite printer, and have him print 500 copies in a four-inch by nine-inch *"booklet"* format. This size is easily pocketable by the client and easily mailed in a #10 business envelope by you.

Several colours of ink on glossy paper may improve the appearance of this booklet, but plain, non-glossy paper and one colour ink on any colour paper will do the job just as well. So don't waste too much money at this stage of the game.

If you want to avoid printing charges, you can run the report off on you laser printer instead, and put it in a report cover you buy at Staples.

On the right-hand top corner of the cover (title page) place a price of $10 for this booklet or report.

STEP 5

You are probably aware of the most important print media for your field. There are daily, weekly or monthly publications without which professionals and business people cannot function. ***Examples are*** *"Women's Wear Daily"* for the garment industry, *"Variety"* for the entertainment industry, *"Publishers Weekly"* for the book-publishing industry as well as booksellers and authors, *"Library Journal"* for all librarians, etc.

> **"SRDS lists every periodical published, describes the readership and circulation and offers the deadline dates and the advertising rates."**

If you are not aware of the most important publication for the market you are about to penetrate, go to the reference section of your nearest public or university library. There you will find "*The Standard Rate & Data (SRDS)."*

SRDS lists every periodical published, describes the readership and circulation and offers the deadline dates and the advertising rates. Most importantly, when a publication publishes regional editions, *SRDS* will tell you this, too, so that you needn't waste advertising money in geographic areas that are beyond your scope.

STEP 6

Run a classified or small display ad in the most prestigious and largest circulation publication that addresses your client universe.

Although it is true that not all readers peruse classified ads at any given time, it is a proven fact that those who do read every word of every line; they don't skim. So your ad can be very short and inexpensive, yet be very effective.

The ad should read:

Select that section of the classified pages which best promotes the particular service you offer. Keep the ad very short and very inexpensive. The shorter it is, the more effective it will be.

> **HOW TO**
>
> ____
>
> ____
>
> ***(See Step 3)***
> **Send for FREE booklet.**
> **[your company name, mailing address, phone number, and fax or email address].**

If the ad doesn't pull a sufficient number of inquiries, this means that:

- You have used a non-selling title.
- It was placed in the wrong section of the classifieds pages.
- You select the wrong publication.
- All of the above.

Keep testing by changing these three variables one at a time until the add pulls as it should.

DO NOT CHARGE FOR THIS BOOKLET! It is necessary to emphasize this, because many coaches feel that even a dollar or two would help to defray the expense of printing, advertising and mailing this booklet – and that certainly the valuable information contained in it is worth at least one hundred times that amount.

Wrong! Here's why:

1. You are seeking prospective clients. You want them to identify themselves to you. If only 20% agree to pay you a few dollars, you have lost 80% of your prospects. You have forgotten the name of this marketing game.

2. The word "FREE" is a magic word. It is, always has been and always will be. There isn't a more effective advertising word in the English language.

3. As a rule, readers do not send money in response to classified ads.

4. As you will learn in Step 8 below, offering this valuable information free of charge will slightly obligate the client, and that is exactly what you wish to do.

The word *"FREE"* is a magical word."

STEP 7

You will find that about 30% of your responses will be telephoned, regardless of the geographic distance. Be certain the phone line is answered at all times, either by a live person or voice mail.

It is imperative that you fulfil all orders for these booklets as promptly as possible. If you wait too long to respond, the prospective client will forget that he or she inquired and will trash your booklet as junk mail without opening the envelope.

Mail the booklets first class mail, because many busy executives as well as their secretaries throw away mail, which is not first class (except for subscriptions) without opening it.

Another reason for using first class mail is that you are telling the recipient that the contents are so important that you have spent the most amount of postage money to get it to him or her. At no extra cost, your printer can print ***FIRST CLASS MAIL*** in bold letters on your envelopes. If you also print, ***"Here is the information you requested from (your coaching name),"*** neither the client nor his secretary will trash it. But, it must be mailed immediately while it is fresh in the inquirer's mind.

Keep an accurate file of the names of these clients who are identifying themselves as having a need for your kind of expertise now. Record the dates of each inquiry in the file.

STEP 8

Telephone these prospective clients about one week after they have received the booklet.

You will not be treated as a cold-calling solicitor because they have already heard of you when they contacted YOU in the first instance and because they are slightly obligated for the free help you have already provided; you did, after all send a ten-dollar booklet gratis.

In order to avoid being *"screened out"* by this client's secretary or assistant, introduce yourself as responding to *"Mr. X's request of (date of inquiry) for (title of booklet)."*

Start your conversation with the prospect by asking if he received the **FREE** booklet. Then ask whether he has had a chance to read it. If he hasn't, ask when it would be convenient to call back again and make a note on his record to do so. If he admits that he has received it and has read it, ask whether he considered the advice in it helpful.

If he answers in the affirmative, request an exploratory meeting to determine the exact nature of his problem or project, since the information you had provided is, by nature, generic.

Stress that this exploratory meeting bears no obligation on your part or his and that you do not charge for it. **Keep stressing "FREE"** – that magic word. If the client answers that he or she did not consider the information helpful, simply offer the same response – that the booklet is perforce generic and you would be pleased to have a **FREE** exploratory meeting with him to address the particulars of his problem or project.

Either way, **PRESS FOR THE MEETING,** because that is what this marketing program is all about: Identifying your prospective clients.

If the client is very far from your office, request travel expenses only and tell him that you offer your time gratis for exploratory meetings. After all, executives are accustomed to paying travel expenses when interviewing candidates for full-time employment.

Half the battle is won if you can get the client to actually reveal the specific nature of his or her problems or projects. These meetings will afford you the opportunity of putting your best foot forward by submitting an intelligent, winning proposal.

This completes one half of this marketing **Successful Coaching Marketing Program.** Both approaches provide you with TWO methods of exhibiting our expertise and having your market identify itself to you.

It is helpful to remember at all times that you are attempting to sell the most difficult "products" of all – yourself and your expertise. These are both intangibles; unlike selling a pair of shoes, for example, the delicacy required makes your exact choice of words at most a science and at least an art.

Phase II: Generating leads with a free seminar offer:

The second marketing strategy is a more personal one. It consists of a free one-hour seminar presented by you.

The reason for the brevity of the seminar is:

- Busy executives rarely have time for more than one hour.
- Here again, you will be dealing with the problem generically, since the specifics will vary with each seminar attendee.
- You don't want to *"give away the store."* You only want to impress the attendees and "strut your stuff."

The times of day selected are to accommodate your prospective clients. 11am and 1pm are close enough to lunch hour so as not to affect their work schedules. 4pm is close enough to the end of the day to be regarded in the same way.

Do not hold your seminar on weekends or during the evening. Clients do not like having their leisure time interfered with by someone they don't know.

Bear in mind that there has never been a successful coach who did not present himself well verbally and in writing. Both these talents are primary requisites for a coaching career. This is because the practice of coaching demands constant written proposals and reports as well as oral presentations and training sessions.

"Do not hold your seminar on weekends or during the evening."

STEP 1

Arrange for a small meeting room in a hotel or motel centrally located in an area, which boasts a preponderance of your prospective clients. These meeting rooms are rented for a complete business day or a complete evening, as far as rates are concerned.

Choose the daytime rate. Choose a Friday because that is the time of the week when your clients' affairs are usually winding down and they are most available.

Have the room set up theatre style *(no desks or tables)*, because the session will not be that long and you can put more people into a smaller and less expensive room. Do not take a large room. It is more impressive to pack a small room than to have people sitting five seats apart in a large one.

You needn't serve any refreshments, because the session will last for only one hour. Depending on the cost, you may want to have coffee and *(if an afternoon session)* sodas.

"It is more impressive to pack a small room than to have people sitting five seats apart in a large one."

STEP 2

Run a small, but effective, bold-faced DISPLAY ad *(not classified)* in the local publications that is read by your client world. As previously pointed out, some national journals have regional editions, which are very inexpensive.

Do not run the ad in the national edition because you will be paying for needless circulation. People will not travel for a one-hour seminar.

The ad should read:

LEARN HOW TO

____

____

(Same title as your report or booklet)

Attend a FREE seminar by
[Your company name, name of hotel, address and date.]
Sessions will be held at 11am, 1pm and 4pm. Seating is limited and will be on a first-come-first-served basis. You owe it to yourself and your organization not to miss this vital seminar.

Also, if you give sufficient notice to the business editors of that city's leading newspapers, they will list your seminar several times free of charge in their *"Calendar of Events"* section.

If there is no local trade or professional publication or newsletter, do not run any ad, but proceed to the next step.

STEP 3

In addition to the printed space advertisement in the above-mentioned publications, send a personal invitational letter to every decision-making prospective client executive in that area.

You can easily compile such a list or rent one from the subscriber list of your leading trade or professional publication. These lists are available in zip-code order.

You merely purchase those names in the zip-code area for which you intend to hold your seminar. You may have to rent more names than you can use because of a rental, but this cost is comparatively nominal and you may be able to use those extra names if and when you get to those other geographic areas.

Be certain, too, to send this invitation to those people in that area who have ordered your booklet from your booklet promotion.

In your sales letter, stress the vital nature of your seminar, the fact that it is **FREE** and therefore provided on a first-come-first-serviced basis, and the fact that the prospect owes it to himself and his company to attend.

Personalise the letters. Use the name of the person, not just the name of the company. Sign it yourself in blue ink to further the impressions of an individually-typed invitation.

"Personalise the letters."

STEP 4

Several days before the seminar, conduct a brief telephone campaign to those prospective clients to whom you have sent the written invitations. This should be a simple reminder to attend this all-important problem-solving seminar.

DO NOT CHARGE FOR THIS SEMINAR. Here again, many coaches attempt to defray their advertising and hotel-room costs by charging a small fee.

The reasons for abstaining from this practice are the same as those given for not charging for your booklet. *But they are so important that they are worth repeating:*

- Charging a small fee demeans the seminar and your worth as a coach and seminar presenter. So no one will attend. If a seminar is worth a fee, it should command a large one.
- Charging a fee greatly diminishes your prospective audience, and once again, you have forgotten the name of the game.
- If you charge a fee, you will not obligate the prospect.

STEP 5

On the day of the seminar be certain to have every attendee register before entering the room. Get his or her name, title, company name, address and telephone number. This is mandatory for obvious reasons.

If someone enters late, get the information before he or she is seated. Bring an assistant to staff the registration desk. You do not want to be seen doing this low-level clerical work.

STEP 6

Announce at the outset that you will answer specific questions at the end of the session. Explain that this is necessary so that some attendees will not have to waste time listening to questions and answers that have nothing to do with their particular situation.

During your closing remarks, make your offer for a **FREE** exploratory meeting with the attendees in their offices at your mutual convenience and by appointment.

When the session is over *(but not before)*, be sure to place a copy of your booklet on the same subject as the seminar into the hands of every attendee. It is imperative that they leave with it so that you have been properly identified in case they wish to contact you.

Be prepared to stay at the end of each session to have brief private discussions with those attendees who request it. Many will want to exchange calling cards with you.

Cut short your responses to their questions by explaining that time does not permit you to go into the detail that their question deserves, that there are other people waiting behind them, and that you would be pleased to continue the discussion at a **FREE** exploratory meeting to determine their exact needs.

STEP 7

On the following Tuesday, start telephoning the attendees to determine whether they found your FREE seminar helpful.

If they say that they did find it helpful, explain that the seminar was by necessity generic and suggest a **FREE** exploratory meeting at your mutual convenience to determine the particulars of their problems and/or projects. If they say that they did not find your seminar helpful, say the same thing.

Either way, press for the exploratory meeting. Once again, you should not have trouble getting through on the phone because of the slight obligation owed to you for your previous **free** advice. In this case any *"screener"* should be told that you wish to discuss your "meeting" with Mr X the previous Friday.

If your seminar in insufficiently attended, you must change any or all of four variables and start your campaign over again until you get it right. *(Remember, you are still in a testing mode.)*

- The title of your seminar.
- The wording of your space advertisement.
- The publication in which you advertised.
- The wording of your invitational letter.

A word about *"free advice."* Many coaches consider it unprofessional to offer expertise free of charge – and, indeed, it is.

But keep in mind that this marketing program is calculated to get you clients and that you really aren't solving their problems by these means. You are merely advertising how your expertise can benefit them in a general way. More importantly, you are jumping in to attempt to fulfil their needs long before your competition is even aware that a coach is needed.

This kind of *"free advice"* is not akin to that which the client tries to get on his own by asking you to solve his problems at a cocktail party, for example, or contacting you in the first instance with the idea of picking your brains gratis.

At a cocktail party or any other social function, you must do what your doctor does when he confronts this kind of situation. Your response must be **"Here is my card. Why don't you call my office in the morning for an appointment?"**

If you were a shopkeeper, you would have a storefront with a window on the street to display your wares to the greatest advantage. What you are creating here as a professional coach are several windows of opportunity through which your potential clients can view your talents and expertise in all their glory.

"What you are creating here as a professional coach are several windows of opportunity through which your potential clients can view your talents and expertise in all their glory."

In the presentation of your solution to the problem you have selected, it is imperative that **YOU DO NOT HOLD BACK ANY INFORMATION.** Remember that you are making every attempt to create the perception in the client's mind that you are the very best expert in your field.

Another reason for this is that, in more than fifty percent of the cases, the client has another problem in mind for you to tackle, or a project larger in scope, or something else entirely.

He is reading your booklet and/or attending your seminar to determine exactly how good you are. So show him!

Do not quote your fees in your booklet, at the seminar, or in private talks in the seminar room – even is asked.

The discussion of money is a matter which should be taken up with the client privately, after your exploratory meeting. There are two reasons for this, which will be explained in detail in the subsequent chapter on fee setting.

- First, different projects require different fees.
- Secondly, at this point, you really don't have any idea of what the assignment may be.

When your client load is full, do not discard this program or these procedures. Continue marketing as you did before – using small classified ads to advertise your informative booklet and giving short, instructive seminars. Do not worry about a client overload. That kind of problem will always take care of itself.

"When your client load is full, do not discard this program or these procedures."

Be certain to maintain an accurate file of all prospects who order your booklets and/or attend your seminars. This is the very best mailing list you can possibly have.

If you have not succeeded in convincing a booklet orderer or seminar attendee to make an appointment with you for an exploratory meeting, you may use his name at a future date to:

- Send him a brochure.
- Write him a letter.
- Invite him to another of your free seminars in his area.
- Contact him again if and when you offer a seminar or booklet on a new topic.

Be certain to invite (by mail and phone) the booklet orderer to your seminar. The more frequently a potential client hears from you, the more familiar he becomes with you and your expertise; and the more likely he is to become an actual client.

To assure yourself that you are following the procedures of this program thoroughly and well, the following is a checklist for you. The omission of any step on this list could well negate your entire program:

1. Select a problem that besets most of your clientele.
2. Write an expository report on this topic, solving the problem.
3. Prepare advertising material at the end of the report with a *"call for action"* on the part of the client.
4. Have your report printed.
5. Run classified ads offering the report free of charge.
6. Keep accurate records of responses.
7. Set up a telephone order-taking procedure.
8. Follow up mailings of reports with personal phone calls.
9. Arrange for a hotel meeting room.
10. Run a display ad to announce your free seminar.
11. Compile a mailing list of potential seminar attendees.
12. Send seminar invitational letters to clients on the list.
13. Follow up invitational letters with invitational phone calls.

14. Register all attendees before permitting them entry to your seminar.
15. Distribute your printed booklet before attendees leave.
16. Hold a question-and-answer session and quick individual conversations at the end of the seminar.
17. Follow up the seminar the following week with a phone call to each attendee.
18. Analyse all variables in your free booklet promotion with an eye towards improved responses.
19. Analyse all variables in your free seminar promotion with an eye towards improved attendance.
20. Repeat steps 18 and 19.

By now you can see that the object of this complete program is to get as many exploratory meetings with prospects as possible. You cannot get assignments unless you meet your client face to face on his or her premises, or have a substantial discussion by telephone.

For, if you can get a potential client to let his hair down and describe his problem or project honestly and forthrightly, you are more than 50% towards closure *(the contract).*

Ancillary methods for the Successful Coaches Marketing Program:

The above **Successful Coaches Marketing Plan** is centred around the offer of a *"bait piece"* – a special report, booklet, seminar, or other how-to information giving tips and tactics on how to solve a problem your coaching services deal with.

There are other methods that can enhance the results obtained with the **Marketing Plan.** *Each of these is discussed briefly next.*

Testimonials:

Whenever you complete a job for a client, and that client is satisfied, ask him to give you a letter of testimonial – a letter stating that he was pleased with your services, would hire you again, and recommends you to others.

Start a file of these testimonial letters. Photocopy the best ones and send them to potential clients who inquire about your services.

If you can pick and choose from among many testimonials, send the letters from past clients whose problems, business, and needs are similar to the current prospect. For instance, if you install computer systems for small businesses and a local liquor store owner makes an inquiry, send letters from other retailers in general and, if you have them, from other liquor stores in particular.

> **"Whenever you complete a job for a client, and that client is satisfied, ask him to give you a letter of testimonial."**

References:

Let's say Jane Smith gives you a letter of testimonial. Ask Jane if you can use her as a reference.

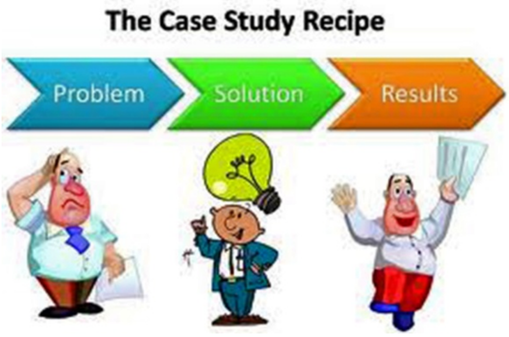
This means when a potential client wants to check you out by speaking to some of your current clients, Jane has granted you permission to give prospects her name and number. Because she is highly satisfied with your services and you obtained her permission to use her as a reference in advance, she will speak favourably about you on your behalf.

Have your references *(name, company, phone number, email address)* typed on a sheet of paper. Hand it to any prospects who ask for references.

However, if the prospect does not ask for references, do not provide them. The people on your reference list may be willing to recommend you, but being busy, they prefer that you keep the calls to them at a minimum.

Results and case studies:

A case study is a short *"success story,"* written as an article or one-page bulletin that tells the story of how you successfully solved a specific client's problem.



It should include:

- The name, location, and industry or type of business the client has.
- What their problem was.
- How they searched for a solution and the alternatives they considered and rejected *(if any)* before choosing you.
- The process you used to solve the problem (what was done).
- A description of the solution.
- Benefits and results the solution has provided for the client.

Of course you must get the client's permission to write and print this, as well as give them approval on the copy before it is published.

Client List:

Once you have handled assignments for 10 clients or more, type their names on a single sheet of paper. Include this client list in the promotional materials you send to potential clients.

Although you would think that a potential client who is a small business would be most impressed with a list of other small business clients, this is not the case.

Try to get jobs, no matter how small, from a few *Fortune 1000* firms early. When people ask *"who are your clients?",* thes*e* are the names you should drop.

E-zine:

As discussed in the previous chapter, gather e-mail addresses for all your clients and prospects, and send them a monthly e-zine – a free online newsletter containing a blend of news, tips, industry trends, and information about your coaching practice.

Always put a disclaimer at the top saying they are getting it because they are a prospect or client of yours, and if they do not want to receive it any more, they should let you know and you will take them off the subscriber list.

Bio:

Develop a one-page sheet giving your personal credentials, experience, and qualifications.

The bio can include such items as these:

- Education.
- Certification.
- Licenses.
- Work history *(companies and positions held).*
- Accomplishments.
- Association memberships.
- Publications *(books and articles).*
- Awards.
- Your photo.

Brochure:

Some coaches use brochures to tell potential clients about their practice, capabilities, specialties, and services. Brochures range from the brief to the lengthy, from the simple to elaborate, and from plain spoken to jargon-filled.

Just as a pair of pants must fit your body, your brochure should fit both your practice, your clientele, and your personality; e.g., if you are plain spoken and practical, don't use a brochure with glitter dust printed on silver foil.

Article reprints:

Whenever an article is published either by you or about you, make reprints. Send reprints to clients and prospects on a regular basis as a reminder of you and your problem-solving services.

Frequently asked questions (FAQs):

If potential clients ask you the same questions over and over, you may want to write out these questions and your answers, and send them to prospects as a separate sheet, known as an FAQ.

An FAQ can save you an enormous amount of time – by eliminating the need for you to say the same thing dozens of times to dozens of different people.

Inquiry fulfillment kit:

An "inquiry fulfilment kit" is a package of promotional material you sent to potential clients who have expressed interest in your coaching services.

The kit typically consists of a pocket folder containing some or all of the following materials:

- A cover letter.
- Your booklet or special report as described earlier in this chapter.
- Your brochure.
- Article reprints.
- One-page bio.
- Testimonials.
- Client list.
- Case studies.
- FAQs.
- Copies of your promotional newsletter.

Website:

The same materials that go into the inquiry fulfilment kit should also be posted on a Website for your coaching practice.

The sections or pages of the site would match the items in your kit.

- Home page – an abbreviated, online version of your kit's cover letter.
- Special Report – your booklet or special report as described earlier in this chapter, downloadable as a PDF file.
- Services – descriptions of your various coaching services, condensed from your brochure.
- Article Library – articles you have written that the visitor can read online, print, or even download as Word files.
- About *(Your Name Here)* – Your one-page bio. Add a photo as well as links to articles written about you.
- Testimonials.
- Client list.
- Case studies.
- FAQs.
- A box on the home page where visitors can subscribe to your e-zine as well as view an archive of past issues.

Should you send your inquiry fulfilment kit to the prospect or direct him to your Website. Even though much of the content is the same, I say you should do both. Why?

The Website gives the prospect who is in a hurry, instant access to your materials. He doesn't even have to wait for an overnight delivery of your kit – he can get to it that second online.

The paper kit gives the prospect something he can put in a file for later reference, so that when a need for your expertise comes up, he knows who to call. This is especially effective for prospects who may have an upcoming need but are not ready to hire you yet.

Cold Calling:

It is a bad idea for a coach to make cold calls selling his own services. The client figures that if you need to call up people and ask for work, you aren't very busy and in demand.

If you want to try cold calling, hire someone to make the calls for you. The goal should be to identify a qualified prospect who has both a problem you can solve, the desire to hire you, and the money to pay you.
When your telemarketer identifies a hot lead, she should hand the phone over to you, or arrange a time for you to call the prospect to discuss his or her needs in more details.

Direct Mail, Insert Social media:

A sales letter with a business reply card is a very effective promotion for a coach.

Rent a list of prospects or compile your own. Send them a letter introducing your coaching services, and offering a free copy of your booklet or report.

Anywhere from 1% to 5% of those receiving the letter will mail back the reply card requesting the free booklet. Send those people the booklet along with your complete inquiry fulfilment kit.

With follow-up, 10% - 33% of these inquiries will convert to a sale and hire you for a project. Some will buy now.

> **"Repeated, regular communication with these prospects will keep your name fresh in their minds."**

The majority will hire you within 1 to 12 months, depending on when a problem arises that they need your help to fix. Repeated, regular communication with these prospects – at least once a quarter, and preferably once a month – will keep your name fresh in their minds, so that when it is time to get help, they think of you first.

E-Mail Marketing:

You can e-mail marketing messages to your existing database of clients and prospects, and you can also rent e-lists.

In your email, you talk about the reader's problem and the services you offer that can solve it. Provide a mechanism for reply, such as a link to a Web page where the reader can fill out a form to request more information.

Also offer your **free** booklet and report. Allow the reader to click on a link that lets him download it directly from your Website.

> **"Get to know as many people as possible in your industry."**

Networking:

Get to know as many people as possible in your industry who can either hire you as a coach or recommend your services to their colleagues and friends.

Join appropriate associations and attend the monthly meetings. Even better, volunteer to serve on one of the committees, such as meeting planning or new member drives. This gives you greater visibility than just ordinary membership.

Help-wanted ads:

Another excellent marketing source, seldom used by struggling coaches, is the help-wanted ads. Not running them, but responding to them!

Getting an interview with a firm seeking an executive in any field on any level could well get you more clients.

So that you quickly dispel any anger for attending this interview under false pretences *(which is actually what you are doing),* tell the employer immediately that you are a coach who is not seeking full-time employment, but would like to acquaint him or her with the reasons for the current trend in *"outsourcing."*

Explain to the interviewer that an outsourcing arrangement *(coaching)* can save him 50% of the salary he is offering by paying you only two-thirds of it and not paying your social security, pension, healthcare and unemployment insurance benefits.

To clinch it, offer him a one or two-month trial period, so that he can see how much better a top-notch, experienced expert like yourself can fill the position than an ordinary employee.

All organisations are trying desperately to become *"leaner"* by reducing their payrolls these days. You shouldn't have too much trouble convincing the interviewer and getting the assignment.

There are still many organisations out there that are not yet educated to the benefits of outsourcing.

When marketing to prospective clients, this is one instance in which your role is that of educator.

The ultimate secret to successfully marketing your coaching services:

Now comes the most important principle of marketing your coaching services.

NEVER STOP MARKETING – no matter how busy or successful you become.

For example, after 15 years as the manager of marketing and promotions with the same company, Andrew decided to quit his job. He did a very smart thing. He attempted to get his employer as his first client.

Furthermore, the company would no longer have to pay his FICA, Social Security, pension or healthcare insurance, thereby saving another $20,000 a year.

When asked by his boss how this could be accomplished on a *"part-time"* basis, Andrew responded that he would not be wasting time by being called to meetings that had nothing to do with him or his duties, that he would not have to meet with salespeople, that he would not have to take time with company social events or company politics, and that he could work any hours *(days, nights, weekends, holidays)* as the work required.

Also, he did not require that his boss sign any kind of yearly contract, but merely asked that he be tried on a monthly basis. This made his boss much more comfortable and he was sold.

Now Andrew had his first client with a comfortable financial *"floor"* under him. Of course, he had saved money over the years for exactly this moment when he would strike out on his own. As happens to some *(but not many)*, Andrew got very lucky within the next two weeks. His former boss recommended another client to him and he got still another on his own. All three assignments were long-term (about a year) and Andrew's income was annualised at $120,000 in very short order.

He and his family were ecstatic. They bought a new car and added a wing to their house.

After a year, his former boss's board of directors required that the position of vice-president of advertising be reinstated and his other two assignments came to an end as well. Andrew was now without any coaching revenue at all.

He came to **Advantex International** for advice, claiming that he was once again "out in the street" and "back to square one." He was told that the big mistake he made was in not continuing his marketing efforts all the while.

Andrew was incredulous. He asked, ***"How could I have possibly taken on more clients when I was working 60 – 80 hours a week handling the three assignments I already had?"*** By way of explanation, the following analogy was presented to him:

Let us suppose that you and your family move to a new job in a new town. It is time for your wife's annual gynaecological check-up. She asks a neighbour for the name of the best gynaecologist in town. The neighbour says that Dr Wilson is the best by far and that he is chief of gynaecology at Memorial Hospital.

You ask a fellow employee at work and get the same answer. Your family physician also recommends Dr Wilson very highly. Your wife calls Dr Wilson's office and his nurse comes on the line. Your wife asks for an appointment. The nurse immediately asks whether this is an emergency. No, says your wife, it is for her annual check-up.

The nurse studies the doctor's calendar and says that the first opening the doctor has is on November 15th *(this is August).* What does your wife do? Andrew answers that she will probably wait for Dr Wilson rather than make an appointment with someone inferior.

How does Andrew know that Dr Wilson is so superior? Because he is so busy, says Andrew. So, you see that the client is impressed with the professional's full calendar and he or she will wait.
If you continue to market while your client load is full and you keep going to exploratory meetings, all you have to tell the client who wants to engage you is, ***"I'd love to take on your project because I know that I can be of enormous assistance, but my calendar is full until (date)."***
The client will be as impressed as Andrew was, too. But, your story must be true. You cannot use this as a mendacious strategy. If you are sincere, your client will know it. If you attempt this as a ploy, the client will probably know that too.

Of course, it is difficult to continue marketing while very successful and making a lot of money. So, once again, you must psyche yourself by pretending.

By now, you should have your self-psyching mechanisms down pat. Make believe that you have a client on a permanent retainer basis who requires one day a week of your time – and always on the same day. Let's arbitrarily choose Thursday.

"NEVER STOP MARKETING
no matter how busy or successful you become."

Who is this client? YOU! On this Thursday, you conduct no work for your clients. Thursdays are set aside for making contacts with prospective clients, having exploratory meetings with prospects, and conducting whatever marketing strategies that are working for you.

In this way, your revenue curve will steadily and slowly climb. You won't have highs and lows which make your financial life difficult and even impossible *(see Fig. 1).*

Someone once said that there are three rules for coaching success:

1. **Market**
2. **Market**
3. **Market**

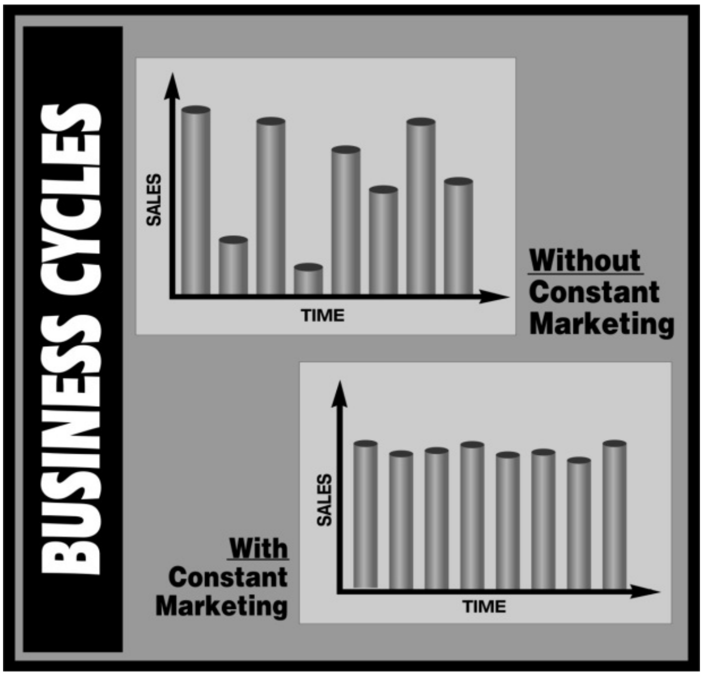


Fig. 1 Coaching practice revenue with and without continual marketing.

Chapter 5: The Fact-Finding Meeting

Your professional attitude must be evident the moment you enter the prospective client's outer office.

Let us assume that your appointment is for 11am. Needless to say, you shouldn't be late. But you must not be too early, either; arriving too early implies that your schedule is not full.

Since you never know what traffic will be like, I allow an extra 30 minutes for travel to the client's office, with the goal of arriving approximately 10 minutes before the appointed time. If I get there sooner, I go to a diner and have a cup of coffee, so as not to show up too early.

If the client is punctual, too, it bodes well for a good meeting. On the other hand, if you are left out there for an extended period of time without excuse or apology, you must be alerted to the fact that this person has no respect for coaches.

Wait no longer than thirty minutes past the time of your appointment. Present your card to the prospect's secretary or receptionist, explain that you have a meeting with a client and take your departure.

If this prospect calls for another meeting thereafter, you may accommodate him by informing him that you require your hourly fee this time because of the *"opportunity time"* you missed by your last visit.

Only in this way can you qualify this person as a legitimate prospect rather than a suspect and, at the same time, make him understand that your professional time is valuable – if not to him, then to others.

You needn't be stiff-necked about it, or rude; just matter-of-fact. Nor should you make him think that he is being penalised. If he agrees to a second appointment on these terms, you have a live prospect; if he doesn't, then you have lost nothing because he is probably just a discourteous time-waster anyhow.

"Make him understand that your professional time is valuable!"

Notice that this session is called an exploratory MEETING, not an exploratory INTERVIEW. In most cases, the prospect will attempt to conduct the meeting as though he is, indeed, interviewing you, because this is the kind of session he is used to.

The prospect is usually someone high enough in the pecking order to make some executive decisions, so he will often interview you in the same way that he would interview someone seeking employment.

He will assume the role of grand inquisitor and expect you to answer all of his questions regarding your past experience, your other clients, and your expertise. *(**Note:** This rarely happens when you have been referred to him by one of your satisfied clients.)*

Deflect most, if not all of these questions by telling him that you will be pleased to submit any references and credentials required after you both have discussed his problem or project, since that is supposed to be the topic of this meeting.

The point here is that he would not ask these questions in this manner if he were paying his first visit to a physician, a dentist or an attorney. Your mien at this meeting should bespeak the question, ***"How can I help you?"***

If you allow the prospect to hold sway over the meeting, his esteem for you will be lowered. So, deflect each and every question, which is not pertinent to the project with a question of your own.

"YOUR PROSPECTS NEED YOU!"
If you approach each prospect with the idea that they are waiting for you, you'll make a better presentation.

First, ask about the ***nature of the project*** or the solution required of you for his problem, as well as any other client needs. Then ask about the ***time - frame for the project.***

Subsequently, ask ***whether his organisation has budgeted for this project.*** Finally, ask ***who is the liaison person for the project.***

The client will quickly come to understand that you are there as an expert to help him on a professional basis, and that you did not come to be interviewed. By your professional attitude, the client will get the message that *Universal Studios* would no more ask Meryl Streep to take a screen-test at this stage of her career than your proving your worth to him at this stage of your coaching career.

The client's responses to your questions will allow you to quickly qualify him or her. If he gives you vague answers about his problem or project, this means that he doesn't trust you or any other coach.

If he says that he and his organization have set no time-frame for the project, this means that they consider it of little or no importance; ditto if they have not budgeted for it.

You can assume from these responses that you either have a wheel-spinner and time-waster on your hands, or else this is just another of the legion of executives who love to hold meetings without consequence.

Cut this meeting short by offering your card and/or brochure and inviting the suspect *(no longer a prospect)* to contact you again when he or his organisation has a strong need for your expertise. Do it firmly, but with grace.

On the other hand, if the prospective client has a fixed date on his calendar for the project or tells you that the need is pressing and they require outside expertise "*yesterday*" and, if they have budgeted for it and presented it to you in an intelligent manner; you have a *"live"* prospect. Listen intently and take careful notes for your future proposal.

Furthermore, you can be much more solicitous of a prospect like this by putting yourself mentally on his side of the desk. This was mentioned before.

The client really doesn't know you or your qualifications. Without letting him conduct the meeting, you may acquiesce, in this instance, by answering a few questions about your experience and expertise.

Here is a tool used by many successful coaches, which can be a real *"clincher".*

Present the client with a printed form of your code of ethics.
If you don't have one or don't know how to do this to really impress the client, write or email **Advantex International,** acl@agora-inc.com, and request a copy of their gratis.

A similar tool, one which I prefer, is to present the client with a printed sheet outlining your *"methodology"* - the manner in which you handle coaching assignments.

Another thing: *Don't let the client prolong the meeting* beyond a reasonable length of time, no matter how well you might be getting along.

If the meeting started at 11am and the prospect would like to continue it beyond 1pm through lunch, you must demur. Tell him that you would love to, but you have a previous luncheon appointment with one of your regular clients.

Make another free appointment to continue this meeting, if necessary. This will be inconvenient for you, since you are already there and proceeding will, and you probably don't have a luncheon appointment at all. But it is worth the inconvenience to leave him with the impressions that you do not have all the time in the world, that you are on a tight schedule, and that you are very successful with a full calendar.

Here is an example of what NOT to do in the fact-finding meeting:
J.P., a new and inexperienced insurance coach, had an exploratory meeting with a prospect. The vice president greeted him warmly and introduced him to three young subordinates who were also in attendance.

As soon as the social amenities were ended, the client told the coach that it was the general feeling of the powers that be in his organisation that they were inadequately insured for product liability. He asked what was the normal and safe amount and kind of insurance necessary for a company like his. He also candidly cited his company's annual volume and approximate risk factors. J.P. was so impressed with the prospect's forthright manner that he immediately gave a complete run-down on the exact kinds of amounts of insurance policies, which would be required to keep the client relatively risk-free.

J.P. also told him which companies wrote the best policies of this nature. When he completed his expert discourse, he looked over at the three underlings sitting to one side and noticed that they were taking copious notes on everything he had said.

The executive turned to the three young men and said, *"Now there you have it from an intelligent, expert coach. Is there any reason in the world why you three can't do exactly as he said?"*

A loaded question, if ever there was one. The three nodded their heads and left the room. The *"client"* thanked J.P. profusely for his time, promised to get in touch with him if he ever needed his services, and led him out the door.

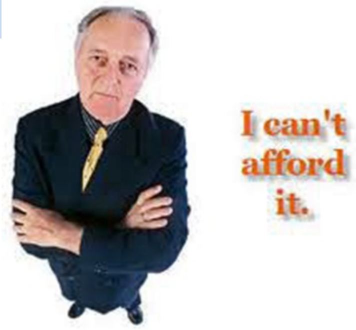
Of course, they never called J.P. again. *Why should they?* He had given them a complete answer to their problem. And it didn't cost them a dime.

This is a perfect example of the coach giving away his expertise **free** of charge by not paying attention to what he was doing. It is also a perfect example of a goodly number of clients who will deliberately set up exploratory meetings of this sort just to *"catch the coach out"* in this manner and get him or her to reveal specific solutions to specific problems without paying for them.

The point here is that *(once again)* there are certain questions at the exploratory meeting that you **NEVER** answer – or, if you do, you employ the vaguest, most generalized responses. **Your goal is NOT to solve the client's problem for free**, but to leave him with the impression that you have the solutions to problems like these because of your vast experience.

“Leave the client with the impression that you have the solutions to his problems!”

Handling objections:



In the selling of coaching services, we hear certain objections time and time again. The following are some of the most common objections along with specific guidelines on how to handle them. You may encounter them during the exploratory meeting but also in phone calls made to prospects either to qualify leads, set up the exploratory meeting, or follow up on a proposal that has not been accepted yet.

Objection 1: Your price is too high:

Of all the objections, this is the most common and by far the most difficult to handle. The key is to make prospects understand that, unlike products, which may be virtually identical, no two services are rendered in exactly the same way, and no two service providers will achieve an identical result. Also, no two service providers have identical backgrounds, qualifications, methodologies, personalities, temperaments, and policies.

It is the differences between the way your services are rendered, the benefits they offer, your experience and credentials, and the results they achieve versus other service providers that enables you to say to prospects, “t*he fees I charge are a drop in the bucket compared with the quality, results, and cost savings (or profits) you get from my services.”* Of course, you must back up such an assertion with details of proof.

Objection 2: We don’t have the budget:

This is slightly different from objection 1. *“Your fees are too high”* can be taken to mean *“We have the money to do this work, but we’re not convinced your service is worth the price you are asking.”* The objection *“We don’t have the budget”* lays the blame on the buyer, not the seller. It says *“Your fee is perfectly reasonable, but it is not within our budget.”*

How do you handle this? It depends on what the true situation is.
In some cases, they do have the budget, and are just hoping that by giving this objection, you’ll come down in price. When you stick by your original estimate and give reasons why your service is worth the money, you’ll find that prospects who said they had no budget can somehow, somewhere come up with the funds to retain you.

At other times, they may honestly not have the cash or have a budget allocated to handle your fees. You then say ***“Fine. Tell me what your budget is, and we’ll see what we can do for you within that price range.”***

When they tell you their budget, you don't cut your price to fit that budget. Instead, you offer them a less costly alternative a more *"bare bones"* service that's in line with what they can afford.

For instance, if a corporation wants you to do a management study for which you would bill $3,000, and their budget is only $2,500 for the job, tell the prospect, *"we can still do it for $2,500, but we would eliminate one of the two onsite research days to achieve the lower figure of $2,500."*

The idea is to give them the level of service tailored to their budget. If they want the top-of –the –line job, they're going to have to pay full price for it. If your hourly rate is $100, don't give your services away for $50 an hour to clients who plead poverty. Instead, if their budget is only $50, tell them they can buy a half hour of your time.

"The idea is to give them the level of service tailored to their budget."

Objection 3: I can get it cheaper somewhere else:

This is similar to objections 1 and 2 but with a difference. Here prospects are not telling you they can't afford you or that you are not worth your fee. They're simply noting that your competitor across the street sells a *(they think)* similar service for less, and why should they pay you $1,000 when they can get the same thing from Company X for only $800.

Why is this objection so popular? Because in reality, it's difficult for prospects to compare our coaching services with your competitors on a feature-by-feature basis. There are so many variables, so many complexities, and so many uncertainties *(after all, services are intangibles)* that buyers tend to focus only on the most obvious point of comparison, the price, when deciding between service A and service B. They become confused by a myriad of features and claims, and in disgust mentally give up and say *"Okay, which will cost me less?"*

The key to overcoming the objection *"I can get it cheaper somewhere else"* is to make clear to buyers that they are not comparing apples to apples but rather apples to oranges. ***That is, your services are not identical to those of your competitors.***

You offer many important advantages in terms of quality, credentials, service, reliability, trustworthiness, experience, and reputation and so a strict comparison of their price versus yours is not a meaningful exercise. Further, you must convince prospects that the advantages you offer provide extra benefits that far outweigh the extra price you're asking.

Compare your credentials, track record, results achieved for clients, and other qualifications with the competing firms.

If you have a strong record of proven success and a long list of satisfied clients, stress these. Clients will pay extra if they have more confidence in your ability to get the job done reliably and on time.

Objection 4: We don't use coaches:

"We don't use coaches." "We do it all in house." "We don't use outside contractors for this type of work." "I'll do it myself."

There are two basic strategies for overcoming this objection. ***The first is to agree with prospects that they are wise to do it themselves, but then try to find something they don't want to do themselves and would like your help with.***

For instance, in calling on large corporations, I'm often told, *"We don't need a freelance copywriter because we have staff writers who do all our brochures and manuals in-house."* It would be stupid for me to argue with the advertising manager and tell him to fire his staff because I'm better.

Instead, ***I probe to uncover hidden needs.*** I might say, *"Do you also produce newsletters, press materials, audio-visual scripts?"* One prospect recently said, *"Well, we're thinking of starting a newsletter, and we wouldn't be able to handle that ourselves."*

Bingo! There was my opportunity. I made the sale and got the assignment. I still don't write their brochures and manuals. But I get a nice four figure fee for writing several newsletters for them each year.

If you are unable to uncover work prospects need done on the outside, your fallback position is to say, ***"Well, I'm available to you any time you have a project that requires my special expertise or your internal staff gets overloaded. Please keep my material on file, so when you need me, you know who to call."***

Although they may not need you now, things change, and six months from now they may have too much work to handle in-house.

A ***second strategy*** is to say that yes, while you certainly can do this job yourself, Mr Prospect, there are many advantages to using an outside expert. Then explain those advantages. Or suggest that they can do the bulk of the work themselves, while still retaining you to check their work or offer some training, guidance, or advice so they can do it better themselves.

Objection 5: I don't have time to discuss it right now:

This is a legitimate objection up to a point. You should certainly respect prospect's busy schedules. If a person says she/he's too busy, or hasn't had a chance to read your proposal yet, she/he's probably telling the truth. Ask when she'll have time to discuss the project with you. Then call back at the time.

Here's how I normally handle the "I'm-too-busy objection."

PROSPECT: Bob, I just don't have time to think about this right now.

ME: I understand. I know how busy you are. I'd like to set up a time when we could spend twenty minutes on the phone discussing *(name the project).* Would you like me to get back to you at the end of this week or would next week be better?

If prospects tell you they have absolutely no time to talk with you no matter when you call, and that they'll always be busy and inaccessible to you, that's probably a good indication they don't consider the project important and therefore are not really a qualified lead for your services. Also, saying *"I'm too busy"* may be the lie they tell you to cover up the fact that there really is no project and they are just time-wasters.

Objection 6: We have no immediate need:

Here prospects are being honest with you. If prospects say *"We are just collecting literature for our files and have no immediate project in mind,"* that's exactly what they mean.

Does this mean they're lousy prospects? No, in many service businesses, only a minority of prospects have an immediate job that has to be done right away. The rest have requested your information or estimate to keep on file for future reference so that when a project does come up, they know who to call.

If prospects don't have an immediate need, don't pester them or hard-sell them. What's the point? If they don't have a project, they're certainly not going to make one up just to keep you happy.

The best strategy is to send your information, follow up to make sure they got it and to answer any questions, then ask their permission to follow up periodically via phone and e-mail. The periodic follow-ups will keep your name in their mind so that when a job comes up, they think of you and not your competitor.

> **"The best strategy is to send your information, follow up to make sure they got it and to answer any questions".**

About the only way to get an immediate job from people who say they have no work for you is to remind them that you handle projects in many areas, not just the specialty they called you for. The prospect who responded to your ad for stress reduction seminars says he'll keep you in mind but has no immediate need for a stress reduction seminar. You ask, ***"What other training does your company need?"*** When he mentions time management – not your primary specialty, but an area you do handle – you move in for the sale of that program.

Prospects often don't hire you because they don't realise you can provide a service they need but were not thinking of when they called. You can generate extra income by telling the prospect ***"Oh, by the way, I also do X, Y, and Z as well as A, B, and C."***

Objection 7: My boss/committee has to approve it:

"It looks good to me, but of course I don't have the authority to give you the go-ahead, so I'll need to run it by my boss/committee/senior management for approval."

You can avoid this objection by making sure you talk only (or primarily) to decision makers, not to underlings.

Knowing who the decision maker is for your type of service helps put you in front of the right people. If you normally deal with IT managers when selling your coaching services and you get a call from someone with the title administrative coordinator, you know you're dealing with an underling and must make an effort to present your pitch to the real buyer.

Note: I consider any phone or mail inquiry from an underling to be an inferior lead, on the basis that if the prospect was genuinely interested and considered the project important, he or she would have called me directly.

If you can't get an appointment with the decision maker, then your fallback position is to seek such an audience in the guise of an offer to help the underling sell the program to her committee.

UNDERLING: I will have to run this by our committee.

YOU: I understand. When does the committee meet?

UNDERLING: On the tenth.

YOU: Great. I would be happy to attend that meeting with you and be available to answer any questions the committee may have.

"Remind them that you handle projects in many areas, not just the specialty they called you for."

Objections 8: We already use someone else:

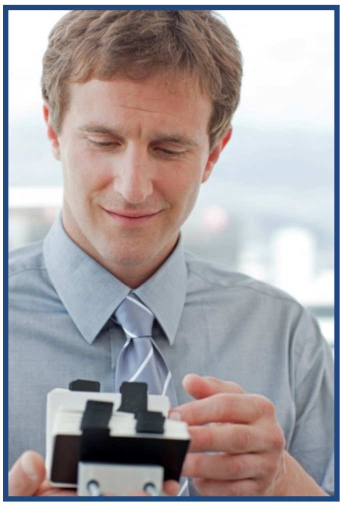
This is an objection that stops most services sellers' cold. After all. Let's say you're an advertising coach. You approach a company about handling their advertising. *"We already use someone else, and we're extremely pleased with them,"* says the advertising manager. What can you say? *How can you respond to that perfectly logical objection?*

The answer: Before you can make your sales pitch, you've got to sell this prospect on the idea that, even if the company is satisfied with the current supplier, another may do even better, and so it makes sense to at least hear you out. The gist of the argument is *"When you changed suppliers in the past from your old vendor to the firm you currently use that paid off for you. And if change paid off then, it can pay off now too."*

Objection 9: You offer only X, but we also want Y:

Frequently the prospect wants you to provide a more complete service than you normally offer. We all face this from time to time: The printer who is asked to set type and create mechanicals; the graphic artist who is requested to not only design the brochures but handle the printing; the accountant whose client seeks investment counselling and financial planning.

There are three basic ways to handle this objection:



- ***Provide the service.*** If you're able to offer the extra service and are so inclined, do so. When you say *"Okay, I'll also do that for you,"* it instantly eliminates the objection**.**

- ***Refer the prospect to someone who can provide the service.*** Often prospects really don't care whether you handle the extra tasks or someone else does it. The problem is they don't know who to call to get those other tasks done. If you say *"I don't personally handle X, but I regularly work with firms who do X, and I'd be happy to refer you to them,"* this is all prospects want to hear, and you've solved the problem.

  For this reason, it's important to keep a database or file of experts in allied fields who can provide your clients with services they want but you don't offer. If you're not a full-service supplier, you must be able to guide clients to various vendors who can supply the missing pieces and parts you don't provide.

- ***Sell you methodology.*** There are arguments, pros and cons, for using a single source or full service vendor who can handle the entire project versus going to individual specialists who do only a portion of the entire job.

"It's important to keep a database or file of experts in allied fields who can provide your clients with services they want but you don't offer."

If you're one of those specialists, know the advantages you offer, and sell these advantages to prospects.

In particular:

1. As a specialist, you have greater experience in your narrow area than a general firm trying to do what you do.

2. You have many more years of experience and have done many more projects similar to what the prospect needs.

3. You are smaller and have lower overhead, so you can charge less.

4. The prospect will have the benefit of dealing with you, the expert, directly. No middleman. No miscommunication or interfering layers of management between the client and the person doing the actual work.

5. If the large full-service coaches firm's staff members were really good, they'd be on their own, because independents earn so much more in your field. The fact they're on staff is indicative of a lack of skill, sharpness and professionalism.

6. The large full-service firm may have no staff expert in your specialty. That means they're simply subcontracting to an independent and putting a large mark-up on the bill. Why not eliminate the middleman and deal direct?

"You are smaller and have lower overhead, so you can charge less."

Objection 10: You don't have experience in our specialty:

Today we live in an age of specialisation. This prompts many clients to reject qualified coaches because the coach's background does not precisely match their need, industry, or technology.

Ten or twenty years ago, if you wanted a deck added to the back of your home, you called a carpenter. Today you call one of the many firms specialising in decks and decks only. The carpenter won't get hired because he's viewed as a generalist. And people want specialists.

As a result, a more and more common objection is *"You don't have experience in the exact type of project we have in mind."* ***So how do you handle this objection? There are two strategies.***

- ***The first is to present your background and experience*** so as to make it look like you do, in fact, have expertise either in or closely related to their requirement.

- ***The second strategy takes the opposite approach;*** it seeks to show why such expertise is unimportant compared to your overall skill, reputation, performance and so on. You tell the client, ***"Our being outsiders to your industry is an advantage. We're not locked into the 'business as usual' approach and can bring a fresh point of view to solving the problems."***

"Use whichever approach works best with you."

Objection 11: We can't hire you because our deadline is too tight:

In this situation, either prospects say *"We can't use an outside firm because the deadline is so tight we'll have to do it ourselves,"* or they specify a too tight deadline as part of the job, making it impossible for you to comply in your bid.

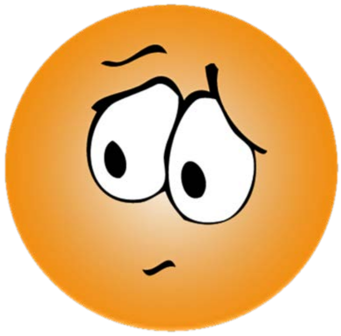
The funny thing about deadlines is that 90 percent of the time they are constraints artificially imposed by the prospects with no basis in reality. You can *usually* get an extension on the deadline ranging from two or three days to a week or more if you just ask for it.

However, about 10 percent of the time, the deadline is genuine that is, it's driven by a real event: The prospect is closing on a home, or moving, or has a trade show or important meeting or speech to prepare for.

In such a situation, you may have to accept the tight deadline or be prepared to pass on the work. You may be able to get yourself a little extra time, even if only a day or so, by making sure everyone involved in the project shares in the rush.

Tell the prospect, ***"I'll be happy to set other work aside and get this done for you, but let's make sure everyone on the team is pulling for you. Talk with your other suppliers, and get them to shave a few days off their schedules too. That will ensure that the job gets done on time while giving you and me the time we need to do our part effectively."*** Few prospects can resist the logic of this argument.

Objection 12: We've used your type of coaching service before and were not satisfied:



Most coaches do not understand the significance of this objection. Their logic is *"If the prospect used someone else and was disappointed, then I'll get the sale because I'll do a better job than the other person."*

Unfortunately, prospects' disappointment with their previous advisor makes them sceptical of your sales pitch and extremely reluctant to hire others *(including you*) in your field. Their attitude is *"We tried one coach in the past and he did a lousy job; therefore we don't believe in using coaches."* Rather than create an opportunity for you, the previous firm's failure and prospects subsequent disappointment has set up a formidable barrier against you.

To overcome it, ask probing questions that determine exactly what the source of dissatisfaction was with your predecessor. Ask, "What exactly about their services didn't meet your needs?" And, when they answer, reply: "That's interesting, could you tell me more about it?"

"Express your empathy with the prospect's struggle and disappointment."

When prospects gripe, don't badmouth your competitor directly, but do express your empathy with the prospect's struggle and disappointment, using such phrases as ***"I understand" or "I can see why you were unhappy."***

Then begin to address some of the problems caused by the other firms. ***Offer a tip or two*** on how the problem might be corrected, and suggest a few ways in which your company could set things right.

Prospects will quickly see that the problem was indicative of their particular service provider and not all service providers in your field, and that you seem different, helpful, cooperative, knowledgeable and able. Public relations coach Don Levin says that when pitching new business, he likes to ***go to the meeting with ten good ideas and suggestions in mind for that particular prospect.***

Finally, if prospects are still reluctant, offer to handle a piece of their project or correct a portion of the damage caused by your predecessor. Once a prospect can test your service on a small job, his or her fear of you being another wrong choice will vanish, and you'll get a bigger project.

Objection 13: What happens if we hire you and we're not satisfied with the work you do?:

I combat this objection by offering a strong warranty, guarantee, pledge of satisfaction, or promise of performance – within the limits of reason, of course. For example, say ***"Most of my clients are pleased and satisfied with my website designs when they receive them. But if you are not, I will redesign the pages according to your instructions and at my expense."***

If you cannot guarantee results, at least promise the prospect your best effort, e.g., ***"We have been retained by more than forty firms and in every case, sales have gone up after the client retained us. While we cannot guarantee the same result for you we will do our best to achieve it."***

Guarantees are powerful incentives for people to do business with you. The longer the terms *(ninety days versus thirty days, one year versus three months)* and the fewer conditions ***(an unconditional money back guarantee is most powerful)***; the less reluctant prospects will be to hire you.

On the other hand, ***we coaches must be careful with our guarantees.*** Those who sell products can always take the product back, refund the money, and then sell the product again to another buyer. But as coaches, time spent servicing a client can never be recovered. And the service rendered is so particular to that specific client; it cannot be resold to another client. Therefore, be careful with guarantees, lest unscrupulous buyers take advantage of you.

I offer a guarantee of service rather than one of returned fee. If a client is unhappy with the work, I will gladly redo it according to his or her wishes, but I will *not* waive the fee or refund money paid me. Most coaches use a similar guarantee of performance and avoid guarantees based on return of fee.

A good guide to structuring a successful guarantee is to look at ***guarantees offered by your competitors, then construct yours so that it is slightly better*** than theirs but not dramatically so, without locking you into promises you can't afford to make or don't want to keep later.

Objection 14: Your competitors are willing to do the initial work on spec, so why won't you?:

"On spec" is short for on speculation. When prospects ask you to work on spec, they are saying, *"Do the work for us. If we like it, we'll pay for it. If we don't like it, we don't owe you anything."*

In almost all selling situations for almost every service industry, even those where on spec work is common, I am usually against it. ***You are a professional, and in my opinion, a professional does not work for free which is exactly what "on spec" means.***

Spec work is bad for you because you are committing your valuable time and skills with no promise of remuneration. Think about it. *Wouldn't the time be better spent pursuing clients who don't insist on spec work and instead pay the fees you ask?*

Doing spec work lowers your status as a professional. Those who are successful don't have to do spec work; they are too busy servicing paying clients. Only those who are hungry and need business do work on speculation. *Which image would you rather portray to your prospects?*

Another problem with *spec work is that it signals to your prospects that your time* <u>*is not valuable.*</u> This is a bad impression to make, considering that your time *(along with your ability to solve problems)* is essentially what you sell. ***Here is how I handle the request to do spec work:***

PROSPECT: Would you be willing to do a small project on spec?

ME: I'm sorry, but I don't do spec work.

PROSPECT: Why not?

ME: I have more clients and leads than I can handle from prospects that are willing and eager to retain me at my regular rates. Since I have much more business than I can possibly handle, I don't have to do spec work to get clients.

PROSPECT: But your competitors will do spec work for me.

ME: I understand. Everyone does business differently. But tell me: How busy and successful can they be if they are so eager to work for you for free?

My experience is that if you are firm in your refusal to do spec work, you can get paid to do work your competitors are giving away for free.

Another problem with doing spec work is the very real possibility of getting *"burned"* by clients who take advantage of you. Because most of us are overly optimistic and perhaps too eager to make the sale, we tend to close our eyes to this possibility. Instead, we should proceed alertly, with our eyes wide open.

"My experience is that if you are firm in your refusal to do spec work, you can get paid to do work your competitors are giving away for free."

A close friend who is a management coach tells this story:

"I worked on spec once and only once in my career, and it was a big mistake. It was when I was just starting out and eager for the work. I wanted to build a reputation and a client list fast. So when the training manager of a big corporation resisted my sales pitch, I said, 'I tell you what. I'll come in and do the first training session on spec. If you don't like it, you don't pay for it.' I should have known he would be trouble when, after resisting so much, he instantly jumped on this offer. Sure enough, at the end of the first session, he came up to me and said, with a smile, 'Don't come back tomorrow... and don't send me a bill.' No further explanation. The explanation, of course, was that he took me for a free seminar. This is a mistake I will never repeat."

"AVOID WORKING ON SPEC!"

Objection 15: Your service (or you) is not exactly what we are looking for:

If a prospect says *"Your service is not exactly what we were looking for,"* ask where he or she feels it falls short. The prospect will tell you, and you can then isolate and address these specific objections.

Objection 16: You don't have a lot of well-known clients on your client list:

Those of you selling to business or industry know the value of being able to rattle off the names of four or five big corporate clients when going through your client list. The name recognition registers on prospects, causing them to think that if you're good enough for *Westinghouse* or *IBM,* you must be good enough for them too.

So what can you do if you don't have those big impressive clients on your list? ***First,*** when the client asks about your experience, ***don't limit yourself to listing only your clients.*** You can include the names of organisations you worked for as a full-time employee as well. Tell the prospect, ***"My experience includes handling projects for Westinghouse and IBM."*** No need to mention that *IBM* and *Westinghouse* are former employers, not current clients.

Second, if you don't have experience working with big-name clients, get some on your roster even if it means doing a small job for a small fee. When you tell prospects, ***"We recently handled a project for Lever Brothers,"*** they are impressed. They never ask whether the project was a $50 editing job or a $50,000 annual report or a $300,000-a-year annual coaching contract. So get some experience working for some famous names as soon as you can.

A third approach is to deflect prospects' obsession with famous names by showing that such experience is relatively unimportant and not really related to their needs.

"Get some experience working for some famous names as soon as you can."

You say, ***"Yes, we've worked with some corporate giants. But we're proudest of our work with (name three or four local clients his size or similar). You see, our strength is getting quick results on a limited budget for small to medium firms of your size or similar."*** This reminds prospects in a subtle way that they are not *IBM* and would in fact not want to hire a service provider who worked primarily with the *IBMs* of the world (and thus requires an *IBM*- size budget to pay the fees).

Objection 17: How long have you been doing this?:

In today's youth oriented society, prospects are not as bothered by youth and perceived inexperience in a service provider as they were ten or fifteen years ago. Still, you may from time to time be asked *"How long have you been doing this?"* or even *"How old are you?"* if you are youthful in manner or appearance.

When asked how long you've been in business, my rule of thumb is:

- If you have been in business fifteen years or longer, give the actual number of years.
- If you have been in business ten to fifteen years, reply *"Over a decade."*
- If you have been in business seven to nine years, say *"Almost a decade."*
- If you have been in business five or six years, say *"over five years."*
- If you have been in business less than five years, give a figure that reflects the time spent in your own business plus the years spent working for employers. For instance if you worked for a bank for ten years and have been a freelance financial planner for two years, say, *"I have over a decade of experience in the financial industry."* Do not break that down for the client unless specifically asked to do so. If asked, give the accurate figures.

"Prospects are not as bothered by youth and perceived inexperience in a service provider as they were ten or fifteen years ago."

If prospects, upon hearing the answer, object that you are too inexperienced, reply: ***"I agree experience is important. But I'm sure you've met many people who've been in this business a long time yet still don't know what they're doing, haven't you? I may not have as many gray hairs as***

they have, but I've handled more assignments successfully in five years than most have in a decade and I've learned from each and every one. May I show you some of the successes recently achieved for other clients?"

Occasionally prospects will ask your age sometimes, because they think you do not look mature enough to do the job; other times, because you look young for someone with your credentials, and they are curious.

How you answer is a personal matter. If age is indeed a private thing with you, and you do not want to reveal it, just smile and say, ***"I'm older than I look"*** *(if you are young-looking)* or ***"That's a secret even my spouse doesn't know for sure."***

In my case, I was extremely baby faced and youthful looking, and people often mistook me for someone five, ten and even fifteen years younger. *(Sadly, this is no longer true. Recently a clerk at our local pharmacy thought my wife was my daughter.)* When I was in my twenties and started my own business, I would reply in good humor "I'm older than I look" when prospects inquired about my age.

As soon as I reached my thirtieth birthday, I changed the reply to ***"I'm thirty-something".... the name of the then-popular TV show.***

There you have it: my list of the most common objections, with strategies on how to overcome them. I'm sure you'll encounter other objections as you make sales presentations to potential clients. When you do, write them down, noting what you said to the prospect and vice versa.

Study the most common objections – the ones that you hear again and again. Write out scripts to answer them, and go over them until they're ingrained in your memory.

Try these scripts out on your next sales calls. If they work, fine. If not, rewrite and adjust until you find just the right words for overcoming the objection.

The key to overcoming objections successfully is preparation. Ideally, at a meeting you should never hear an objection to which you don't already know the answer. When you know what to say to convince prospects their objections aren't a good enough reason not to hire you, the objections won't work.

Only when you don't have a good answer can prospects use objections effectively as an excuse not to do business with you. And that's all, ***most objections really are: excuses prospects use to avoid taking action or making a decision.***

Chapter 6: The Winning Proposal

The question is frequently asked, *"When should a coach write a proposal?"* The answer is ***"ALWAYS."***

Even if, at the end of your exploratory meeting, the client says that he doesn't want or need one – or says that a proposal isn't necessary because he can see that you are a perceptive person who truly understands his needs – submit a proposal anyway.

Why? Because the *coach's proposal is your very best selling tool.* (Notice I said "selling." We are past the marketing stage here. Now you are trying to close the deal.)

Understand that you will be writing many proposals, because a batting average of .300 is as excellent for a coach as it is for a baseball player. If you get three assignments for every ten proposals you write, you are considered a *"heavy hitter."*

Two is more the norm. But, (to carry the metaphor to its conclusion) you need many turns at batting. Write every proposal from scratch so that the client can see that every word is addressed to him or her personally. A well-written proposal will convince the client that you are not only an expert, but one who is keenly perceptive and has a total grasp of every aspect of the client's project.

You cannot accomplish this with *"boiler-plate."* Here's why: The beauty of word processing is that it can save a lot of time. And the tendency today is to copy existing documents, then modify them slightly to fit different situations and readers.

When novice coaches soon see that their proposals share so many similarities, they decide to write a generic proposal and pretty much fill in the blanks as needed. Don't do this. These are losing proposals.

Clients can spot this king of *"off-the-shelf"* approach. Take the time to address each client's needs on an individual basis with as much specificity as possible.

We shall discuss fees further on in the book, but it is important to mention a few things about fees and expenses here, because every proposal must have both.

Every proposal should be accompanied by a friendly, informal covering letter. Contrarily, the proposal itself should be strictly business.

Write the proposal as you wrote the problem-solving special report or booklet in Chapter 4. Number or letter your headings as well as your subheadings. Break the project down into several phases.

“Break the project down into three phases.”

Let us assume, for example, that you will be requesting a fixed-fee of $15,000 for your services on this project. Instead of simply quoting your full fee at the end of the proposal, as most coaches do, you can double your chances of getting the assignment in the following manner:

- Break the project down into three phases.
- At the end of each phase, quote a fee of $5,000.
- Present each phase as a mini-project in itself, allowing the client to decide whether he or she wishes to proceed from Phase I to Phase II, after due consideration and evaluation of your work thus far – and later proceed from Phase II to Phase III.

By doing this, you are truly placing yourself in the client’s shoes and beginning the process of tearing down his wall of resistance. You are not forcing him or her to buy “a pig in a poke”.

The client now perceives that you are not a hungry, money-grubbing person who is attempting to tie him down to an airtight contract for $45,000 without a chance to evaluate your worth. You have given him two *“escape valves,”* which make him much more trusting and you much more trustworthy.

Furthermore, he has a much easier time selling your services to his superiors, his controller and/or his board of directors.

Finally, many organisations allow executives to make certain financial commitments with a ceiling. In this case, $15,000 could well be that ceiling for this executive, and he may be able to retain you without anyone else’s permission or any further ado.

The more phases of the proposal (within intelligent limits), the less the partial fee, the easier your chance of closure. Make sense?

Of course! Now you are quickly learning how to understand the needs and perceptions of the client – and how important they are.

Your perceptions don’t count – with few exceptions – as you read earlier in the book. If you were the client, you would feel much more comfortable with a coach like this.

In fact, you have been in this kind of situation. Aren’t you more comfortable with an auto mechanic who tells you that he will diagnose your car’s problems in phases, with a price for each phase, rather than one who hits you with an enormous fee up front, in spite of the fact that the trouble could well be a minor one spotted early on?

Now we come to those exceptions to this primary rule of *"the client is always right".* Though few in number, ***these exceptions are MAJOR.*** The misperceptions are still understandable, but ***NEVER*** to be condoned by you.

Clearly, if were you the client, you would demand that the coach's proposal contains the following:

- A complete description of the methods and procedures that you will use to achieve the client's goals.
- Your guarantee that the client's goals will be met.
- A complete description of your duties and responsibilities.
- An accurate time frame for completion of the project or the solution to the problem.

The average client would like to see these things spelled out in the proposal, but any coach who acquiesces to such demands does so at great peril to his or her career. Here is why:

Successful coaches *only describe the client's **GOALS** in their proposals, but **NEVER** guarantee to meet them,* because coaches don't work in a vacuum. Clearly, the client is entitled to have you describe your duties and responsibilities in your proposal, ***BUT*** not without your describing his or her duties and responsibilities regarding this project, as well.

"Don't focus on how you can succeed – focus on how you can help your clients succeed."

If the client either will not or cannot offer cooperation and assistance to the coach and withholds required information and cooperation, the project will fail. But the coach cannot be held at fault or be accused of non-compliance.

The client is not entitled to a complete description of the procedures and methodology to be used by the coach, because these things comprise the expert's *"stock-in-trade",* if you will, and they are never revealed without payment. This is truly a time when the coach should never give away free advice.

Remember, no contract has been signed, nor has any retainer passed hands. Were you to comply with this kind of client demand, the client could well use your expertise as a blueprint for having his staff handle the project, or use your proposal by showing it to a competing coach for a lower bid. These things have happened – often.

You *cannot guarantee an exact time* for completion of the project for two reasons: third party interference and "acts of God." Third-party interference occurs when the project's success depends, in whole or in part, upon the successful conclusion of another outside expert's job. If that job is incomplete or not forthcoming, or if its results are inaccurate, then your mission will be greatly hampered or will crash altogether.

"Only describe the client's GOALS in their proposals, but NEVER guarantee to meet them."

"Acts of God" in any agreement consist of blizzards, earthquakes, floods, cyclones, etc. When you add the possibility of things like labour strikes, you can understand why a deadline would have to be postponed and why you cannot be bound by a rigid, irrevocable date for completion of the project. An approximate target date is the best you can offer.

Finally, we come to another grievous error that most coaches commit in their proposals. They forget to include the most important thing: a call to action on the part of the client:

THEY FORGET TO ASK FOR THE SALE!

A simple clause at the bottom of the proposal, asking for the client's signature of agreement, can often achieve immediate closure. This seems like such a simple thing, but 75% of all proposals do not include this vital element.

Not only can a clause like this, speed things up and make for immediate closure, but it eliminates the need for any further contractual agreements (see the next chapter on contracts). For, the proposal, signed by both client and coach, has all three elements of legal contact: *offer, consideration,* and *acceptance.*

To clarify and exemplify all of the precepts in this chapter, the following is an actual winning proposal, complete with covering letter. Names, facts and fees have been changed to protect confidentiality.

I know that you are eager to start the coaching sessions as soon as possible, so I have penciled in the earliest possible starting date on my calendar: 18th July. If this proposal meets with your approval, you need merely keep one copy with my signature for your files and return the original with your signature and the required retainer.

If you have any corrections or additions to the proposal, please let me know as soon as possible so that the agreement can be effective by 18th July.

I look forward to working with you.

Some coaches do not follow up a proposal. They think that if the client wanted to hire them, he would have, and not hearing back means he has chosen someone else.

When a client does not return a signal proposal with your down payment, it does ***NOT*** necessarily mean they chose someone else.

More likely, it means that there is one or more elements of your proposal that they do not find acceptable. However, the other 90% may be totally to their liking.

Unfortunately, it may not occur to them that you have flexibility on the items that are the hold-up. Therefore, rather than call you to discuss it, they simply shelve the proposal.

In his cover letter, Mr……. told the client, *"If you have any corrections or additions to the proposal, please let me know as soon as possible."* A reasonable request, but clients don't often do this.

Instead, they just remain silent, and if they do, you lose a contract that might otherwise be yours if you and the client talked through any obstacles.

You spend a lot of time and effort getting to this point – marketing to get the inquiry, sending out your free booklet, following up, going to the exploratory meeting, writing the proposal. *Why lose a lucrative assignment because you are too stubborn to follow up?*

But you don't want to seem needy or desperate? How can you follow up without appearing so, or seeming to pester the client?

Most projects have a time-frame, and that is your excuse to call the client if you have not heard from them. You say that you are checking to see if they have sent back the signed proposal, since you haven't gotten it yet, and that meeting the time-frame depends on getting started in a timely manner.

At this point, they will either tell you it's on its way. Or, embarrassed, they may say they are not going ahead or haven't signed it.

No need to be defensive or for this conversation to be uncomfortable. Just say pleasantly, "Would you mind telling me why?"

Often the response will be a concern that is easy to fix. If that's the case, say, *"I think I can see a way we can work around this,"* and then describe your proposed solution or compromise.

If you can make a positive difference in your client's business and personal life, your success will follow naturally.

Money is most often the reason why the client is hesitant to sign on the dotted line. You don't come cheap, and the client is already hurting (or else they would not have come to you in the first place). They are afraid of spending a lot of money on an outside coach, whose ability to solve this specific problem for them is as yet unproven.

Going back to our model proposal, let's say the client did not want to spend $15,000 on Phase I but only had a budget of $10,000.

You could offer a reduced version of Phase I that involved less of your time and effort, and therefore cost the client less. One way that works is to tell the client they can reduce the costs by doing certain tasks in-house. There are almost always tasks that can be done by others, allowing you to focus on just the main ideas or solution, and therefore spend less of your time and charge less.

Coach Andrew Linick uses an alternative proposal-writing method he calls ***"good, better, best".*** In his proposal, he describes three service options for solving the problem.

"Good" is a bare bones service that gives the client good value at a very affordable price.
"Better" offers additional services for a more complete solution, and is priced somewhat higher.
"Best" is the premium solution, with the highest level of service and also the highest price.

This approach works because the client sees you are offering him a variety of options tailored to his needs and budget. Also, when he sees the *"good"* fee, it alleviates the sticker shock he might suffer if the proposal contained only the *"best"* option and fee.

Another reason for the client not signing your proposal and going forward with the project is that, faced with the reality of the big fee and commitment, they discover they are really not as convinced as they thought they were (and as you thought they were) that you can handle the job.

If you have done such a project recently for another client with good results, get a letter of testimonial from that client, and pass it on to your current prospect. Even better, have the satisfied client agree to talk to the potential client about his positive experiences with your service.

A third reason for the client not to give you the green light has nothing to do with money, or you, or their trust in you. It is simply that the problem your proposal addresses is no longer the priority concern it was when they first asked you to come in.

Does this mean the problem has gone away? It could. If they had a cash flow problem, and they were just approached by a larger company that wants to acquire them, that merger will solve the cash flow problem, so they no longer need you.

More likely, though, priorities have shifted. A company once called me in, eager to implement an e-mail marketing program. But then I heard nothing from them.

I called to follow up. It turned out that the manager who brought me in had been fired, and his replacement had no interest in e-mail marketing.
How often should you follow up? Once is probably not enough, but ten times is too many.

If you do not hear back after making two or three follow-up calls, place the client's record in a segment of your database reserved for clients whom you have met and written a proposal for, but did not get the contract.

Keep in touch with these prospects periodically and with somewhat more frequency and intensity than you do with prospects who merely requested a booklet but went no further.

You will find that everyone who made an inquiry has a higher probability of becoming a client than *"suspects"* - people who have the need for your service but who have never contacted you.

In order of priority from the best prospects (those most likely to buy and therefore warranting maximum follow up effort) to the least likely prospects to buy:

1. **Existing clients** – clients for whom you have recently completed successful projects are the most likely to hire you to do another.

2. **Past clients** – those for whom you did at least one project in the past, but have not worked for recently (i.e., within the last 18 months).

3. **"Open quotes"** – prospects for whom you wrote a proposal but for one reason or another did not buy.

4. **“Inquiries”** – prospects who responded to your marketing and asked for information on your services or your free booklet, but with whom you were unable to get an appointment.

“Suspects” – people who have the need for your service but who have never contacted you.

GOOD

BETTER

BEST

Chapter 7: The Coaching Contract

There are ***four kinds of legal contracts between client and coaches:*** the ***verbal*** contract (handshake), the ***proposal*** signed by both parties (see the previous chapter), the ***formal contract*** prepared by an attorney, and the ***letter of intent*** written by the client or the coach. All contain the ***three primary elements: offer, consideration,*** and ***acceptance.***

The verbal contract:

Although legal, the verbal contract comes with risk to both parties. If there is misinterpretation or misunderstanding by either the client or the coach, it is difficult for either to prove his or her case. In the words of that famous malapropist, Louis B Mayer (of Metro Goldwyn Mayer fame), "A verbal contract isn't worth the paper it's written on."

The signed proposal:

The proposal signed by both coach and client is obviously the most efficacious method of legal agreement, because it saves a lot of time and it gets the expert on the job where and when the client needs him. Besides, it contains all of the terms of the formal contract in plain English, not in legalese. In short it eliminates attorneys – always a plus, if and when it can be so arranged.

Let us return to the actual proposal submitted (in the previous chapter) by John Doe of Productivity Enhancement Coaching Inc. to the prospective client, Mr McCaffrey, at American Widget Corporation. Here is, in fact, what happened in this case:

After reading Mr Doe's proposal, Mr McCaffrey called another meeting stating that American Widget had decided to retain Mr Doe but he wanted to further discuss the terms. At the meeting, McCaffrey carefully and politely expressed himself thus:

"Mr Doe, we have decided to retain you because your proposal convinces us that you are the expert we need. I did not sign your proposal because we would like to amend the terms slightly. "Your proposal, for a number of reasons, made us feel so confident in your abilities that we would like to retain you for the entire production expansion project – all three phases. However (and please don't think that we are being cute or haggling), we would like to take advantage of your 5% discount offer and save the $2,250, but pay you, as you prescribed, in three equal installments of $14,083: a total of $42,250. "It is not our policy to bargain with professionals, but you brought the matter up. When you did, we assumed that it was to determine our commitment to you and your expertise, not as bait or because you desperately need the money now. [A very astute client.] "So, if we can simply change the payment terms and amounts on your proposal and both of us initial the changes and sign the document, I'll have our cashier draw a check to you for $14,083 (our first payment) and we can get the project started on January 21."

John Doe was delighted, but found the client reaction unexpected. He decided that the 5% incentive was a good thing and continued to use it thereafter. He was not unaware, however, that Mr McCaffrey was an unusual, forthright and clever client, and that others could well misinterpret this kind of incentive.

The Formal Contract:

To exemplify all of the drawbacks of the formal contract drawn up by attorneys, pay heed to the following true story: D.L., a telemarketing specialist, wrote an excellent proposal for a client in dire need of his expertise.

The client agreed to retain D.L. for a fixed fee of $26,500 plus expenses. However, the client stated that the bylaws of her corporation prohibited her from entering into any agreements with outside sources without a formal contract. She then suggested that D.L. have his attorney write the contract according to the terms set forth in the proposal, and she would then submit it to their attorney for approval.

D.L. knew that his attorney would charge approximately $3,000 to write such a contract *"from scratch,"* so he politely asked the client whether her company would consider having <u>their</u> attorney write the contract for <u>his</u> attorney's approval.

He knew that no layperson should ever sign a contract written by an attorney without his or her own legal counsel. D.L. figures that the perusal of a contract would cost far less than the actual writing of one (perhaps $1,000).

At this point, the first slight element of dispute entered into the client/coaching relationship. Perhaps *"dispute"* is too strong a word, but clearly this distasteful contretemps was a jockeying for position by both parties to save money – and it **WAS** adversarial.

D.L. reluctantly yielded, because adding this prestigious client to his list would greatly enhance his reputation. D.L.'s attorney took three weeks to frame the contract (15 pages of legalese), using the original proposal agreed to as his guide.

In the interim, the attorney required two lengthy meetings with D.L. The contract was then sent to the client, who, in turn, submitted it to her company's attorney. At the end of two weeks, the attorney met with D.L.'s client and explained at length that she should never sign such a contract, because to do so would put her company at great risk.

Not realizing how coaches work, he pointed out that nowhere does the contract guarantee a successful completion of the project and that it offered no specifics concerning the coaches procedures and methodology. *(Sound familiar. Of course.)*

Remember, the coach still cannot reveal these things because no contract has been signed. Only after closure with accompanying payment can the coach reveal the specifics of his methods.
The client told her attorney to call D.L.'s lawyer and iron out the legal technicalities with him *(as is proper).* Then, over a period of a month via numerous meetings, phone conferences and memos, the two attorneys engaged in their normal dance to protect their respective clients.

The "clocks" of the two lawyers ticked up their fees for another month while they each postured before their clients. Since they were officially *"speaking for"* their clients, they gave the impression of total recalcitrance, when, in fact, both coach and client had originally been in complete agreement.

The bottom line was that the project started three months late. D.L.'s legal bill was $6,720, and the client's legal bill was $4,600. Both client and coach were very disgruntled about the whole affair, and D.L. made a promise to himself never to even entertain the thought of entering into a formal contract again unless his fee was minimally $100,000 (highly unlikely in his practice) to cover any and all legal expenses.

The letter of intent:

The letter of intent, whether from the client to the coach or vice versa, is a one-page, simply written lay document which has all the legal force of any ten or twenty-page formal contract drawn up by an attorney. Moreover, the fact that the letter of intent is written so clearly and simply that any twelve-year-old can understand it, makes it twice as effective in a court of law, because there are no loopholes which could be open to interpretation.
E.S., a Certified Professional Coach, is a coach to physicians. Her specialty is the installation of systems as well as physician-staff training for speeding up insurance company claims and payments.

Before becoming a coach, E.S. had held an executive position in the medical claims department of one of the largest insurance companies in the country. It was her job to slow down and disallow as many physician claims as possible without running afoul of any government regulations or laws.
E.S. felt that she could put this knowledge to good use by "going over to the other side" and helping physicians quadruple the speed of their cash flow. In her research, she had discovered that many doctors were so far behind in their receivables – some totaling up to $500,000 – that it was necessary for them to get bank loans at high interest rates, using these receivables as collateral.

With this information, she set a fixed fee of $20,000 for one year of her services. She processed every claim, using the tricks she knew, and she trained the doctor's staff to do the same. At the end of the year, she took her departure, never becoming a crutch for the client. In her first year, she had four clients. Because of her expertise, her methodology, and the fact that she was always able to deliver what she promised, she got many referrals, and her second year found her with twelve clients. She required neither proposal nor attorney-written contract, but created her own one-page letter of intent.

All of these letters were identical. Here is a copy of one of them.

E.S. Coaching Firm
Address
Date

Dr X
Address

Dear Dr X

I agree to handle your insurance claim file for the next twelve months. I promise to speed up payment from the insurance companies involved, bring all your old claims up to date, and ensure that all claims henceforth will be paid within 30 days. Additionally, I intend to train your staff, or anyone else you designate, in all of my methods and procedures.

You will, in turn, open all of your receivable files to me and make certain that I receive all of your insurance claims in a timely manner.

I do not intend to work full time on this assignment, but will spend as much time as is necessary to get and keep your claim files up to date. The training of your personnel will be done in your office, and you will be responsible for setting aside your employee(s)' time for it. The actual work on your claims will be done, for the most part, in my office.

My total fee for this work is $20,000 plus expenses for long-distance phone calls to those insurance companies that do not have an 800 number. The fee is payable monthly at $1,667 in advance.

Your signature, along with your check for the first month's payment will effectuate this letter as a contract between us.

______________________	______________________
(doctors signature)	(coaches signature)
date	date

One day, at the beginning of the second month of her contract, Dr Y called her in and said that, thanks to her work thus far, he and his staff now had a pretty good general idea of what they had to do to speed up his insurance claims, and so he had no further use for her services. (He had paid her for the first month only).

"Most coaching hours on long-term assignments are spent at the very beginning."

As we all know, most coaching hours on long-term assignments are spent at the very beginning. Further along, the work becomes less demanding.

E.S. had worked long and hard that first month, particularly on the oldest and most troublesome claims – as she does for all her doctors who have a huge backlog. She quietly left Dr Y's office and phoned her attorney.

Within one week, the doctor received a court summons. He phoned his attorney and explained the situation.

After reading the letter of intent, his attorney quickly advised the doctor to either allow E.S. to complete her contract or immediately pay her the balance of $18,337 plus her lawyer's fees. There simply was no way of disputing or otherwise interpreting that document.

Contracts for government work:

There is an exception to the rule against the use of formal contracts. All government agencies – federal, state, county and city – require them.

The contracts are always written by them, not by you. For the most part, the terms are fixed and non-negotiable. They fix the fees and the terms. Usually, these contracts are put up for bid.

All the terms are in the client's favour. As a rule, they may terminate the contract at will and you may not. They may change the contract at will while the work is ongoing and you may not.

Furthermore, they have a total lack of understanding of the different degrees of expertise coaches provide. So, they contract with the lowest bidder, i.e., they purchase desks, paper clips, or any other procurement needs.

The contract contains tight specifications within which you must work. The only time that they will occasionally award a contract to a high bidder is when the political *"fix"* is in.

There is an area of government work, however, which is not unfair to the coach, which is not confusing, which requires your true expertise, and which is quite lucrative: feasibility studies. Here you are unfettered.
Feasibility studies are also up for bid, but the work is neither qualified nor quantified in advance.

Feasibility studies come with high price tags.

Of course, there are times when politics rears its ugly head and you will be told in advance (in private) what the desired and expected outcome of the study should be. Accepting such an assignment is totally unethical, but your own conscience will tell you this without reading it here.

Chapter 8: The Art of Fee-Setting

Your ability to ***set an appropriate fee*** for any assignment is clearly the ***key to your success.***

For, no matter how expert you may be in your field, in marketing your expertise by identifying and finding prospective clients, no matter how influential your personality in your exploratory meeting with the client, and no matter how expert a proposal-writer you are, an inappropriate fee will make all else count for naught.

What is an *"appropriate"* fee? It is simply one that is agreeable to the prospective client at that time for that assignment.

In other words, the appropriateness is dependent on what is in the client's mind, not in yours.

The perception of the client, again!

If he thinks the fee is too high or beyond his budgetary constraints, you will not be retained. Period!
Or, if he thinks that your fee is so low that it bespeaks a lack of expertise, experience or professionalism on your part, you won't get the assignment either.

Again, if the fee is not commensurate with the expected results, or if the client believes that it poses too much of a financial risk to him and his organization, you will not be retained.
Since getting the assignment is the name of the game as far as your success is concerned, it is vital that you become schooled in the psychology of your client world (their perception) as well as in the proven successful strategies in setting your fees for client acceptance.

Getting the assignment is the name of the game as far as your success is concerned!

This, then, is the purpose of this chapter. It is based on thousands of coaches' case histories over a period of fifteen years – both successful and unsuccessful. For it is important that you learn what not to do in this respect as well as what to do right.

We will deal with the ***four basic categories of fee-setting:*** the ***hourly and daily rates,*** the ***fixed-fee project,*** the ***retainer,*** and the ***contingency fee.*** Avoiding coach risk as well as presenting your fees in a thoroughly professional manner are other important strategies that will be discussed.

Hourly and daily rates:

There are many books, tapes, seminars, and articles on the subject of coaching fee-setting. Frankly, most of them do not make much sense in the real and practical world.

For example, the setting of your hourly fee. The common *"wisdom"* seems to be that you use your previous salary in your most recent position as an employee and divide that weekly salary by 40 (hours per week).

If, ***for example,*** you earned $1000 per week (before taxes), your starting hourly fee as a coach should be $25. This, of course, is patent <u>nonsense</u> for two reasons:

1. It will take some time on your own before you have a sufficient clientele to be working a steady 40-hour week. So, if you start by charging $25 per hour and you work a few hours a week in the beginning, you will starve to death.

2. In today's economy, any professional who charges less than $60 per hour is considered incompetent. (Perception of the client.) The fee should be high enough to at least give you some credibility in the eyes of the prospective client.

Another piece of *"wisdom"* promulgated by the *"experts"* is that your ***hourly fee should be charged at all times***, including the exploratory meeting with the client. Clients absolutely refuse to pay you for the time it takes you to introduce yourself and attempt to sell them your services.

Still another tenet taught by some is that of your overhead, however large or small, should be added to your fee. The hourly fee, they say, is your personal revenue, but the client must also pay for his pro-rated share of your rent, your phone, your car, your insurance, your utilities and even the cost of marketing your services to him (any form of advertising before the exploratory meeting).

If you love your work, if you want to work, and if you want to succeed, do not get in your own way by adding these charges. (The government requires listing of these expenses, but that is another matter.)

Your overhead, be it large or small, is none of the client's business, and he resents these charges.

This brings to mind a funny story which will hopefully accentuate this point:

A man entered a bar and ordered a martini. He placed four dollars on the bar and waited for his change. The bartender told him that the price of a martini was ten dollars.

The man was outraged. The bartended explained, "See that painting on the wall? That's an original and cost the boss $73,000. That other painting cost the boss $52,000.

The man paid, finished his drink and left in a huff. The next day, he returned, placed a five-dollar bill on the bar, covered his eyes and said, "Give me a martini, I saw the pictures yesterday."

In a book called *Keeping Hope Alive* (Harper & Row, New York City) Dr Robert F. Rodman wrote: ***"The fee is an arbitrary, socially determined means by which time is given value… the work itself is literally priceless."*** This is something that the prospective client must come to realize.

Professional coaches own only two kinds of inventory: their *time* and their *expertise,* and both are intangibles. As previously stated, the selling of intangibles is far more difficult than selling a pair of shoes or bedroom furniture. Your fee must be presented in the same manner as that presented by your doctor, your dentist or your attorney.

Fixed-fee arrangement:

Generally, the hourly or daily fee will apply to a very short-term assignment – a few days or one week at most. Clients are reluctant to pay the hourly fee for any project that takes longer than that.

They prefer a ***fixed-fee arrangement on long-term projects,*** for good reasons *(from their point of view):*

1. The coach has no idea, going in, how many hours he or she will spend on any project because of any number of pitfalls that may occur. He may encounter interfering office politics, labour strikes, delays by other parties involved, lack of cooperation by the client and/or staff, or acts of God. So, he can only quote and hourly fee accurately. But the client doesn't know what the ultimate total fee will be.
2. As a result, the client will have difficulty with his controller or accountant, being unable to provide a budgetary amount for the project. He will be told in no uncertain terms that this is no way to run a business.
3. Despite your excellent credentials and references *(as well as your proffering your code of ethics)*, the client has no way of knowing whether you would deliberately take an inordinate amount of time to complete the project for the purpose of increasing your own revenue. In short, because of the reasons set forth previously in this book, he is wary of coaches and retains a certain amount of distrust. *(Unless, of course, you have done satisfactory work for this client before.)*
4. Therefore, the client feels that he is at financial risk.

All of the above comprise what we call the clients' *"blank-check syndrome."* He is much more comfortable with a fixed fee and will usually request one from you.

Clearly, what he is attempting to do is transfer the financial risk to you. And you can readily understand his desire to do so.

"You must understand the perceptions of the client and cater to them."

It cannot be repeated too often that you must understand the perceptions of the client and cater to them, even though those perceptions may be false, as they are in this case. For, in truth, the client will always wind up paying much less for a project on an hourly basis than on an arbitrarily pre-set fixed fee, as you will clearly see below.

It is at this juncture that you must be very careful. The first thing to remember is never to *"shoot from the hip."* (Those who do usually put bullets into their feet.)

Just because the client asks you for your fee is no reason to offer it immediately on the spot – even though he is leaning forward in his chair expectantly. Tell him that you will consider the project carefully and get back to him with your fee in your proposal.

Then go back to your office and get out your dartboard. Why? Because for all the reasons previously explained, you really have no idea what snags you may hit and how much time this entire project may take.

But, of course, you must make some kind of guesstimate. After you have done so, add another 50% to those hours to cover yourself.

Then multiply the total number of hours by your hourly fee, and that will be your quote for the fixed fee. ***For example,*** if your fee is $100 per hour, and if you originally guesstimated that the project will take 100 hours of your time, you will make your new estimate at 150 hours, and the fee will be $15,000.

With the client having shifted the risk to you, it now becomes incumbent upon you to reduce that risk as much as possible. Hence, the quote, which includes the inflated hourly estimate.

Time and again, it has been said here that the perception of the client is what counts, even when he is wrong. And he is most often wrong to retain a professional he doesn't trust.

You can readily see that the client would have saved a lot of money in this instance if he had retained you on your hourly-fee basis. But such is life.

It may often happen that, due to your competence and efficiency *(as well as no interference with your work)*, you will finish the project ahead of the time estimated in your proposal. On occasion, the client will request that you reduce the fee because of this.

You must demur and politely remind him that it was he who requested the flat fee, and that, had your time run over, he would not have paid you an additional penny over what he contracted for.

Furthermore, he really shouldn't penalize you for your efficiency in a task well done.

To recap a few important rules for decreasing your risk in fee-setting:

1. Break your proposal down into phases with fees for each phase.

2. Never start work without a partial payment in advance *(retainer).*

3. Always invoice the client for partial payments on a regular basis. Monthly is the usual accepted practice.

4. Invoice the client for your out-of-pocket expenses weekly.

5. Be certain that the client owes no more than 10% of the entire fixed fee *(in phases or otherwise)* before you finish your work and submit your final report.

"Be certain that the client owes no more than 10% of the entire fixed fee."

You may be surprised to learn that large legal firms are now switching from hourly to fixed fees.

They report that their total annual revenues are no less than before, and in many cases the revenues have increased.

Most importantly, clients are much more comfortable with this arrangement, because they do not feel that they are at financial risk – even though they are probably paying more per hour because of this misperception.

L.E., a certified (CPC) quality-control coach, had a *"full plate"* with all the clients he could handle. But, being the successful coach that he is, he continued marketing on a regular basis.

At the end of one of his exploratory meetings with the vice president of a major manufacturing firm, the client stated that they were in dire need of an expert quality-control coach immediately. They had already had bids from four other coaches. The vice president, however, told L.E. that he would vote him at the final decision-making meeting of the board of directors. L.E. said that he would submit a proposal with his bid.

He went back to his office and phoned his other clients with whom he had ongoing projects and asked them if they would be amenable to extending the time-frame of the projects by one month if necessary. Three of the six said that they wouldn't mind.

He then submitted his proposal, in which he tripled his fee from $125 per hour to $375 per hour. He reckoned that he had nothing to lose by this, since his calendar was full anyhow, and that if he really made that good an impression on the vice president, he just might get the assignment.

At the meeting of the board of directors *(the vice president told him much later on)* the executives seemed to be in a quandary. The other four coaches' fees ranged between $100 and $135 per hour. How was it, the board members asked the vice president, that L.E. was charging so much? Was he a crook or charlatan?

The vice president said that he checked L.E.'s references and he came very highly recommended. So obviously he was neither a crook nor a charlatan – he was merely expensive.

The board voted to retain L.E., because they felt that the high fee indicated that he was the *"Cadillac"* of quality-control coaches and the others must be the *"Fords"* and the *"Chevy's."*

Of course, they had no real basis for this decision. But the fact remains that it was the extremely high fee, in this instance, that got L.E. the assignment. Had his fee been $140 per hour, the vice president assured L.E., he would not have been considered so excellent.

The lesson here is that most hapless coaches, in setting their fees, first do their *"homework"* by researching their field and discovering what most coaches' charge. They then reckon, falsely, that they will get work if they undercut the going rate.

"First research your field to discover what most coaches charge!"

The staff at **The Advantex Coaching Academy** receives at least three phone calls a week asking for the current fees for certain fields, with this in mind.

Don't set your fees this way!

Monthly or annual retainer fees:

The word ***"retainer"*** is used here in two different senses. So as not to confuse you, the first sense is the one that has been mentioned, i.e., the ***partial pre-payment of your fee before you start your contractual work.***

"He wants to be able to call upon you whenever he feels the need, without paying your hourly or daily fee."

The other meaning of *"retainer"* occurs on the few occasions when a client, who has been using your services with a fair amount of frequency, is impressed enough with you to want you *"on tap."* He wants to be able to call upon you whenever he feels the need, without paying your hourly or daily fee.

He feels that paying your regular fee inhibits him somewhat from calling upon you freely whenever the need arises. So, he requests a monthly or annual retainer fee. Corporations and individuals who have frequent legal problems make such arrangements with their attorneys, and this concept is not a new one.

The annual retainer fee is broken down into twelve monthly payments. If is customary for the client to pay each monthly fee is advance, but it is not mandatory if you know the client well and have a good experience with his credit.

But, here again, you must protect yourself against risk, since neither of you know how many demands the client will make on your time throughout the year. Obviously, you came to this arrangement and this fee using past experience as a guide.

The most ideal situation is when the *"heavy"* months are offset by the *"light"* ones, time wise.

However, too often the demands made by the client exceed your expectations because he is using you so freely without a care for expense *(pretty much like some Medicare patients overuse their physicians).* So the agreement you make with the client – in writing or otherwise – must be flexible.

Your agreement must state that, if you find that you are spending an inordinate amount of time for this client, far in excess of your and his original expectations, your monthly fee will increase. If the client balks at this, just explain that this arrangement can work in his favor as well, i.e., if the time spent is far less than expected, your fee will be lowered.

The way to accomplish this is by an escape clause in your agreement. Either party may terminate this contract by giving thirty day notice in writing to the other.

Also, the contract fee may be changed by mutual consent with thirty days' notice. If you do not protect yourself in this manner, you could sometimes wind up earning $22 per hour with this client.

Contingency fee:

The ***contingency fee*** is one whereby the ***client will either offer you a percentage*** of money he makes as a result of your endeavors (based upon increased profits or increased gross volume). Or, the client ***offers to pay you when you have completed your work*** to his or her satisfaction.

If you were a client with a Shakespearean turn of phrase, you, too, would consider this an arrangement *"devoutly to be desired."* With very few, rare exceptions, coaches should never, ever, accept the offer of a contingency fee for the following reasons:

1. Accepting a contingency fee is totally unprofessional. This client wouldn't dare offer this kind of arrangement to his doctor, dentist or accountant. *(It is sometimes acceptable in the legal profession, but only when large amounts of money are involved and only when the lawyer is fairly certain that he will win the case.)* Dentists are paid the same fee whether they save your teeth or lose them. Doctors are paid the same fee whether they cure the patient or the patient dies. Accountants get the same fee for filing your income tax return whether you have to pay the IRS or get a substantial refund. Your attitude in this regard should be the same as those other professionals. ***You are paid for advice given,*** not for advice taken. You are **NOT** the client's partner. ***You are paid for your time,*** whether the organization profits or goes bankrupt.

2. You have neither the time nor the money to retain an accountant to audit the client's books to determine whether or not he made a profit by dint of your expertise; ditto for his gross volume records.

3. The contingency fee is offered very often by clients – again, by their perception – to eliminate their risk. This is particularly true for clients who do not know you personally or have not been recommended to you by someone they respect and trust.

4. In many cases, the contingency fee is offered by clients who cannot afford a coach, but who feel that they will be able to afford you if you do extremely well by them.

5. Over 95% of independent coaches cannot quantify their work to make a contingency fee viable.

“Accepting a contingency fee is totally unprofessional.”

The exception to this rule of never accepting a contingency fee is illustrated by the following case history.

S.D., an Accredited Professional Coach (APC), is a very successful telecommunications coach with annual revenues above a year. He had previously been employed for fifteen years by one of the largest telephone companies in the country, and it was there that he acquired his expertise.

Realizing the client’s desire for risk-free contingency fees, he approaches each prospect with an eye towards streamlining the client’s telephone system or network.

His first step is to offer a free assessment of the client’s current telephone system. The examination is free because S.D. wants first to make certain that the phone set-up is indeed outdated – as most are.

S.D. then has a meeting with the client to explain his proposal. His speech is memorized and runs like this:

“You are wasting an enormous amount of money on your phone bills because of your antiquated telephone set-up. I will reconfigure your telephone system to reduce your phone bills drastically without decreasing your service. It is possible that your service will be increased as a result of this reconfiguration.

“You will not pay for my time. I merely require 30% of your SAVINGS of your first year’s phone bill and 20% of your savings for the two years thereafter. If I cannot save you money, you don’t pay me a cent.”

This arrangement is ideal for both the coach and the client. For all the reasons given above, the client loves it, because he has everything to gain and nothing to lose.

The coach knows in advance approximately how much money he will earn because he has previously examined the phone system. The coach earns fifty times more than he would if he were to charge by the hour.

It isn't necessary to audit the client's books. The coach merely needs access to the telephone bills, and this is agreed to in advance.

Phone bills cannot be fudged or changed. Would that we were all able to quantify our work in this way. If that were the case, this chapter would be unnecessary.

Unfortunately, most coaching services and the results they achieve are not so cut and dry. Working on a contingency arrangement in such situations is extremely dangerous, as the following case history illustrates.

O.B. is a recent retailing coach drop-out. She had accepted a contingency fee at the insistence of a client who owned a chain of dress shops.

The client signed a contract that assured her of 25% of the increase in profits for the next two years. O.B. finished the project in five months (with no income) and did a superb job, because she is indeed an expert with years of retailing experience.

Lo and behold, the profit and loss statement showed a LOSS for the next two years! ***How did this happen?***
Well, the client decided to invest in two more outlets during that time as well as give himself a healthy raise in salary. O.B. had nothing to say about this because she was not a member of the firm. She is now back working for someone, managing his dress shop.

Billing for expenses:

We have referred several times to out-of-pocket expenses and we do not mean to gloss over this all-important part of your fee arrangement. Earlier it was recommended that you do not charge clients for your overhead.

However, out-of-pocket expenses incurred on the client's project are a different matter. The following are considered ***out-of-pocket expenses to be reimbursed by the client,*** and for which the client expects to pay:

1. Long-distance travel fares.

2. Hotels and meals at a site away from your home city.

3. Long-distance phone calls on behalf of your client.

4. Fees for research.

5. Fees paid to other coaches or for services for the client's project. In matters of this kind, you would be well advised to have the client pay for these directly, thereby precluding responsibility on your part as well as avoiding complicated bookkeeping.

6. FedEx and other overnight couriers.

Furthermore, all out-of-pocket expenses are to be billed by you and paid by the client almost immediately, so it is good practice to invoice weekly for these.
If you are unfamiliar with a prospective client who wants to have an exploratory meeting with you at a goodly distance from your office, it is wise to request that he send you plane tickets and make reservations for you at a local hotel. In that way, should anything go awry, you will not be out of pocket.

A sure way to lose a client or a prospect is for the coach to be petty in this regard. You will be seen as petty and unprofessional if you bill the client for local telephone calls, gasoline and tolls for less than one hour's drive to his premises, and office supplies.

Billing for these expenses are not looked upon kindly by the client. Nor would you yourself be pleased to receive invoices for that kind of thing.

It would be laughable, were it not so ludicrously unprofessional, but we have seen coaches attempt to bill the client for the time it took to prepare the invoice, and others have billed the client for computer disks used on the project. It is unfortunate that this book must even consider giving advice like this.

"Clients now require that coaches be on hand to implement their proposals and solutions."

The trend in the profession is to get away from hourly or daily fees. Coaches are being retained less and less for pure advice on an hourly basis. Clients now require that coaches be on hand to implement their proposals and solutions.

This means that the long-term project becomes more and more popular. Coaches, says the *London Economist,* should operate like dentists, i.e., do their job in a hands-on fashion, and leave. Successful coaches are, indeed behaving more and more like dentists and doctors, who do not charge for their time, but for the procedure rendered to the patient.

Consider that a dentist will charge $45 for a thorough prophylaxis treatment that takes about an hour. But the price of a crown, which usually requires three one-hour visits can cost up to $1,200.

A urologist will charge $130 for a one-hour examination of an enlarged prostate. But the 45-minute laser surgery thereafter costs about $4,000.

So we return to the crucial question of – ***what exactly is an appropriate fee*** – especially when we consider that coaches perform more variegated functions than do any other professionals. It is rare that a coach will practice his or her expertise in exactly the same manner for any two clients on any two projects.

Nor do any two coaches in the same field of expertise practice in the same way. The answer to this question is simple. The appropriate fee is dependent upon three things:

1. The expected benefits to the client.

2. The amount of the coaches' time required.

3. The client's budgetary constraints.

The first of these warrants some explanation. It would not behoove a client to pay a coach $56,000 to set up a security system if his annual losses from theft are $4,000.

Knowing the shortage figure in advance, the security coach would be foolish to propose such a system. A far less expensive security system would be in order.
It would, however, pay a client to have an expert prepare a bid for a 2-million-dollar construction project at a fee of $45,000, if the client had some assurance that the expertly-prepared bid would give him an edge over his competitors – even though preparation of that bid took only 2 weeks of the coaches' time.

An old coaching story makes this point. The chief engineer or a large manufacturing plant called a coach in a panic. The entire plant had shut down, and no one could figure out what was wrong. The company was losing $100,000 for every hour of down-time. *"Come right away!"* the chief engineer begged the coach.

When the coach arrived, he spent most of the day looking around the plant. Finally, he took a piece of chalk and marked and X next to a valve. "Twist this a half turn to the right," he told the client. The client did, and the plant immediately sprang to life.

The client was thrilled then, but less thrilled a week later when he got an invoice for $50,000 a week later. “You were only here less than a day,” the chief engineer told the coach. “I can’t submit this bill until you itemize it.”

The coach promptly sent a revised invoice as follows:

MAKING OF A CHALK MARK	$1
KNOWING WHERE TO MAKE THE CHALK MARK	$49,999
TOTAL	$50,000

The client, understanding exactly what the coach meant, paid the bill promptly.

How to handle the objection, “Your price is too high.”

The principles and rules set forth here are not meant to arbitrarily hamstring those fledgling coaches who are hungry for work. There is a certain amount of flexibility, although not apparent.

For example, let’s deal with the inflexible rule that no client should ever be allowed to bargain with a coach regarding his or her fee. Suppose you quote a fixed fee of $28,000 for a project, and the client honestly (or dishonestly) states that his budget (or controller) has only allowed $22,000.

It is not necessary to walk away, but you do not want to be seen in the unprofessional light of allowing him to bargain with you.

You **DO** want the $22,000! You reduce your price, but not in such manner as to make the client think that you have indeed done so.

Instead, you tell the client that ***you can take on the project for the offered price,*** but that it will be necessary to tackle the problem in a slightly different manner, requiring a bit less time on your part. This, of course, isn’t true, because an expert professional knows only one way to solve problems – the best way, regardless of the time it takes.
You want successful assignments, not failures. But the client needn’t know your true motives, and more than you know his.

Usually, the client is grateful that you have accommodated his financial constraints and have made him look good to his superiors. Of course, if the prospect lets on that he is not properly funded for the assignment in the first place, then he is just wasting your time and his, and you are wise to quickly withdraw.

Do not fear a prospective client telling you that he knows you charged so-and-so a lower fee. As previously noted, you will never do the same thing twice or do it in the same way.

You merely tell the client that his or her situation is somewhat different, because it always is.

"An expert professional knows only one way to solve problems – the best way, regardless of the time it takes."

The dangers of success:

Finally, let us discuss what you should do when your time constraints are stretched beyond the limit. This will happen to you if you have followed all of the instructions meticulously set forth in this book. It happens to all successful coaches.

Unfortunately, too many coaches who have reached this point take the wrong turn in the road. They either hire other coaches to work for them, thereby attempting to earn more money by profiting from their underlings' work.

Or, they decide to go into partnership with another coach to share the workload. And then they crash and burn. *Why?*
When you have reached this point of success, it is because you are so good at what you do, your client base has been instilled with confidence in you and your performance and they recommend you to other clients. This is because of **YOU,** not some assistant.

You may be getting $100 per hour successfully and offer one of your clients the competent work of an assistant for $50, but invariably the client will turn it down. *Your assistant, no matter how good, is not YOU.*

Secondly, if your assistant is really good, you run the risk of having him set up his own practice by stealing some of your clients. Experience shows that no non-compete clause in a contract is truly effective; the damage has been done.
As for partnerships, they rarely work. Independent coaches are, by nature, creative people who work best on their own.

Also, invariably professional partnerships don't work because one person always feels, after a while, that he is *"getting the short end of the stick."* You may feel that your partner is not spending as much time as you are, or that he is not as competent as you, or that you bring in twice the number of clients that he does. Then the upheaval starts.

Now, at this important juncture in your career, it is necessary for you to **RAISE YOUR FEES** – sometimes drastically. But raising fees takes some delicate handling. If not done properly, you could well alienate your clientele.

Let your clients know that you will be raising your fees on a certain date. Then tell them you will keep to the old fee schedule for them alone for one year (or whatever time period you choose) in gratitude for their partnership.

Request that they do not reveal the current fee structure to any referrals. The clients will be grateful.

> **"Independent coaches are, by nature, creative people who work best on their own."**

Chapter 9: How to Avoid Malpractice Litigation

We currently live in the most litigious society in the world. Everyone, it seems, is suing everyone else – for practically any reason. And the court awards, when the plaintiff wins, are frighteningly astronomical.

Some time ago, there was a cartoon in *The New Yorker* magazine depicting the foreman of a jury addressing the court after having reached the verdict. *"Your honor,"* he said, *"we find for the plaintiff and award him all the gold in Fort Knox!"*

Laughable? Sure. But, even if the amounts are smaller or the case won by the defendant, it is no laughing matter to be a professional coach involved in a malpractice suit.

Why not? Because, whether you win or lose a case, if you are a party to litigation, you lose – what with the high cost of legal fees plus your own valuable time and reputation.

Adhere to a code of ethics:

To avoid liability, it is always good for the professional to know what his or her coaching constituency expects from him. No matter what your field, you will find that your clients and prospective clients rightfully expect the following from you:

1. That you identify the real problem.
2. That you will not promise too much too soon.
3. That you specify your role.
4. That you adapt to the individuality of your client's problem or project.
5. That your recommendations are feasible.
6. That you are competent.
7. That you avoid any conflict of interests.
8. That you will not deceive or lie to your client.

9. That you will not fail to perform your services.
10. That you will not be negligent.
11. That you will always inform your client of the risks involved in any undertaking.
12. That you inform your client of your basic approach to his project.
13. That you clarify what your client's money will buy.
14. That you always maintain total confidentiality with regard to your client's business.

The above may be called your CODE OF ETHICS as well as the client's BILL OF RIGHTS.

Since these are your clients' rights, you would be well advised to adhere to these expectations in your dealings. Neglecting any of these important fourteen items of ethical behavior, stretching them, or acting contrary to them can cause you no end of grief and make you the target of a legal encounter.

What if you are the defendant in a malpractice action? What can the client gain by such action? Purely and simply, you are liable for damages – and damages always translate into money.

Attorney Nancy Pyett describes ***three kinds of damages: direct, consequential*** and ***punitive. Direct damage*** is that causing damage to persons or property. ***Consequential damage*** arises indirectly from the act of omission. ***Punitive damages*** are for fraud, malfeasance, misfeasance, or nonfeasance. (These will be discussed further along in this chapter.)

The purpose of the guidelines set forth here is to steer you clear of any claim for damages against you by your client. Even if the claim never goes to court, or is settled before the trial, you would be put to the considerable trouble and expense of defending yourself against the claim and paying high legal fees.

Before we discuss the standards to which you are legally bound, let us digress for a moment to make you aware of two fallacies held by many who think that they can prevent litigation against themselves and/or protect themselves financially against legal damage.

The first is the fallacy of expecting an insurance company to pay for any malpractice suit you lose. The policies offered are akin to malpractice policies purchased by physicians – with a difference. The insurance policy offered to coaches is called an *"errors and omissions"* policy. It is supposed to protect you as though you were indeed a physician. *(Bear in mind that physicians today pay $50,000 to $200,000 a year or more in premiums, and that many have quit their practices because of this.)*

But, an errors and omissions policy, it turns out, is like a flood-insurance policy, i.e., if you live on high ground, you don't need it, and if you live on low ground, the insurance company won't write it.
If you are offered an errors and omissions policy, read that policy carefully. You will find that the premiums are exorbitant, the deductibles are equally exorbitant, and the disclaimers pretty well absolve the insurance company from all risk.

Instead, this chapter offers ***ten guidelines that will reduce your risk*** of malpractice liability by at least 90%. These guidelines were culled by researching the ethical practices of successful coaches who have been practicing for at least 30 years without ever getting into legal difficulties with their clients. The second fallacy involves setting up your business as a corporation in the belief that you are thus protected from any personal liability in the case of any errors or omissions on your part. That "corporate veil," as the lawyers term it, was dropped at least 20 years ago and no longer applies.

"Your decision as to whether or not to set up a corporation versus an individual proprietorship should be based upon

Your decision as to whether or not to set up a corporation versus an individual proprietorship should be based upon your tax considerations. For that, you need the advice of your accountant, not your attorney.

Those people old enough to remember the litigation against the Ford Motor Company when they first introduced the Pinto, will recall that the gas tank was set so far to the rear of the car that it exploded on impact.

The lawsuits were not only against Ford, they were also against top engineers at Ford who, it was claimed, knew of this defect and allowed production to proceed anyhow. So, individuals were liable as well, and they suffered the consequences. If you get into trouble, you cannot hide behind a corporation.

No state licenses coaches, although several have been making initial attempts to do so. This means that there are ***no hard-and-fast rules*** that set standards and criteria for coaching performance.

There are coach associations that have constitutional by-laws and codes of conduct for members. But none of these carry punitive action, except for possible expulsion from that association.
This can be both good and bad for the coaching profession. On the one hand, a lack of official regulations and legislation gives the professional latitude in his or her individual ethics and practices – or so it would seem.

On the other hand, this lack of codes, rules and regulations allows opposing counsel to introduce any professional criteria at all before the court, with the possibility of gaining a judge's or jury's sympathetic ear.

Furthermore, the coaching profession is a comparatively new one (about 100 years old). Therefore, there has not been nearly as much legal precedent set as in other, older professions like law, medicine, etc.

So, until a body of precedential law is evolved, anything can happen to a coach in a lawsuit – and usually does. For instance, extraordinary awards have been given to plaintiffs against several of the *"Big Six"* coaching firms – awards in the millions of dollars.

One such award was handed down by the court against a coaching firm because the client accused the coach of wrong advice that subsequently hurt their business. Another such award was given to the plaintiff because the audit performed by the coaching firm was inaccurate and caused the client to get into trouble with the tax authorities.

More recently, Arthur Anderson was all but wiped out from the fallout of the Enron scandal. So, since there are no set rules or laws to follow, you can at least reduce your risk of liability by paying heed to the following ten guidelines:

1. Avoid the unauthorized practice of law.
2. Practice your coaching as you would drive a car – defensively.
3. Get yourself a good lawyer in advance.
4. Play mental chess with your assignments.
5. Understand your contractual obligations.
6. Avoid conflicts of interest.
7. Practice with feasance.
8. Take care along the way.
9. Be truthful and honest.
10. Recognize and avoid your own greed.

Let's discuss these guidelines one at a time.

Avoid the unauthorized practice of law:

The unwary coach can often become ensnared in the unauthorized practice of law, which is a criminal offense.

True, in many instances the coach may be better versed in the laws and regulations of his field than the average attorney with a general *(non-specialized)* practice. But expertise in this instance is not absolution for the wrongful act of practicing law without a license.

Simply put, the unauthorized practice of law is the offering of legal advice or the doing of legal work – drawing up contracts, representing a client in court, or implying knowledge of law – without being a member of the bar.

Even if you don't charge for legal work, you invite trouble by drafting legal papers for others to sign. Don't get caught in this trap.

Never, for instance, should you **agree to prepare a contract to be signed by persons other than yourself.** You might not be prosecuted for practicing law without a license, but you would surely be in trouble if parties to that contract got into a dispute and turned on you for creating that mess.

Again and again, clients attempt to avoid attorney's fees by turning to the coach currently retained on a project and asking him or her to draw up a contract, review a contract, negotiate a contract, answer questions of legality, etc.

Coaches, being of an innate helpful nature, are usually ready to do whatever it takes to assist in the success of a project they are connected with.

DON'T DO IT! A simple explanation to your client of your liability in this matter will always suffice. Even if you do not accept a fee, never engage in the unauthorized practice of law. Always qualify your refusal by saying, "I'm not a lawyer, you should consult one."

> **"Never agree to prepare a contract to be signed by persons other than yourself."**

Practice your coaching defensively:

This is the most difficult stricture and guideline to follow, for it presents an awful paradox:

A professional will *almost always* be *acquitted* by a court in a malpractice suit if he or she can prove that the procedure in question conformed to the normal professional practice of the time in that profession.

Yet, the successful, respected coach is one who is innovative, experimental and even sometimes daring in his approach to the client's problems. The coach has come upon certain theories that should and must be tested; these theories have evolved after much experience.

But a defensive coach cannot dare to test his theories on any given subject – not if he or she is behaving in a malpractice fail-safe mode. Often initiative must be stifled for fear of deviation from the norm.

“No one, professional or otherwise, can do his or her best when frightened?”

And so, we come upon a state of fear – a deplorable condition for a coach. No one, professional or otherwise, can do his or her best when frightened.

The threat of a possible lawsuit further down the line, if something goes awry, can be very harmful to your attitude, hence your practice. Yet, as we have seen this threat is far from idle. A brief glance at what has been happening to the medical profession gives us a good indication of what is starting to happen to the rest of the professional advice business.

Jury awards to patients are so astronomical that:

- Insurance companies have raised their premiums for doctors (over $75,000 per year) to the point where a great many physicians refuse to practice medicine any further.
- A number of states have passed legislation putting a cap on jury awards.
- Many insurance companies refuse to write malpractice liability insurance policies altogether.

Those physicians who continue to practice in this milieu are doing it so defensively that they are often paralyzed to the point of inefficacy.

The post-examination interview in the doctor’s office as well as at the hospital bedside can become meaningless stifling obstacles of to the actual prognostic experience. If anything should go amiss, the doctor is scared out of his wits for fear of a gigantic lawsuit.

As a result, these fears are transmitted to the patient, who cannot cooperate in his own cure because of a general feeling of mounting anxiety coupled with disrespect (lack of confidence) for his physician.

All of this has brought-on an escalation of iatrogenic disease and fatalities heretofore not experienced. Iatrogenic diseases are those caused by wrongful diagnoses and treatments by physicians and surgeons.

The coaching profession is beginning to suffer no less, as the following case histories illustrate.

A women requested advice from a family-counseling coach. She told him that her husband beat her physically on a regular basis in front of the children. The coach advised her to leave home and take her children with her. She did so.

As it turned out, life did not go well for her. She sued the coach for malpractice. The case was thrown out of court, but the coach suffered financial loss (legal fees), much anxiety, great loss of time and some loss of reputation.

In another city, the city government retained a coaching firm to develop a feasibility study for a new sports arena. The study was to ascertain whether or not the arena's future revenue would repay the investment.

The coaching firm's recommendation was in the affirmative. Construction started.

A group of citizens who opposed the arena threatened a class-action suit against the coaches. They claimed that the arena would never gain sufficient receipts to cover such an expenditure of tax dollars and that the coaches' expertise was questionable.

The coach maintained that their estimates were correct. But there was a lot of costly legal, time-consuming haranguing.

After the arena was built and operating, it drew enormous crowds, and revenue exceeded all expectations. This time, the group of citizens who were originally for the arena, sued the coaching firm for having UNDERESTIMATED the income to the city, and questioned its expertise on the opposite grounds! The coaches were "victorious" in court, but, again, the costs were great.

What to do and how to behave? The first thing that springs to the minds of most coaches is malpractice insurance.

Well, the successful coach we researched regarding this subject, who had been practicing for at least twenty years, had never applied for or owned an errors and omissions insurance policy!

"The way to avoid malpractice liability is never to practice "*mal*."

When asked why, they pretty much agreed that the way to avoid malpractice liability is never to practice *"mal."* No, malpractice insurance is neither a cure nor a panacea – for the following reasons:

- Insurance of this kind (if ever available at a reasonable rate) will attract many inept practitioners. They will justify their incompetence by the fact that they cannot get into serious trouble with a client because the underwriters will protect them. The circular argument, of course, is that this is why the premiums are so high in the first place. This, in turn, could lead to licensing and regulation – something that is anathema to the independent spirit of competent coaches.

- Clients who seek their fortunes in unjust lawsuits will sue twice as fast and twice as hard if it is know that a coach is insured. And the financial claims for damages will be ten times as high, since the insurance company is always considered to have *deep pockets."* If you do get a malpractice insurance policy, don't advertise that fact.

- There are always lawyers who seek out and even encourage cases of this kind.

Contingency legal fees for these cases now range from 30% to 50%. Naturally, lawyers have every incentive to use every means at their legal disposal to win such cases. A law student learns early on that the practice of law has very little to do with justice.

There will be times when a *prospective client will insist that you be insured* before he is willing to sign a contract. You must tell him that you are self-insured *(which is another way of saying that you are not).*

If he insists, you may attempt to get a policy that covers this assignment only, either at your expense or the client's. Thereupon, the decision is up to you, because clearly the cost of that policy should be part of your fee – unless the fee is well over $100,000. In other words, *don't let the premium eat up your profit.*

The answer to this paradoxical dilemma is to *pay strict attention to these ten guidelines and follow them as closely as possible.* Having done that, throw caution to the winds and conduct your coaching in the most creative and innovative way.

Always bear in mind that the absolute risk-free coach is the one with absolutely no clients.

Find a good lawyer:

It often happens, as you know, that a client comes to the coach after the fact, as it were. In these cases, the client has waited too long, so that no matter how expert you are, the situation has become hopeless. A month, a week, and sometimes several days earlier would have made all the difference in the world. Take a lesson from these hapless clients, and do not become one of them yourself as a legal client.

The best way for you to stay out of trouble is to ***get a good lawyer BEFORE you get into trouble.*** A competent, compatible attorney can advise you all along the way so that you almost never find yourself in a professional liability situation.

Your lawyer should be kept abreast of your commitments to your clients – both oral and written – and any legal technicalities (real or imagined by you) that may arise. True, this costs money, as the hours total up into legal fees, just as your do.

Nevertheless, a good lawyer can save you a lot of money and grief down the line, as well as save your professional reputation. And your reputation is basically your stock-in-trade.

There is a close parallel between yourself as a legal client and your relationship with your clients. A good, wise client knows how to use a coach with the greatest efficacy and at the least expense. In the same way, you will find that, once you have established a working relationship with your attorney, you will be able to get the most out of him at the least expense to you.

In short, you are not a lawyer, but to avoid liability you must think like a constant potential defendant in a malpractice suit.

Some time ago, there was a popular crime TV series called *Hill Street Blues.* At the beginning of each segment, there was a briefing of the police shift, at the end of which the sergeant always warned. *"Be careful out there."* That's what, in effect, the ten guidelines in this chapter are telling you.

Here is a case history of a small coaching firm that was **NOT** careful – and the price they paid because of it:

The KB Coaching Group consisted of two management coaches and one secretary. They knew how to market by breaking their coaching down into specialty divisions (see chapter 4) and renting booths at trade conventions.

For each trade, they represented themselves as management experts in that field. Smart.

At one such convention in Chicago, they were approached by a client who seemed impressed with their knowledge and professional demeanor. The client *"let his hair down"* with the following tale.

He started the ABC Company 20 years ago on the border of a Western state. He hired five people who ran his small warehouse, drove his truck, and handled the distribution of his product. He himself did all the selling.

The business grew and prospered. Within five years, ABC had 33 employees in three locations, including a vice president of sales and a vice president of marketing. He also retained an excellent accounting firm. At this point he felt he could relax (at sixty years of age), play some golf, and semi-retire by supervising ABC from a distance.

But in the past two years, his accountants had begun to give him warning signs. The industry in general had taken a downturn, some customers were going out of business, some were cutting back on their inventory, and others were not paying their bills in a timely fashion.

The client ignored this until the accountant told him in no uncertain terms that it was time that he filed for bankruptcy, because ABC was broke an could not pay its bills.

The clients asked the KB Coaches at the convention whether anything could be done. KPB wisely and correctly told him that they really couldn't answer that question until they visited his company and did a feasibility study. It was possible that they could turn the company around. On the other hand, it was also possible that it was too late for them to do anything at all.

The client asked how long this would take and how much it would cost. The answer: two days on site and the fee would be $2,500 plus travel expenses.

The deal was struck, and one of the coaches appeared the following week. The findings of feasibility study were that the company could still be saved if the client acted quickly by retaining the KB Group for two weeks on site for a fee of $28,000 plus expenses, including the final report.

The client felt that this fee was worth the price to possibly save his company, even though it would be necessary to use his own personal funds, since there were none in the business. He signed the contract.

The coach started work on the following Monday. On Tuesday evening, he requested a meeting with the client.

"The biggest part of any firm's overhead is the payroll."

He explained that the biggest part of any firm's overhead is the payroll. Therefore, he had used a *"personnel grid,"* which is accepted practice in management.

All 33 employees were subjected to the grid, which determined what each employee produced for each dollar of salary. The coach explained to the client that his business was in such dire circumstances that it would be foolish to wait another three weeks for the final report.

He strongly recommended that a list (which he prepared) of 11 of the employees be fired on the following morning. The business could not afford them for one more day.

Of course, this list included the people who were at the top of the table of organization, since their salaries were the highest. Among them were the vice president of sales and the vice president of marketing.

The coach urged the client to come out of his semi-retirement and do what he had done when he started the business, i.e., do his own selling and marketing. Drastic times called for drastic measures, if he really wanted to save his business.

The client looked at the list and informed the coach that these people were his senior employees who had been with the company the longest, since it had always been policy to promote from within. He then asked whether the coach had read ABC's employment policy manual, which states that, in the event of layoffs, those who were with the company the longest would be laid off last.

And, because he had published this manual for all employees, wouldn't he get into legal trouble by firing those people? The coach said, "No. The manual policies would indeed, be enforceable if this were a simple layoff. But this is a complete reorganization of the company, and thus the *'first-in-last-out'* rule does not apply."

The next morning, the eleven people were dismissed. The president, feeling awful about this, once again dipped into his own funds and gave them each one year's salary as terminal pay, even though he was not legally bound to do so.

The final report also recommended that the client close two of his plants and open another just across the state line, because the coach had "gone the extra mile" and found a location in the next state at half the rent.

The coach had succeeded in saving the client a bundle of money, and, indeed, had fiscally saved the company. A job well done. But was it?

At a get-together four months later, one of the ex-employees asked another whether or not he thought it strange that all the laid off people of ABC were over fifty years old, and all the remaining employees were under fifty years old. They went to a lawyer. The lawyer agreed that the action taken by ABC was illegal, according to the rules of age discrimination set forth by the Equal Employment Opportunities Commission. The EEOC then filed suit against ABC.

A judge granted ABC's plea to name the KB Coaching Group co-defendants, since the defendant had acted upon their advice. Additionally, of course, the client sued the coaching firm for negligence as well as for the unauthorized practice of law.

The client won the case against the coaching firm. Both the client and the consulting firm lost the case against the EEOC and were appropriately fined. Furthermore, it turned out that the client ran into a severe tax problem in the adjacent state, because the coach had not checked the tax laws there.

So, who won and who lost? Both lost. Legal fees and court cost bankrupted both parties, and both are now out of business.

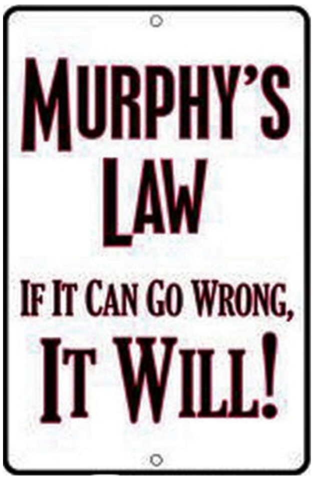
What happened here? The client (plaintiff) claimed negligence. The defendant (coach) certainly was negligent as well as guilty of the unauthorized practice of law.

When the client asked whether or not he would get into legal difficulty by firing those 11 employees, the answer should have been, *"I am not a lawyer. Ask your attorney."* And before recommending the move across the state line, the coach should have called a meeting with the client's accountants, who were conversant with tax law in that area. (The coaches' offices were 1,200 miles away.)

> **"The answer should have been, "I am not a lawyer. Ask your attorney."**

In short, although expert in management, although immediate action was taken, although the *"extra mile"* was taken, although every responsibility agreed to contractually was fulfilled by the coach, and although the professional acted in good faith and with the best of intentions in the client's behalf, he was negligent. **BE CAREFUL OUT THERE.**

Play mental chess with your assignments:



Long before trouble starts, clients have a way of telegraphing that it will ensue. It is imperative that you learn to read these signs early on. These signals are clearly there if you take the time to spot them.

Some of the coach's blindness to these signs comes from the natural inclination to get on with the project at hand. Although this trait is commendable, it can be very deleterious in a potential liability situation.

The best way to prevent such happenings is to apply Murphy's Law at every stage of the client/coach relationship, particularly before you enter that relationship in the first place. *'Whatever can go wrong will go wrong"* is not necessarily true, but we are dealing with safety factors here.

So, it's best to have Murphy sitting on your shoulder at all times. Furthermore, clients appreciate the attribute of caution in a coach.

Understand your contractual obligations:

Time and again, lawyers remind us that a ***verbal contract*** *(handshake)* ***is equally binding*** as one that is written, particularly if there are witnesses to the oral one. So, watch your mouth!

Whether verbally or in writing, never promise more than you can deliver. Conversely, always deliver what you promise.

Claiming in court that you used your best efforts on a project will not sit well with a judge or a jury if you promised to accomplish specific goals in your contract.

Know for certain that you can achieve these accomplishments before you put them into writing.

Anything less than that should be reflected in a *"best efforts"* clause. Too often, the client himself or members of his staff can impede your progress and success. The same holds true for time-frame obligations. Take as much time as you need to complete the project, and do not promise it earlier, even if pushed to do so by an impatient client.

"Always deliver what you promise."

In general, it is best to ***avoid contractual specificity*** on your part. Moreover, you should use disclaimers wherever possible and applicable. (See chapter 8 on contracts).

Most coaches are unaware that their interim and final reports during and at the end of a project can contain what amounts to amendments to the original contract – or that these "*amendments" can be used as evidence of breach of contract* in a court of law.

So, be very careful when writing these reports and memos that you stay within the parameters of your contract. In reports, it is wise to insert a sentence to the effect that nothing in the report alters your contractual arrangements with the client.

Avoid conflicts of interest:

The ***client can and will sue for conflict of interests*** on your part if and when he or she perceives that there is an appearance of impropriety or disloyalty on your part by dint of the fact that:

- You have personal, financial, property or business interests that are adverse to those of the client.

- You have another client whose interests are counter to his.

The basic point to remember in this regard is that an *apparent* conflict, if so perceived by the client, is as good as a real one. This is the ultimate situation you have been consistently reminded of in this book with regard to the perception of the client.

Let us assume that, midway through a project, Client A discovers that you have just taken on an assignment with his competitor, Client B. Client A is infuriated and tells you so in no uncertain terms.

Now, you know that you are doing something for Client B which has absolutely no bearing on what you are doing for Client A. You also know that you would never divulge anything about Client A's business to Client B.

So, you know that there is no conflict of interests here. That's what you know. But it is **NOT** what the client perceives.

Client perception is what counts, even though he is wrong. Do not try to persuade him that he is wrong. Do not try to educate him. Do not try to prove your ethical standards.
Back away. Apologize. If necessary, leave the assignment with his permission, after mollifying him. You do **NOT** want him to sue!

"An apparent conflict, if so perceived by the client, is as good as a real one."

However, you can easily avoid this kind of situation every time. How?

When Client B tries to engage you while you are on assignment with Client A, simply say that you are now engaged by Client A and that your ethics dictate that you would first have to get his permission. Client B will respect you for this, because he would like the same treatment if the situation were reversed. Then go to Client A, and explain the situation, requesting his permission and assuring him that you would not work for Client B without it.

Now, you can explain the difference in your work between the two clients, and that there will be no conflict of interests. Client A will also respect you for this and, nine times out of ten, the permission will be granted.

For, after all, what was Client A so hot under the collar about in the previous example? Simply the fact that you went to work for Client B without consulting him. He had felt betrayed and insulted; nothing more. But he may have been ready to take you to court for it!

So, once again we come back to the fact that coaching ethics are usually no more than common decency and consideration for the client.

If you are involved in selling anything for a commission or a profit – equipment, insurance, someone else's services, etc. – you are skating on very thin ice as a coach, so far as conflict of interest is concerned. Just be certain never to charge a coaching fee if there is a chance that your client is a potential buyer of the equipment or products you sell.

Consider, ***for example,*** the services of an estate planning coach who charges, let us say $3,000 to create a good financial plan for your future and that of your family. The plan is a good one, and usually involves a reassessment of your insurance, with a recommendation for changes.
Fine. But you later find that he is an agent for one of the insurance companies that he recommended. You would be outraged.

Apply this to selling anything as a professional coach. When you are a coach, you will be approached by organizations that will importune you to sell their product or services to your best clients who have faith in you. Better stay away.

> **"Never charge a coaching fee if there is a chance that your client is a potential buyer of the equipment or products you sell."**

Practice with feasance:

The legal definition of ***"feasance"*** is: the ***doing or performing of an act, as a condition of duty.*** The fact of the matter is that coaches do have duties to clients. Broadly described they include a duty to:

- Ensure competence.
- Avoid deception.
- Perform services.
- Avoid negligence. *(See the previous case history to KB.)*
- Avoid conflicts of interest.

The coach who disregards any or all of his or her duties as described above is considered to be acting in bad faith. This bad faith, in situations of malpractice, is generally broken down into four legal terms: malfeasance, misfeasance, nonfeasance, and fraud.

- ***Malfeasance*** is wrong doing or misconduct; e.g., the coach suspected the machinery was defective but urged his client to buy it because the manufacturer or distributor was a friend for whom the coach wanted to do a favor.

- ***Misfeasance*** is doing something that infringes on the rights or property of another; e.g., the coach knew or suspected that the machinery would break down when connected to something else operated by this client.

- ***Nonfeasance*** is failure to do what is required; e.g., the coach was supposed to test the machinery, but did not.

- ***Fraud*** is deceit, trickery, cheating, or intentional deception; e.g., the coach knew the machinery was defective, and conned his client into buying it.

Take care along the way:

From beginning to end, there are many checkpoints in your dealings with your client at which you should be particularly aware of difficulty, and about which you can do something particularly constructive for yourself and your practice. Let's identify these checkpoints and ominous signs.

In your first exploratory meeting with the prospective client, determine whether or not he has a healthy respect for professionals like you. *How does he talk about his attorney, his accountant, and his top executives?* If he demeans these people, then you are possibly in for the same treatment.

Has he used coaches before? What does he think of their performance? Is he someone who has been led to you "against his better judgment?" Does he think, as many do, that coaches are "bandits in three-piece suits?"

If so, you would do well to avoid this kind of client. He will be looking for trouble from day one - and anyone who looks for trouble intensely enough is sure to either find it or create it.

How does this client regard your fee? If he either thinks that you are overcharging or that he can't afford you, this is trouble as well.

People who pay for things reluctantly or for things they can't afford will usually find something wrong with the service or the merchandise. You will be open to complaint, even if you complete the assignment successfully.

Next, without fear of repetition *(repetition is good when the subject is important enough),* be careful of what you promise. Promise only what you can deliver. Just because the client demands promises of results that you cannot deliver is no reason for you to offer them.

"Be careful of what you promise."

Once on the assignment, be sure to continually file progress reports. But, equally important, if the project is not going well, file regress or non-progress reports, stating the actual reasons for the lack of progress, but not in a complaining way.

Clients do not like to be hit by surprises for the first time in a final report – unless they are pleasant ones. This *"non-progress"* report, if and when it is in order, is not to be an *"excuse report."* Rather, it is an accurate appraisal of what is going wrong and impeding the project, and why.

Do not be afraid to *"blow the whistle"* on any member of the client's staff, no matter how impolitic. Just *"tell it like it is."* That is what you are being paid to do.

Be careful that none of these memos or reports contains anything that will amend or alter your original contract. If amendments are in order during the course of the project, make them properly and clearly with the client in a fashion prescribed by the original contractual document.

The same care should be taken with all memos and correspondence from the client to you. In short, whether written or in conversation, anything that hints at any change to your original agreement, as the project progresses, must be treated with awareness, care, consideration, and counsel.

Be on the lookout for what is termed *"third-party"* trouble with regard to liability. If, on a particular project, you are in any way interfacing with another coach or contractor or firm of any kind, be certain that your objectives cannot be impeded by that third party.
If you cannot be certain of avoiding this impediment, then make sure that you are not liable for the consequences of such possible nonperformance. Conversely, ascertain that, due to a slip up on your part, the third party cannot hold you liable for his performance. Here again, your attorney can help you immeasurably at contract-signing time.

"People who pay for things reluctantly or for things they can't afford will usually find something wrong with the service or the merchandise."

Be truthful and honest:

Clients lie to their professionals all the time. Sometimes this mendacity is deliberate, sometimes not.

Clients lie to their doctors, their lawyers, and their coaches. This represents stupidity on their part when they do this, because no professional can operate effectively without all the accurate, pertinent facts in any case.

Be that as it may, this is no cause for you ever to lie to your client. Remember that the possible litigation we are discussing doesn't involve your suing the client.

It is never the client who is liable for malpractice of any kind. When detected, any untruth or half-truth on your part leaves you open to legal actions against you.

"Clients lie to their professionals all the time."

When it comes to insurance, against malpractice, honesty is the best policy (pun intended). As for the client, honesty and trustworthiness are two characteristics he always looks for in a coach, no matter what adverse traits his own character may be tainted with.

Your integrity will always go a long way towards keeping a client from thinking of bringing action against you. People are generally afraid to sue honest, truthful coaches, because they are wary of what that coach will fearlessly reveal in a deposition.

Along these lines, always pay or offer to pay for your own mistakes while the project is under way. This will remove any "head of steam" the client may be building up quietly against you.

For instance, a computer-programming coach botched an assignment. He offered to do it over gratis but charged the client for additional computer disks as well as printer toner to complete the corrected job. The client was furious.

In ***another instance,*** a financial coach erroneously misadvised a client with regard to a particular insurance policy. He corrected his error and offered to pay the difference between the two premiums for the first quarter ($280). The client was delighted, most admiring of the coach, and told the story far and wide, thereby getting the coach additional referral business.

R.S. (CPC), a management coach, was retained by a large firm on an annual retainer basis. After 4 years of an excellent relationship, the coach had the guilty feeling that he could be of no further help to the client company and that his services were becoming redundant.

R.S. forthrightly told this to the client and said that he could no longer justify his monthly fee. Management was delighted with this coach's integrity, and retained him again and again, on a project basis, in the ensuing years.

Avoid your own greed:

All of us love money. But sometimes the cost of money is too high. The risk of a malpractice suit is far too high a price to pay for a coaching fee. Guidelines 7 and 8 above are often overlooked, because the coaches' desire or need for a fee blinds him or her to the risks involved.

Say you come across a situation in which the fee is high and the risk to you is equally high.

In such a case, do yourself a favor and pay a concomitantly high legal fee. In other words, buy a block of time from your lawyer, explain all of the facts in detail, and assign him or her the task of writing a contract that will reduce your liability risk to whatever extend possible.
It is always good to remember that there are equally high fees out there that are not accompanied by high liability risk. So try to let the risky ones go by.

"The risk of a malpractice suit is far too high a price to pay for a coaching fee."

We live in weird times, when everything we were taught as youngsters seems to be standing on its head. Nowhere is this more evident than in our current system of jurisprudence – or what really should be called *"juris with-out prudence."*

Consider the following true case. Person A lost control of his car. He slammed into a telephone booth, in which person B was making a call. Person B was hospitalized.

Person B's lawyer sued person A's insurance company (as is usual), but also sued the telephone company for having a booth in the wrong place at the wrong time. The plaintiff won both suits!

Here's another one. A 29-year-old doctor with a very bad heart condition (known by him) tried to start a recalcitrant lawn mower by pulling the starting cord 32 times. He dropped dead.

The doctor's family attorney sued the retail store chain from which the lawn mower was purchased, claiming damages for the loss of income for the many future years that the young doctor would have lived. Plaintiff was awarded the requested huge sum by the jury.

It used to be that, for a professional to lose a malpractice case because of error or omission; the plaintiff had to prove that the defendant knew of the error or omission and committed either one willfully. Not so any more.

Motive no longer plays a part in these matters. The best of the professional's intentions count for naught.

Have you ever wondered how lawyers can win a malpractice suit against a hospital or surgeon, even though the patient must sign a waiver beforehand, absolving both hospital and surgeon from all responsibility, and promising that, under no conditions, will the patient sue either party? Yet patients win these cases.

Coaches can't even attempt to secure this weak protection for them-selves. Any coach who would request such a waiver from the prospective client would be shown to the door.

We discussed the paradox of stifling the coaches' initiative by advising him or her to adhere to the norm. Computer coaches now comprise the largest sector of the profession. They are in an industry that creates its own obsolescence every six months!

There are almost no norms in the computer world. How is a programming coach, for example, to adhere to the norm when he is requested to write a completely new program for a robotically controlled assembly line? If his program doesn't work the first time, or has too many bugs in it, he could be accused of not ascribing to normal practice – and he could be liable.

"Computer coaches now comprise the largest sector of the profession."

All of this is not meant to frighten you away from your coaching. Rather it is meant to make you sit up and take notice of the topsy-turvy world in which we live. A recent bumper sticker proclaimed, *"If you are not totally outraged, you are not paying attention."*

J.N. was an entry-level coach. He had previously spent 12 years working for a federal government agency as a procurement officer.

J.N. decided to strike out on his own by *"going over to the other side,"* and advising clients who seek government contracts. After all, who would know better how to write a winning bid than a former procurement officer? He knew the mind-set of procurement officers because he had been one.

Noting that his former agency put out an invitation to bid on a certain product it needed, knowing that the ultimate contract would be for several million dollars, and knowing, too, that only two manufacturers could possibly fulfill that need, he visited manufacturer A and offered his services.

Mr X was impressed with J.N.'s experience. He asked the fee and how long it would take to write the bid. J.N. said that he could write the bid in three weeks, and that the fee would be $35,000. "Done," said Mr X with a handshake. He handed him a folder and said, "Here are our specs as well as our prices. Get to work right away and our legal department will send you a contract in the interim."

J.N. was ecstatic with this first assignment, and felt that he was on his way to a successful independent career. He went home and started work immediately. He worked days, nights and weekends, and finished the bid in two weeks (one week early).

Now begins the nightmare. J.N. returned to Mr X's office, completed work in hand, only to find that Mr X had been fired the week before.

Mr Y, who had taken Mr X's place, stated that he didn't know anything about J.N.'s agreement with Mr X, and that there was no written contract anywhere to be found. Mr Y said he did not approve of retaining outside expertise for bid writing when, in fact, the company had three full-time people on the payroll that did nothing else but write bids for government contracts. J.N. was summarily dismissed.

J.N. was furious, and felt that he had been poorly and unfairly treated. He rushed to the vice president of the other manufacturer and made the following offer: "I will write your bid for you on a totally contingent basis. My fee is $55,000. If you do not win this bid, you will pay me nothing."

The vice president was intrigued with this offer. "Your offer sounds great," he said, "but I am wondering how you can be so sure that we will win the contract." "Very simple," said J.N. "I have all the specs and prices from your only competitor." The vice president replied, "If you do not leave here immediately, I'll have you thrown out." He called security to escort J.N. out of the building.

"Don't start work without a written agreement and without a retainer deposit."

J.N. is no longer a coach – if, indeed he ever was one. He still thinks that he did the right thing and that he was ill-used by both potential clients. No amount of reasoning can convince him otherwise, so we are better off without him in our ranks.

Where did J.N. go wrong? First, by starting work without written agreement and without a retainer deposit. True, we can understand his fervor to get started, but that is no excuse.

Most importantly, *he breached client confidence,* the most serious breach of coaching ethics. J.N. still says that he didn't breach client confidence, because the first prospective client was never actually his client, since no contract was ever signed.

But breaching confidence has no bearing on whether a contract is actually signed. Just like attorneys, psychiatrists, accountants and doctors, coaches are never allowed to divulge anything they hear in anyone's office, whether client or not.

> **"Breaching client confidence is the most serious breach of consulting ethics."**

If J.N. had gone to a lawyer, confessed to a crime, and had to withdraw because he couldn't afford the lawyer's fee, that lawyer could not report him to the authorities. Even though J.N. did not turn out to be his client, the lawyer could not breach his confidence.

Try to avoid litigation at any cost. Remember that none of the 10% of coaches in the $300,000 bracket were ever sued or threatened with a lawsuit! They scrupulously adhere to all of the guidelines set forth here.

The adverse publicity of a lawsuit (via the grapevine) would be very deleterious to your professional reputation – even if you were to win your case.

Clients and potential clients (the public-at-large, actually) act on the theory that "where there is smoke there is fire," so you couldn't possibly be all that "clean" if someone went so far as to sue you.

In other words, when it comes to your day in court, you will lose, even if you win. A good lawyer will advise you similarly.

These ten guidelines come down to this:

- **Think before you act.**
- **Behave ethically.**
- **Let your conscience be your guide.**

Chapter 10: Client Communication

Probably one of the biggest inhibitors to success in business today is the misuse of the telephone, e-mail, the fax machine, and the answering machine or voice-mail. And nowhere is this misuse more harmful than in the coaching profession. This misuse best illustrates the lack of courtesy and consideration in today's society.

Knowing that we are, as Vance Packard termed us, *"a nation of sheep,"* the telecommunications industry decided to take full advantage of this ovine trait. Their ensuing profit at our expense has been enormous. Consider the scientific *"wonders"* and the disasters have caused:

Call waiting:

The phone companies introduced this new marvel by convincing business people that they could do twice as much business by handling two calls (clients) at one time. Many coaches had this service installed immediately, much to the chagrin of their clients.

Most people do not realize that, with call waiting, they are constantly insulting either one person or another. How many times have you heard someone ask you *"May I call you back? I just received an important phone call on my other line."* You, of course, are *"chopped liver,"* and your call is of no importance. Or, you will hear (or say) *"Would you please hold while I get rid of this other call?"*

Call waiting promotes rudeness. If you have it, get rid of it. If you don't have it, don't ever get it. Call waiting is supposed to prevent busy signals on your line.

A better solution is to call the business office of your local telephone company. Have them set up your phone so that, when you are on the phone and another call comes in, instead of getting a busy signal, that second caller is sent to voice mail. He can leave a message, and you can call him back when you are finished with your first call.

Fax machines (review):

Since virtually every office has one, you probably need one. The problem with the fax machine is its overuse.
Here, too, phone company revenues have soared while first-class letter mail has decreased. With the fax, the speed of a letter's arrival goes from three days to one minute (same with e-mail, which is covered in the next section).

This speed is amazing and wonderful when used intelligently. But, when speed is used for speed's sake alone – like a car accelerates from 0 to 60 mph in 7 seconds in a school zone – it can have unfortunate consequences.

Because of this speed, the average reaction to the receipt of a fax is one of emergency and immediacy. The fax implies, *"Fax me back right away."*

Too often, this common reaction hinders the coaching process. Successful coaching experts are thinking, cogitative, serious professionals who must allow themselves sufficient time to analyze the client's needs and problems.

Proper, accurate solutions never come in an instant. *"Shooting from the hip"* will either blow a hole in your leg or that of your client, or both.

So, *treat a fax as you would your regular mail.* Take your time to think about your response, and then, if the situation warrants it, either fax back or send a letter.

Responding always by mail could well send a message to your clients that you cannot and will not be rushed. Conversely, do not send faxes yourself, unless speed is absolutely necessary.
In sum, create your own unfrenzied environment and ignore the speed-freaks out there who seem to have run amok with their *"Indy 500"* equipment.

"Treat a fax as you would your regular mail."

E-mail:

E-mail has become the standard for business communication today, but the standard practice of answering e-mails completely and immediately should not be used by the coach, except with extreme care.

In normal business communication, Manager A sends Manager B an e-mail asking for action or asking a question. Because Manager B is so pressed for time, and because he thinks Manager A is impatiently sitting at his PC waiting for an answer, Manager B feels compelled to type out a hasty but complete answer right away. Without even checking the content, much less the spelling, he hits SEND and moves on to the next task.

This could be problematic for Manager B, but absolutely devastating to the coach. Your client is paying you for considered, thoughtful analysis of his problem, not hurried, off-the-cuff remarks.
Yet the pressure you feel to answer his e-mail right away is also on the mark. People have been trained to expect rapid response to e-mails, and if you do not answer quickly, the client will think you are either ignoring him, or too busy with other clients to service his account, which can only irritate him.

The solutions when a client asks you something via e-mail is as follows. Immediately send back an e-mail reply that says: ***"I will need some time to research and give you an accurate answer to this question. I can have a full answer for you by [DATE]. Does that work for you?"***

The deadline date should be as soon as is realistically possible – preferably within 48 to 72 hours of your receipt of the client's original e-mail. When you use this approach, the client (a) will appreciate that you got back to him quickly and (b) anticipate getting the information he asked for by the date you specified.

Adding the phrase ***"Does that work for you?"*** at the end of your e-mail lets the client know he may contact you and ask for faster service if the deadline you propose seems too long for him.

Voice mail and answering machines:

Voice mail is now wasting more time and causing more expense than ever before – while producing still higher profits for the phone companies. *Why?*

Because more often than not, the machines are talking to each other and people are rarely able to communicate directly. Everyone with voice mail now has a license to place a barrage of phone calls and immediately leave the office (hit and run), reckoning that they are *"covered"* by their machines.

Four out of five times, when you return a message left on your answering machine, you will get the answering machine of your caller – and you then become engaged in that fun game of *"telephone tag."* It takes three or four of these calls, back and forth, to finally link up personally with someone else.

Are we advocating that you get rid of your voice mail? Not at all. But we do advise you to *use voice mail with consideration* for the next person.

Here are some simple, common-sense rules. If you follow them, you will be amazed at how much time you will save, how much expense you will save, how much time and expense you will save your client, and how much this kind of behavior will contribute to your coaching success:

1. If you call and leave word on the client's answering machine or with his secretary, tell him when it will be best for him to return your call (when you will be in). This will save him or her from getting your machine instead of you.

2. *Make every attempt to return every call within 24 hours.* You will be pleasantly surprised to continually hear your clients say, "Thank you so much for returning my call so soon." It seems that very few do. Returning phone calls promptly went out with the courtesy of holding a door open for someone behind you.

3. When you leave a message on voice-mail or with a secretary or answering service, *let them know what geographic area you are calling from* and the time-zone difference. No one can memorize all the area codes and their states.

4. If you neglect to do this (as the majority do), and you are in California and your client is in New York, he may return your call at the start of his working day, when your office is closed (6am). Or, you may call him while he is out to lunch.

5. If you have a *fax machine, use it sparingly,* remembering that the printed sheet coming out on the other end diminishes your professional image. Most successful coaches put a lot of time and thought into designing their stationery and brochures. Many use color. The fax machine makes

them look utterly wretched. Also, the client has to pay for the paper, and you are tying up his machine when he may want to send a fax to HIS clients.

6. Those coaches in the $300,000 bracket and above never rely on an answering machine. Many, like you operate a one-person shop from their homes.

Many have either retained an excellent secretarial service or a top-notch answering service to take their calls when they are out. The point here is that the most preferable option is to have a courteous, knowledgeable human voice answer.

The person answering your phone should tell the caller that you are on assignment with a client, or that you are giving a seminar, or that you are conducting a training session or whatever (whether true or not). A machine cannot do any of these things and does not bespeak a successful coach.

The worst and most amateurish turnoff? Allowing your spouse or your four-year-old to answer your business phone.

Get into these *"phonetical"* habits. They are an important stimulus to your coaching success.

"Make every attempt to return every call within 24 hours."

Take responsibility for making contact:

Don't ask clients to call you. If you need to talk with them, you call them. This sounds like common sense but is frequently violated.

For example, many times I have called someone at a company and the person was not in. The assistant says, *"He's not in, could you please call back?"*

Wait a minute! That may be okay if I'm a vendor, but what if I am a customer of that firm? Is it right to tell a customer or potential customer to *"call us back?"*

In many cases, I have gotten such a response when calling a company to get literature or prices on their product. My answer to the receptionist or secretary is, *"I am a potential customer of your firm, so why don't you have her call me back?"*

Since you never know who might be a potential client or might be in a position to recommend your services to potential clients, every call should be treated as *if he or she is a client.* Your *telephone staff should be trained to take a name and phone number* so you can return the call, not tell callers they should call back later.

They should say, ***"Let me take your name and number and I'll have him call you back."*** Note that this is a firm commitment to have the call returned. Do not use the weaker *"I'll be sure to give him this message."* That doesn't contain a promise that he'll reply promptly to the message, which is what the customer is looking for. Instead, promise the call-back. And keep that promise by returning all calls promptly.

Now, say you are calling someone who is *your* client, and they are not available. On routine matters, it's perfectly acceptable to say, "Have him call me."

But let's say it's an important call – for example, there is a big problem on the project, or the client's secretary told you he hated the latest set of drawings. You need to connect with the client as soon as possible so the difficulties can be discussed and the problem resolved; the longer it goes unresolved, the more it becomes a sore point with the client. The more it becomes a sore point, the more it threatens to disrupt your relationship with that client.

"You set a definite time for the call, treating it like any other appointment."

When it's important or urgent that you speak with the client now, you should take responsibility for making the connection. Instead of asking the client to call you back, tell the assistant, *"Betty, I need ten minutes of his time and it's rather important. Can we set up a time I could call him today for a 10-minute telephone conference?"* You set a definite time for the call, treating it like any other appointment, and then call the client for discussion at the appointed hour.

Importantly, you want to be the one to take responsibility for making the call. If Betty says, *"I'll have him call you at 1 pm,"* say, *"Gee, I may be out on the road (or at the job site, or whatever) and I'll be hard to reach, so why don't I call him, okay?"*

If things are left so that the prospect is responsible for calling you, your chances of reaching them are diminished. They might not call because they get busy, or forgot, or don't want to talk with you. So you must initiate the contact and take responsibility for making it happen.

You can add energy and positivity to your phone calls by standing up when you're speaking!

Communicate at the client's convenience not yours:

Your clients are busy people, and they are pressed for time. Families with children where both spouses work, for example, have crammed schedules and little time for conferences with service providers. Business executives may travel frequently or be tied up in meetings most days.

Therefore, you must arrange for in-person or telephone conferences to take place at the time that is most convenient for the client, not most convenient for you.

For example, financial planners and coaches find that the only times clients can meet with them is on weeknights and Saturdays. Parents are busy working or caring for children weekdays, and Sunday is the day of rest for most.

When dealing with corporate clients, preference for contact time will vary depending upon the individual. A client who is not overly pressed for time and not a workaholic probably prefers meetings and conferences during business hours, either from 9am to noon or 1pm to 4pm. Meetings are not scheduled after 4pm, so the client can leave work promptly at 5pm.

Some clients like to be entertained or do business over meals. For them, a lunch meeting is best, although the trend today is for busier people to meet at breakfast.

A client who is a busy executive or entrepreneur under time pressure might be most reachable at off hours. They probably come in early, leave late, and eat lunch at their desk.

So the best time to reach them is probably between 7am and 9am, from noon to 1pm, and between 5pm and 7pm. I have several clients who are successful entrepreneurs but so overworked that they request meetings after regular business hours, and a few even on Saturdays.

If a client has a frequent and heavy travel schedule, he is going to be even harder to reach. To accommodate such clients, I offer to fax materials to the hotels where they are staying and arrange calls at night after they've returned to their room from a day of business.

It's a *mistake to force clients to talk or meet with you when you want,* not when they want. For one thing, it annoys them. But also, if you engage a client in conversation when they are busy and have other things on their mind, they won't give their full attention – they'll be too busy thinking about the things they should or would rather be doing.

"Clients are busy and expect you to adjust your work schedule to accommodate theirs."

So it's in your best interest as well as theirs to meet or teleconference at a mutually agreeable time.

It used to be that coaches were prima donnas, forcing clients to accommodate their wishes and whims. No longer. Now clients are busy and expect you to adjust your work schedule to accommodate theirs. Communication is a part of that. You should encourage clients to communicate with you at a time most convenient for them.

Schedule long and important conversations and meetings in advance:

While it's all right to call up a client for a brief chat on the spur of the moment, longer calls and conferences should be held at a scheduled, mutually agreeable time.

Again, this goes back to people being time pressured. Thirty years ago, homemakers were happy to get an unannounced visit from the Avon Lady or Fuller Brush Man. It was an *"event,"* a welcome change of pace in a possibly boring day. They'd invite the door-to-door salesperson in, see the full demonstration, serve coffee and cake, and enjoy the experience.

Now the wife, working full-time and raising two children, doesn't have time for unannounced visits and interruption. Her reaction is to dismiss the salesperson and close the door or hang up on the telemarketer.

For this reason, any communication that is either important or lengthy, say, longer than five minutes, should be scheduled in advance. In such cases, your initial call is not to discuss the issue but merely to *set up an appointment* to have a discussion.

"Set an appointment for lengthy calls longer than 5 minutes."

Get permission to proceed:

Has this ever happened to you? You call a client on the phone. Instead of sounding happy to hear from you, she sounds annoyed or distracted, as if, for some reason, she is not happy to hear from you.

You have your conversation, with the client replying in monosyllables or speaking abruptly. After you hang up, you begin to worry that maybe you did something wrong or that the client is no longer happy with you. That's a possibility, of course. But in eight out of ten cases, the reason clients sounded annoyed or distracted when you called is that they were busy doing other things when you called. They didn't want to be rude, so they took the call. But they were only half-listening instead of concentrating on the problem or task immediately before them.

How can you solve this problem and have better phone contacts with clients? Easy. Before you begin talking, *ask for permission to proceed.*

I do this with a question that is simple yet powerful. Every time I call a client, when he or she answers the phone, I identify myself and then ask: *"Am I catching you at a bad time right now?"*
Why is this so effective? If the client is busy and in fact does not have time for you, this gives them an opportunity to tell you so (most people won't unless you ask).

So you ask when would be a good time, set an appointment for the callback, and call at the appointed hour. When you do, they'll be ready and receptive to talking with you, because you have *scheduled* the conversation.

On the other hand, if the client answers your question by saying that he is available and free to talk, he has given you permission to proceed. On that basis, he won't feel rushed or act annoyed, because you asked for time, and he freely agreed to give it.

Again, this sounds like a simple thing, but simple things are often the most powerful. When you telephone your clients today, start the conversation by asking ***"Am I catching you at a bad time right now?"***

If the client had seemed busy or curt answering the phone, watch his negative mood evaporate *instantly* after you utter this phrase, and feel how he immediately becomes more relaxed, receptive, and cordial. This works – try it!

Establish an agenda and time span for client communication:

Because clients are time pressured, it's a good idea not only to seek permission before proceeding to take up their time, but also to establish the amount of their time you will take and the agenda for your meeting or teleconference. Today *people have no patience for those who take up their time when they are busy* or who waste their time with things not of interest to them.

> **"Any communication that is either important or lengthy, say, longer than five minutes, should be scheduled in advance."**

When meeting with or calling a client, establish in advance or at the appointment the approximate length of meeting. Even if you have established this in advance, make sure that the time frame is still acceptable to the client now.

For example, when calling a client with whom I have scheduled a twenty-minute phone conference, I will say, ***"We had scheduled twenty minutes for this call. Is twenty minutes still good for you?"*** The client will have either remembered and set aside the 20 minutes for you, or forgotten, in which case you should either reschedule or conduct your business within whatever time the client does have for you.
When I call clients with unscheduled telephoned calls, and I sense they are busy and hurried, I'll ask, ***"Do you have time for this now?"*** Some say yes. Others ask me to call back later, which I do.

A *few are fence-sitters:* they don't really have time now, but they feel they are too busy to schedule a call later. If the client tells you how much time he has, counter by promising to finish in a time period slightly under that.

For instance, if the client says, *"I have about five minutes,"* I will reply, *"I'll keep it under four and a half minutes, okay?"* This not only amuses them and lightens the mood; it also assures them I will not run over their available time.

If the client indicated lack of time but is not specific about how much time she has, I will suggest a short time period. For example, if the client asks, *"How long will this take?"* I will give a numerical answer, for example, ***"It will take seven minutes. Do you have seven minutes now, or should I call back later?"***

This usually gains me permission to proceed. Note that I again give a specific number. I always quote an *"odd"* number like four and one half minutes or seven minutes rather than the conventional answer of five minutes, half an hour, a few minutes, *"not too long,"* and so on.

Why? Because it's unusual, and therefore gets the client's attention. They realize *"technique"* and that makes them smile, but it also makes clear that I understand and appreciate the value of their time.

I also use this technique when promising to return calls. If I am on the phone with client A, and client B calls, instead of just saying, *"I'll call you back,"* I say, ***"I'll call you back within seven and a half minutes."***

The former is a nonspecific and therefore vague promise. The latter is a firm, specific commitment that the client knows I will keep and that shows my intention to service him in a timely manner.
Again, these suggestions may sound simple – perhaps overly so. *But simply things are sometimes the most powerful.* Try using my *"odd number"* techniques in conversations with clients today, and you'll see that it works beautifully.

Prioritize by client need, not your need:

Do what the client wants to do, not what you want to do. Work on what is important to the client, not what is important to you. Talk about what the client wants to talk about, not what you want to talk about.

Too many coaches focus on their own agenda when dealing with clients. ***For example,*** a graphic designer I know is constantly asking his clients what else he can do for them and what other projects he can help them with. He thinks he comes off as being helpful, but it is obvious to the clients that he is trying to get more business from them.

This is not a bad thing in itself, except he focuses so much on projects he'd like to do for the client that his clients perceive that he is not paying careful enough attention to current projects. *"Harry is always asking what our plans are and what pieces we will be producing,"* one of his corporate clients confided in me. *"Frankly, I wish he'd worry less about what's coming and show more interest in what we're paying him to do now."*

Our tendency is to focus on future business, profitable projects, and ongoing selling of the accounts.

"Do what the client wants to do, not what you want to do."

Another tendency is to put the most effort into those projects that we find most interesting or challenging and give less attention to client work we think is routine, boring, or less important.

The client, however, wants to feel that you place his or her interests, needs, concerns, and goals *above* your own. This means giving your best on every job, not just the high-visibility assignments. It means finding out what the client needs and expects and then filling those needs and meeting those expectations.

In communication, we are inclined to talk about what excites and motivates us; we are usually more interested in ourselves than in the other person. If you don't believe me, pay attention to your conversation with your spouse or significant other when you come home from a busy day of work.

Each of you is *"bursting"* with a flood of information and stories you want to convey to the other. You want to get it all out while it's fresh in your mind, so your focus is on your agenda – what you want to discuss - and you want the first opportunity to yak.

In the coaching business, however, part of your service is acting as counselor, advisor, friend, confidant, even therapist, father-confessor, or parent to your clients. They want to be able to transmit their wishes, concerns, problems, and information too you quickly and efficiently, without interruption, and then have you respond and address each issue in a problem-solving or supportive manner.

When you talk about what you want to talk about, instead of what the client wants to talk about, you step out of the *"listening"* role that is a large part of what your client pays you for. The client becomes unhappy and impatient, even annoyed. Not what you want.

Find out what is on the client's mind, and address those issues first. Then get to your agenda. The client will not listen or be satisfied until he attends to his most pressing concerns first. In his mind, yours can wait. And since he's the one paying the bills, he's probably right.

"Do what the client wants to do, not what you want to do."

Make sure Topic A is resolved before discussing Topic B:

A basic mistake in business communication is to attempt to handle too many issues or items simultaneously. People can take in only so much at one time. If you attempt to cover too many things in a single communication, you lose your listener or reader.

A big mistake many coaches make is not to give their full attention to the topic at hand. Because we're busy people, and our minds work faster than our mouths, we tend to jump ahead and think about items B, C and D while we're still on the phone discussing item A with the client.

Have you ever tried to conduct a phone conversation with someone while you were, unknown to them, doing something else, like sending a fax, typing a letter, or proof reading a report? If you attempted this *"multitasking",* you know it really doesn't work.

You invariably lose your train of thought, or drift out of the conversation, or answer in incomplete *"ums" and "uhs."* The person you are having the conversation with will sense this, realize you are not paying attention, and become annoyed.

Motivational speaker Dr Rob Gilbert gives this advice: ***"Do what you're doing while you're doing it."*** What he means is that you should focus on one item at a time, handle it with your full attention and to the best of your abilities, resolve it or take it as far as you can go, and then – and only then – move on to the next item on the schedule or agenda.

"A basic mistake in business communication is to attempt to handle too many issues or items simultaneously."

Consider the rule of thumb: each client communication should ideally deal with only one major topic. A letter or report should have only one major subject, and a phone conversation should cover one concern or issue.

If there are multiple items to discuss, you can cover them briefly at the tail end of your conversation. Then schedule another meeting or phone conference to handle each of the items.

Sometimes, when handling multiple projects for a client, or complex projects with many parts and components, you are forced to cover more than one item in your letter, report, or call. That's okay, but be careful you don't overload your communication and confuse the client or take the focus away from what's really important.

Ideally, a letter, report, or phone call should have one major topic that takes 90 percent of the space or time, with the other 10 percent devoted to covering two or three other items in brief.

If needed, a meeting, call, or memo can cover two, three, four, even five items. More than that, though, and your listener or reader gets bored or confused. Better to say, ***"This is about issue A; we'll cover B, C, and D in a separate meeting/conversation report".***

What's the maximum number of items the human mind can deal with at one time? I once read about a scientific test to measure it. The researchers used slide projectors to flash dots of light against a black background. The dots were bright and appeared for only a fraction of a second. Then, the subjects of the experiment (students) were then asked how many dots they thought had been projected.

The result? The average person could answer correctly when seven or fewer dots were projected. When there were more than seven points of light, the subjects could not accurately say how many dots had been flashed.

The conclusion: The maximum number of items the human mind can handle at any one time is seven.

Is this true? I don't know if it's an accepted scientific fact, but it seems about right. So don't overload the client. Discuss one thing at a time. Discuss it thoroughly. Give it your full attention. Stop the discussion when the client is satisfied with the resolution or conclusion. Only then can you move ahead to the next topic.

"Don't overload the client.
Discuss one thing at a time."

Keep your communications brief:

Mathematician Blaise Pascal once said in a lengthy letter to a colleague, *"I would have made this letter shorter, but I didn't have the time."*

Clients value coaches who keep communication short and to the point, yet that's difficult to achieve. It's easier to ramble on and let the listener sort it all out. But part of your job is to save the client time by being an effective communicator.

Coaches tend to be talkers, because the service business is essentially a *"people business".* Most can and want to talk for hours about the finer points of their specialty.

While the client values the information you provide, clients today want to get it concisely, quickly, in a compact format. Your communications should be concise.

This means no wasted words, no unnecessary detours and sidetracks. Say what you need to say, tell the client only what they want and need to know – and no more.

Today's clients want the bottom line, not the fine details. They simply do not have the patience or time.

How long can a meeting or conversation last? And when should it be ended?

Look for body language or voice tone from the client as an indication. If they seem not to be paying attention, if their eyes glaze, you've gone on too long. Stop and shut up.

According to Dr. Gilbert, *you should not swamp your clients with excess information or details, but should give them just what they ask for or what is essential for them to know.* Reason? When you present more information than you have to, you risk saying something that the client will find disagreeable, wrong, or annoying.

"Most business people worry too much about always saying the right thing," says Dr. Gilbert. *"The important thing is not to worry about saying the right thing, but to avoid saying the wrong thing. And the less you talk, the less chance there is of saying that wrong thing."*

When it comes to meetings and telephone conversations, is there a limit to human endurance? Each person is different.

For example, while I often have lengthy telephone conversations with clients, I have very brief personal conversations. At home, I rarely speak on the phone for more than five minutes. My wife, on the other hand, takes a half hour just to say *"hello"* and has had marathon phone chats with close women friends ranging from one to two hours or more, something that would be inconceivable for me.

"Keep your communication short and to the point."

There is *no rule of thumb for how long to make your communication;* let the client's patterns guide you. Some clients like long meetings and phone conferences. If that's the case, you know you can schedule lengthy sessions with them.

On the other hand, if the client is quick to get off the phone, break your communication into smaller segments, because a single long teleconference will not hold his attention or be an effective way to deal with him.

My personal experience is that I start to fade out after forty-five minutes on the phone, and my maximum endurance for a single in-person meeting is about two to three hours. You and your clients may feel differently, of course.

Get a feel for the client's pattern, and act accordingly. When in doubt, however, it's better to keep the conference shorter rather than longer.

"Clients value coaches who keep communication short and to the point."

Listen to clients more than you talk:

The late Howard Shenson, a well-known coach, once told me that *to have a successful conversation or meeting with a prospect or client, you should listen 60 percent of the time and talk only 40 percent of the time.*

Another rule of thumb for *establishing a talking-to-listening ratio* is based on our *"equipment":* We have two ears but only one mouth, so logically we should listen twice as much as we talk.

I would take this even further and assert the *80/20 rule* applies to any successful client conversation:

The coach should talk only 20 percent of the time and listen 80 percent of the time. Or to put it another way, the client should do 80 percent of the talking.

The percentages aren't critical, however, as the concept that in a successful client conversation – that is, a conversation that is productive, achieves its goal, and leaves the client feeling well served and satisfied. You should listen rather than talk. When you talk, it should be to address the concerns and needs voiced by your client or to help the client communicate their concerns and needs to you.

As you know, the best way to ***learn what your client wants from you is to ask questions.*** So even during the 20 percent of the conversation when you talk, you aren't there to lecture: you're there to help the client define their requirements and communicate their needs to you. You give information, suggestions, advice, or recommendations primarily in response to what the client asks you for. You are there to uncover need and solve problems, not show how bright you are or how much you know or to *"dazzle"* the client with your expertise.

I used to have some dealings with a public relations firm led by a brash young coach who was the opposite of what I am recommending to you here. In client meetings, he would hold forth like a professor lecturing a college class, and he obviously couldn't wait to show off his expertise, give his opinion, or demonstrate that his knowledge was superior to that of anyone else in the room.

In 20 years in business, he was the only coach I've ever known who took this attitude with clients and was successful (in spite of it, not because of it, in my opinion; despite his boastful manner, he really is tops at what he does). In every other case I have observed, the coaches who are successful – who have long, profitable relations with their clients – are focused on the client's needs, not their own egos.

"The coach should talk only 20 percent of the time and listen 80 percent of the time."

Ask questions and listen to the answers:

The best communications tool for focusing on the client's need is to ask questions. *"Would you agree that if you could read your client's mind, you would be outrageously successful in business?"* asks Dr Gilbert. "Well, you can. I have a *four-word formula* that will enable you to read any client's mind. It's this: ***Ask questions and listen."***

Asking questions is a powerful communications tool, for a number of reasons. *First,* it demonstrates to the client that you are focused on the client and his problems, not on yourself.

Second, it is an essential method of diagnosing the client's problem. You are in business to fill needs and solve problems. You cannot do this if you do not understand the real need or problem the client wants addressed.

Third, it impresses clients. Asking the right questions is fairly easy; doing the problem-solving work – rendering your service – is harder.
Yet in my experience, asking the right questions, and being thorough in your diagnosing of the client's problem impresses the client and immediately boosts their confidence in you. Ask good questions and clients will say to you, with genuine admiration, "Boy, you sure are thorough in your questions."

Fourth, it makes your work with the client easier. Sitting there and having to say something smart all the time is difficult, yet some clients think that's what you are there to do.
Asking questions takes the burden of *"thinking on your feet"* off you and makes the *client* do the thinking. Once again, this advice – ***"Ask questions and listen"*** – may sound simple-minded to you. But simple techniques are often the most powerful techniques. Try it. It works.

Show empathy and understanding:

Your clients want to believe that you truly, genuinely care about them. Perhaps you do. Then again, you may, like some coaches, dislike your clients and only want their money.

I think you'd be better off and happier if you did like and care about your clients. But you don't have to – what's important is that you consistently *act as if you care* about and like your clients, regardless of how you feel.

Clients are extremely sensitive to your "attitude" and how you come across to them. In the past, clients would take a fair amount of abuse, even scorn from vendors, because good vendors were hard to find. Clients felt they had to be "nice" to you, for fear you would cut them off from service or dump them from your client list.

In the *"Age of the Customer,"* things have changed. Clients no longer have to *"take gruff"* from vendors; the supply of vendors outweighs demand, and clients are firmly in control of the client/vendor relationship.

This means clients can be choosier about vendors, and they are. ***For example,*** if you are uncaring and inconsiderate, the client doesn't have to put up with it anymore: *they can simply go elsewhere.* You want to *"bond"* with the client, or more important, you want the client to *"bond"* with you. To accomplish this, you must care about the client, or at least behave as if you do.

This takes several forms. It means *empathizing with the client* and their problems. It means *listening* even when you're not getting paid to. It means *caring more about servicing the client and meeting their needs* than about collecting your bill or taking more money out of the client's pocket. It means helping and supporting your client in any way you can, not just in the way you were hired for.

Clients often vent frustration and anger to coaches, and in many cases you may not agree with what they say. *It is not necessary for you always to agree* with the client; this would be phony.
You merely have to demonstrate understanding and empathy. You want to communicate to the client that you are listening, you hear what they are saying, and you can sympathize with their situation.

May I give you another magic phrase? These two words are amazingly effective in responding to client *"venting"* and communicating clearly and directly that you empathize. The two-word magic phrase is:

"I understand."
Suppose the client says, *"I hate dealing with my supervisor, Joe Blow; he's always doing things in a last-minute, disorganized fashion, and it's bad for the company."*

You want to acknowledge the client's position, but at the same time, you don't agree: you think Joe Blow is a talented manager, and besides, he too is a client. *What do you do?* Simply reply, ***"I understand."***

If you were to disagree with the client, you would in essence be arguing with him, and it is never beneficial for you to argue with a client. If you agree with the client, then you too are calling Joe Blow an incompetent.

You risk this getting back to Joe Blow and offending him. Worse, the client may only be temporarily angry with Joe, and the next day, when he and Joe are good buddies again, remember that you made a negative remark about Joe… and think poorly of you for it.

On the other hand, the reply ***"I understand"*** does not mean you are agreeing that Joe Blow is a boob. It simply means that you are acknowledging how the client feels and how difficult this problem is to handle. And that's all the client is really looking for: another human being to listen and nod in sympathy to his tales of woe. The coach is merely assuming the role once reserved for friendly neighborhood bartenders – that of the sympathetic ear.

Simple? Yes. Effective? Definitely. Try ***"I understand"*** in business conversation as a substitute for *"yes"* or *"no,"* or *"I agree"* or *"I disagree."* It works!

"You merely have to demonstrate understanding and empathy."

Be enthusiastic:

Enthusiasm is the next step above understanding and empathy. The *American Heritage Dictionary* defines it as *"(1) interest or excitement, (2) eagerness or zeal."*

Nothing great was ever achieved without enthusiasm.

~Ralph Waldo Emerson

Clients are naturally enthusiastic about what you are doing for them or at least about the end result of what you are doing. ***For example,*** a homeowner who is adding a large addition to a house is probably ecstatic about doing so. He is excited about how it will transform the house, improve the family's standard of living, and give the family more space. It's the only addition they're doing to their home, and so, during construction, it becomes the focus of their life.

As the architect, the addition is just another job, one of many you have this month or this year. So you can approach it in one of two ways. You can treat it as *"just another job,"* which to you, it is. Or you can *act as if it's* as thrilling and exciting to you as to the homeowner.

Let me tell you, doing the latter will go a long way to enhance client satisfaction with you and your firm. Yes, the most important aspect of rendering your service is to do a good job – in this case, to build a nice room.
But almost as important is how the client *feels* about what you've done. *Sharing in their enthusiasm will make them feel more pleased and happy* about your work and the decision to have hired you.

"Clients are naturally enthusiastic about what you are doing for them or at least about the end result of what you are doing."

Keep arguments and disagreements with clients out of your coaching realm.

Do not give the client a hard time. Always communicate that you are working with the client to achieve what they want.

The coach rarely profits from arguing or disagreeing with the client. You've heard the saying. *"The client is always right."*

Unless what the client wants risks failure of the project or job, that's true. And really, it's true even if doing it the client's way will result in a less than perfect job.

Remember, the judging of the end result of most services is on subjective criteria. You may think your opinion should count for more because, after all, you are the expert, and expertise is what the client is buying from you. But the client's opinion counts more, because it is the client's money you are spending – and ultimately, they must be happy with what they are buying from you.

You earn your fee and repeat business by *pleasing clients,* not by being right in every instance. My experience is that coaches who feel they are right all the time and must constantly prove it to their clients are usually going broke.

Does this mean you should be a mouse and never have an opinion? **No.** The client is paying you for advice, and so you should give it, freely and honestly. But then respond in a cooperative and pleasant manner if the client disagrees and wants to do things another way.

When should you fight, and when should you back off? David Ogilvy, founder of Ogilvy & Mather advertising agency, compares dealing with clients in a service business to a game of chess: *"Fight for the king and queen; don't argue over the pawns."* He advises.

In other words, *if you must argue (and therefore engage in conflict) with a client, do so only when it's critical to the project's success. Fight over major issues: only those that really make a difference in the end result.*

Do not quibble and quarrel over every minor point or argue every time a client wants to change a word or delete a comma. If you do, clients will quickly become frustrated and feel that you are too argumentative and difficult to work with.

"Client's opinion counts more, because it is the client's money you are spending"

Although client conflicts invariably create tension, the tension can be temporary and even beneficial rather than long-lasting and harmful, as long as you follow these simple steps:

1. ***Warn clients in advance that a disagreement is coming.*** The discussion will not offend or annoy the clients nearly as much when they expect it and know its coming. So if you're going to disagree with a client, don't jump in with your argument right away with an abrupt, *"You're wrong – and here's why."*
   Instead, use a warm-up sentence to let the client know the two of you are going to have a short, friendly discussion about the matter. I typically say something like, *"Walter, I understand what you are saying, but on this on point we are in slight disagreement, and I'd like to give you another option to consider."* This says to the client, in effect: *"We're about to have a small conflict, but I respect you and I'm doing it to serve you, not to give you a hard time, okay?"* By preparing the client in advance, your disagreement comes as less of a surprise, and they are better able to handle it.

2. **Agree to disagree.** Not only should you tell the client you are about to disagree with him, but you should also seek permission to do so. You might say, *"Can we spend five minutes now*

discussing the pros and cons of redesigning the widget as you've drawn it, or keeping the twin manifold, as I've suggested?"
If the client says yes, you proceed knowing they'll at least be somewhat receptive – after all, they agreed to let you plead your case. *If the client says no,* you should probably accept their argument and move on – they've told you they want it their way, and don't want to discuss it.

3. ***Assure the client that the argument is not personal and pervasive.***
Like you, the client does not enjoy conflict. For one thing, they don't "have the time for it." For another, they are afraid that if they argue with you and lose or get angry, it will adversely affect your relationship and the quality of the work you are doing for them.
Assure them that this is not so. One coach I know uses this line very effectively: ***"We are about to discuss something of major importance to your company. These are important issues, so it's only natural that we will get emotional about them and have a discussion that is passionate, probably heated. It's okay to argue – that's what will help us get the best result."*** By saying this, he makes the client feel comfortable about the discussion, and it becomes productive rather than awkward.

4. ***Let them know you are doing this for their benefit.*** If clients resist discussing something you think is important, let them know that you are bringing it up for their benefit, not yours.
For example, if the client acts annoyed that you would dare disagree with him, or indicates you are being uncooperative, say, *"Paul, I know it seems like I'm arguing with you. But in addition to my service, you are paying for advice on how to do this best. I am bringing this up for your benefit, because I think doing it this way would be better for you. You know, I don't like arguing with clients, because it gets people like you mad at me. From my point of view, the easiest thing would be for me to shut up and not bring this up. But from your point of view, you at least want me to let you know if a design change may hurt the final product, right?"*
Clients will be much more receptive to your arguments when they perceive that you are making the argument because you are genuinely looking out for their best interests, rather than fighting because of your ego or pride.

5. ***Assure them they are the final judge.*** The client will be much less bothered by a heated discussion or disagreement if he is assured in advance that, no matter what is said, he is the final decision maker and you will happily and cooperatively abide by that decision.

Explain your role to the client in this way: ***"I know we disagree on this. You pay me for advice, so I feel obligated to let you know my opinion on this. But my job is to make suggestions and recommendations only, not decisions. The final decision is yours, and we will do it the way you feel is best."***

The client already knows in advance that he can win any argument at any time simply by insisting, but when he hears that you know it too, he relaxes and feels more inclined to at least listen to you. After all, what could it hurt?

> **“Let them know that you are doing this for their benefit, but the final decision is theirs.”**

If the conversation is negative, follow up quickly with a positive e-mail:

E-mail has given service providers a *marvelous tool for enhancing client communication and satisfaction.* Here’s why.

Previously, if you had a bad encounter with a client in person or over the phone, you would leave the encounter on a negative note. The client would be dissatisfied, unhappy, or angry. You would be nervous and fearful that you had done something wrong and that you would lose the business.

Typically, as you drove home, or sat at your desk, ways you could have handled the situation better would begin to occur to you. You wished you could go back in time and do the meeting again, using these ideas, but of course, you can’t.

You would think about calling the client back, but you didn’t Perhaps you were afraid, or perhaps you judged, rightly so, that a phone conversation would precipitate another confrontation and only make things worse. So the phone was out.

What to do? You could write a letter, but that doesn’t work: By the time the client received the letter, the negative encounter has done its damage, and your letter won’t help; at worst, it may even remind them of that day and make them experience their anger and frustration all over again.

E-mail has solved this problem. With e-mail, unlike a phone call, the client does not have to respond on the spot. Nor are you exposed to more of the client’s wrath. Instead, the client can receive your e-mail, then read and consider it at his or her leisure.

If their response is still negative, at least you’ve taken your shot at making it better, and the client doesn’t have to tell you to your face that it didn’t work. If the response is positive, you’ll know it next time you talk with the client from their mood and tone of voice.

While the ability to *“think on your feet”* is usually lauded as a critical factor to business success, the fact is none of us thinks on our feet as well as we’d like to; we think only as well and as quickly as we can. Most often, the best ideas and solutions occur after the incident, not during.

Well, with the e-mail, you can immediately communicate these superior solutions and problem-solving ideas to your clients as they occur to you and *while the need to resolve the problem is still fresh in the client's mind.*

You can send the e-mail within minutes of a negative phone call or as soon as you return from a less than successful meeting. The e-mail gives you a *"second chance"* to set right what went wrong earlier in the day.

"You can send an e-mail within minutes of a negative phone call."

The instant nature of online communication is what makes it work. Even an overnight letter or express package will take twenty-four hours to reach your client; an e-mail can be there in thirty seconds or less.

For example, a potential new client and I could not come to agreement on a fee for me to write a brochure for her company. I know that she wanted to have me work on the project and that she was disappointed I was not being more flexible about my fee.

After I hung up, I thought, *"How could I have accommodated her needs better?"* And the solution came to me: Offer her a *"copy rewrite"* service where she did the first draft, then had me polish it. I would charge an hourly rate, so could guarantee that my fee would not exceed her budget, for example, if her budget was $900, I would sell her 3 hours of rewrite service at $300 per hour.

I didn't call her back with this information, however. *Why not?* If for, some reason she found this solution inappropriate or not to her liking, she would just become further annoyed, and our phone conversations would go from bad to worse.

On the other hand, an e-mail would *allow her to review the proposal in privacy,* without the need to formulate an immediate – and therefore possibly adversarial or negative – response. If she liked the proposal, she could call me and let me know. If not, she was not obligated to reply to me.
As it turns out, she called within the hour and went with my solution. *"I really appreciate that you took the time to think of a way to solve the problem after we talked,"* she said *"and then let me know about it right away. If you hadn't I don't know how we would have handled this."*

Should you follow up your e-mail with a phone call? It's up to you.

Follow up if you think the client would appreciate it, or if you want to get the issue resolved one way or the other. If you think it's better to let it pass, just send the e-mail and wait for the client to take the next action.

"An e-mail gives you a "second chance" to set right what went wrong earlier in the day."

Chapter 11: The Total Coach

At the beginning of this book you learned that only 10% of all independent coaches earn an average of $300,000 a year. Can you reach that figure?

If so, we can safely assume that you will join the ranks of the elite an earn $300,000 a year. Great! But wait. There's more.

Like dessert, the best news comes last, so the most intriguing statistic was withheld deliberately: that $300,000 was an average figure. This means that some of those successful coaches in that bracket earn more – much more.

The members of this elite group comprise 2% of all independent coaches, and they are a group apart. They are **TOTAL** coaches.

It isn't that they have deliberately kept secret their methods of reaching these lofty heights. It's just that no one has ever studied them before.

The **Advantex Coaching Academy** did perform an intensive study of these coaches, and they were completely forthcoming with information about their methods. The most interesting thing about them is the fact that they all achieved this kind of super financial success in the same ways. You are about to learn these ways now!

These coaches, after having raised their fees to the limit, and having reached the $300,000 mark, found that their upward income curve turned into a flat line. Their revenues hit a ceiling.

Why? Because they, like we, sell their expertise in blocks of time. This is true whether we charge by the hour, the day, the week or on a fixed-fee basis. Therefore, their earnings, like ours, were constrained by the eight-hour day and the 365-day year.

They had hit their limit. They discovered, as you noted previously here, that additional assistants could not increase their revenues, but could only help them with administrative paperwork. Nor could they earn more by forming partnerships with other coaches, because this kind of arrangement rarely works to either coach's benefit in a small firm.

Some, of course, were content to stay where they were. But the others (the 2%) decided to go for the *"whole enchilada."* They are the ones referred to here as total coaches.

Become a PR hound:

The first thing these total coaches did was become notable and quotable in the media. In this way, they distanced themselves from their competition by positioning themselves as **THE** number one expert in their respective fields.

Whenever a news story broke concerning their expertise, they wrote letters to the editors concerning that specific story.

Then, by carefully selecting those publications that deal with their subject matter regularly or on an occasional basis, they described their expertise and accreditation in a letter that they mailed to the appropriate editors. In these *"pitch letters,"* they told the editor that they were available to be interviewed whenever reports needed to quote an authority on their particular topic.

Ditto with some radio and television stations. This gave them the chance to be interviewed on their expertise whenever the news story hit. Finally, they offered to speak at trade and professional association meetings, Chamber of Commerce meetings, and any other place that would give them exposure.

For all the information you need to know about public relations, read *Public Relations Kit for Dummies* by Eric Yaverbaum and Robert W. Bly.

Add New Profit Centers:

Even more importantly, these total coaches decided to mass market their advice for profit. Every one established at least two of the following three additional profit centers: a seminar business, a newsletter business, and a book and special report publishing business.

All of these are information products that generate passive income for the coach. Let's talk about that for a second.

Your main income as a coach is to sell your time. Whether you charge by the hour, by the day, or as we recommend, by the project, you only get paid when you work. You are like the dentists whose motto is, "You must drill and fill to bill."

The problem is that, even at a high rate, having to actively work to generate revenue limits your income: You work by the hour (whether you charge that way or not), and there are only so many hours in the day.

"You only get paid when you work….so sell your time!"

The best way to overcome that income cap is to package your coaching expertise – the information on the topic in which you are knowledgeable – as information products (seminars, newsletters, books, reports, tapes, CDs) that can be sold via various direct marketing methods including direct mail, advertising and online.

If you charge $1,000 a day in your coaching practice and are a solo practitioner, then the most you can earn this Tuesday is $1,000. And you will have to spend the whole day working to get it.

Now let's say you package your expertise in a $1,000 software package. If someone responds to your ad, calls on Tuesday, and orders a copy, you have just made $1,000 for about 2 minutes work (you can reduce that to zero minutes work by hiring someone to take the orders for you.)

But if your ad pulls a better response, you might get three, four, or five orders. That's $3,000 to $5,000 in passive income. And there is no limit. Who says you cannot sell 100 software packages, or 1,000 or 10,000?

Is your income limited by the size of the market? Well, not really. Once everyone who is going to buy your $1,000 software package does, you can create and market another piece of software they need, not to mention annual upgrades to the first package. The sky is the limit!

There is no question that you are as qualified to build these profits as the total coaches. Like them, you are a successful coach. You are an accredited expert in your field. And, you are an articulate speaker (trainer) as well as an excellent writer.

These three profit centers – seminars, newsletters, books and reports – are not only synergistic with each other, but they also dovetail with your coaching and expand your knowledge base. When successfully implemented, each of these profit centers is guaranteed to position you higher than your competition.

"These three coach profit centers, having been carefully tested and proven by the elite."

Being shrewd, the total coaches use as many risk inhibitors as possible at every step of the way, so that they are assured of investing the minimal capitalization wisely, rather than gambling it.

So, these three coach profit centers, having been carefully tested and proved by the elite, are here and now available to you.

Complete plans, tested and proven, for building each of these profit centers are presented in three volumes of ***The Coaching Success Library*** published by ***Advantex Coaching Academy*** and available free of charge to members only:

- **Volume 1:** *Adding Seminars as a Profit Center to Your Coaching Practice.*
- **Volume 2:** *Launching a Subscription Newsletter in Your Specialized Area.*
- **Volume 3:** *How to Write a Book in Your Specialty and Get it Published.*

There are also some additional publications that can help you in each of these three areas:

- **Seminars** - *How to Make It Big in the Seminar Business* by Paul Karasik MGraw-Hill).
- **Newsletter** - *Success in Newsletter Publishing: A Practical Guide* by Andrewerick D. Goss (Newsletter Publishers Association, www.newsletters.org)
- **Books** - *The Self-Publishing Manual* by Dan Poynter (Para Publishing; 800-PARA-PUB).

Don't forget your most important client.

When advising others how to run your business, don't forget to provide such advice to your most important client: ***YOU.*** Too many coaches are adept at telling others how to succeed, but forget to apply their winning methods to their own coaching practices.

Review your progress and do strategic planning at least once a year. Mark Amtower, ACL Board member and coach specializing in marketing to the federal government, says: *"Each December or January, I do a 2-3 page 'Amtower & Co.' annual report that reviews where I am and where I want to be."*

Items Mark covers in his annual report and review include:

- Income by sources (e.g., coaching, seminars, information products).
- How much income he wants for the coming year from each category (realistic goals for each in specific dollar amounts).
- Self-promotion activities performed in the past year (articles, interviews, seminars, speaking) with results achieved from each.

- Self-promotion activities he needs to do to reach his new goals.
- Identify activities that don’t pay off.

Mark reviews this information at least once a month. He also has a Board of Advisors for his coaching business with whom he meets periodically to discuss goals, progress, strategies, and plans.

“I include family and health goals in this, as I work at home and my family is at the core of most everything I do,” says Mark. “This Amtower & Co. annual report is probably the single best thing I’ve done productivity and goal wise, and it helps me from treading water.”

Do not tread water; do not simply drift along and let the current take you where it may. Be proactive in planning your success and managing your freelance coaching business.

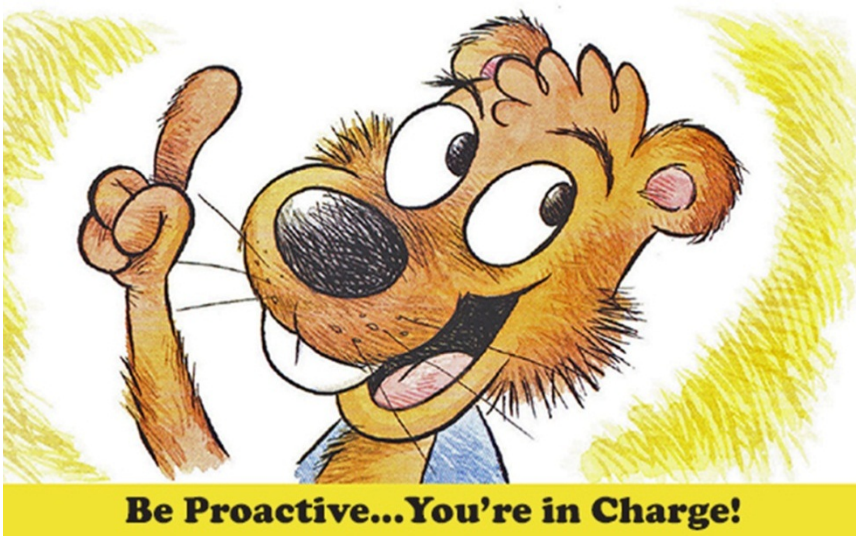
My method is to have two paid advisors (my office manager and an independent coach) whom I use as a sounding board on the same issues Mark has in his list. We meet in person once a quarter to review progress, figure out where we are, and plan what we have to do to achieve our objectives.

You can do this independently, but I think it’s a good idea to enlist some advisors or mentors, paid or unpaid, to support you in your entrepreneurial coaching venture. Potential candidates include your spouse or significant other; friends in other businesses; and other independent coaches you get to know through networking.

Don’t worry about how to get people to do this with no pay. You will discover that people **WANT** such an opportunity!

People love to feel needed, appreciated, and admired. Being appointed a member of your company’s Board of Advisors is incredibly flattering, and as long as it doesn’t take an inordinate amount of time, they will happily comply.

“Be proactive in planning your success and your freelance coaching business.”



Chapter 12: Search Engine Optimization (SEO)

Basic tips for SEO:

Interact with community

ALLOW COMMENTS in blogs.
People want to feel like they are talking to a real person.
If there's any negative comment, like a complaint, make sure to apologize and tell that you'll answer properly privately.

Guest Blogging

You get more references to your site and the blogger gets more visits to his blog.

Create a great source by adding value

Article that appear in GCBN, BBN and BL.
Recommendations to other sites or articles related to publications & print media.
Free e-books, Newsbreak, online advert, if they subscribe.

Build site for people

- ✓ Easy to understand.
- ✓ Useful information.
- ✓ Understand for whom is written and their needs.

Leave blog comments in relevant blogs

Share something from your field to add value to your comments.
Make sure you always give a link from your website.

Interview someone with high profile on the field

As an example.
To share what he knows.
Refer both his page and your page.

Participate in forums related to your field

Make sure you always set up your signature with your web page link or a word used both as a link to your page and as a popular word for the search engine.

Directories

Keep your information updated.
It will make it easier for your customers to find you.

Use Respected Free content sites to post your articles

Add your author box and link your website. Vary audience; readers that didn't subscribe to your page the first time will probably never do it.
Try other sites.

SEO Marketing:

Developing the mind set - What is the “SEO mindset”?

It is a specific way of thinking about online marketing and search engine optimization in order to achieve long-term, consistent, page #1 search rankings.

The 3 main steps in the SEO process:

1. **IDENTIFY YOUR TARGET**
   At this stage, not only are you setting your website’s SEO goals and profiling your audience, you are also scouting your competition and evaluating what you need to do in order to ‘dominate’ this particular sector.

2. **TAKE STEPS TO GET YOUR WEBSITE RANK AS HIGH AS POSSIBLE IN THE SEARCH ENGINES FOR THOSE KEYWORDS THAT THIS AUDIENCE IS MOST LIKELY TO USE.**
   Ensure that your website design is ‘search engine friendly’ from the ground up.

3. **CONSTANTLY TRACK YOUR WEBSITE’S PROGRESS IN THE SEARCH ENGINES AND MAKE ADJUSTMENTS TO YOUR SEO STRATEGY AS NECESSARY.**

Customize Your SEO Strategy
The most important thing about SEO is that an ‘out-of-the-box’ formula for achieving top rankings will not work as well as a customized one-on-one strategy for each website.

Every website has different goals – these goals will in turn determine what type of keywords you will be targeting, what the composition of your audience will be, the competitiveness of your target market and your willingness to spend money and or/ put in the time and effort into achieving your goal.

> **“Every website has different goals.**
> **What type of keywords will you be targeting?”**

Prioritizing Your SEO Strategy
In SEO, as in real life, there are some key activities that take less time and effort but have a large impact on search engine rankings. The 80-20 rule works well in SEO.

The most important SEO tasks will take roughly 15-25% of your time and will yield 70-85% of the benefits associated with search engine marketing.

- ✓ Optimizing your website's Title tags takes less than 2 minutes per page but has a major impact on how your web pages are ranked in SEs.

- ✓ Paying for (and submitting) a directory listing in Yahoo takes 5 minutes but that link is more valuable than submitting to 100 free directories that have been spammed to death.

SEO takes time to be effective, so whatever you are planning, make sure you plan for the long run and consider long term consequences of your actions.

- A niche topic, informational, website with weak competition for their keywords could take anywhere from 1 month to 6 months to get to #1.

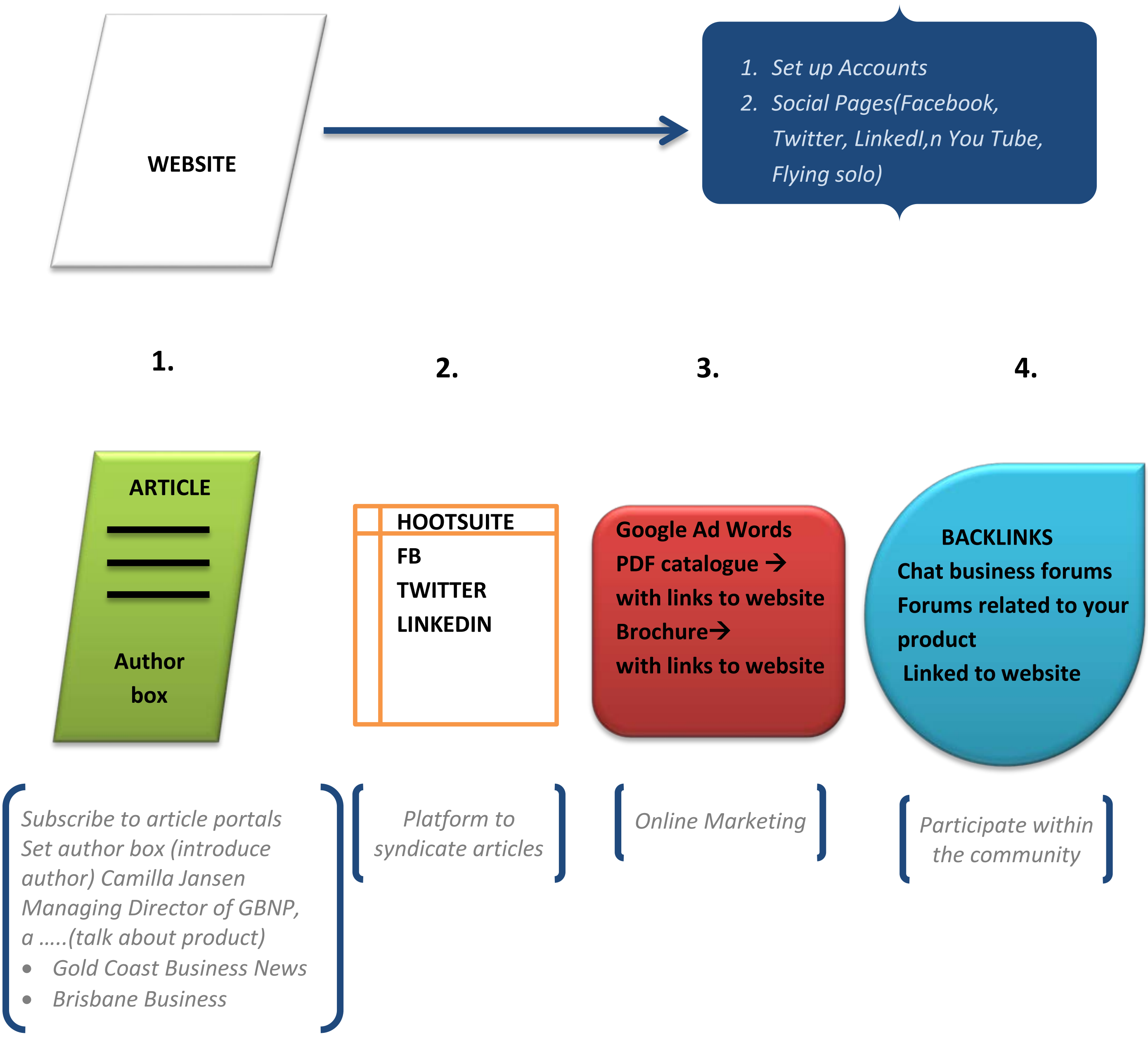
- A corporate or SME website of a rapidly- growing company in a fairly competitive industry, with moderate competition for their keywords could take from 6 to 12 months to achieve page #1 of the search engines.

Develop a System

If you do not have one already, it is time to think of SEO in terms of developing an effective system of activities and processes that will help you bring in targeted traffic to your website from the search engines.

Search Engine Optimization is great when it works well but you also need to know how to make best use of that traffic.

SEO Process (First Stage):



Online directories:

NAME	LINK	USERNAME/ EMAIL	PASSWORD	NOTES
Startlocal	www.startlocal.com.au			
Business tree	http://thebusinesstree.com.au			
Yellow pages	http://www.yellowpages.com.au			
Hot frog	http://www.hotfrog.com.au			
Easyfindguide	http://www.easyfindguide.com.au			
Nationwide	http://www.nationwide.com.au			
Local business guide	http://www.localbusinessguide.com.au			
Gold Coast Search	http://www.goldcoastsearch.com.au			
True local	http://www.truelocal.com.au			
Dlook	http://www.dlook.com.au			
Australia Online Advertising	http://www.australiaonlineadvertising.com.au			
Bizzipages	http://www.bizzipages.com.au			
Yahoo	$299 fee			

NOTE: It is requested to know the name of the person who is going to be in charge of the Social Media, the article portals, the forums and the online directories. A master account will be set to manage all of the SEO mentioned above. At the same time we need to have the name of the person who is going to post articles on the portals so we can create an author box.

Article Portals:

NAME	LINK	USERNAME	PASSWORD	NOTES
Enzine Articles	http://www.ezinearticles.com			
Article Alley	http://www.articlealley.com			
Article Snatch	http://www.articlesnatch.com			
Go Articles	http://goarticles.com			
Sooper Articles	http://www.sooperarticles.com			
Article Rich	http://www.articlerich.com			
Enzine Mark	http://www.ezinemark.com			

Social Media:

NAME	EMAIL/USERNAME	PASSWORD	NOTES
facebook			
twitter			
Linkedin			

Forums:

NAME	EMAIL/USERNAME	PASSWORD	NOTES
Flying solo			
Small Business Forum			
Aussie Tycoon			

Author Box:

Useful Tools:

For website:

- Make sure to include **complementary information & Services.**

- Something that you know your clients are really looking for.
  E.g. People looking for natural products are aware of their health. Maybe include information of how to eat healthy, fruit properties, or maybe some natural juices, etc. Be creative.

- You can **add e-books** as a way to encourage people to subscribe to your website. When they choose to get the free e-book they just have to write their emails and they are automatically subscribed.

- Add **references (links)** to other respected sites that customers may find interesting. You can use them as a way for them to understand a concept or an idea better.

- Make **recommendations from books or articles** from your field in case they want to know more about a specific topic, or just for complementary information.

For articles/blogs:

- Write **authentic information** for blogs and cite references in articles if you use information from other source.
  Make sure you use verified information, surveys, basic scientific research that will make your article have more credibility. Don't forget to use common language so people can understand better. By using them, your article will have more credentials and will be used as a reference. Just add information that people will find interesting. Remember the site is built **for people**.

- Write **structured articles** that will allow people to follow them easier. People don’t like just pasted paragraphs, it’s boring and not eye catching. Be creative and use:
  - with bullets
  - images
  - keep it simple and easy to follow
  - make them easier, the process of subscription to your website
  - referenced to other pages for complementary information

- Choose article with popular demand titles like:
    - 10 ways to ….
    - 8 reasons why….
    - Why is …. important for a healthy lifestyle
    - How can you…
    - The 10 most common mistakes of….
    - The secret to….
    - The trends of…

- Maximize the use of the **author box** by:
    - setting a proper link to your website
    - adding a catchy word to remember your product, so it can be searched in Google later. It takes about 8 times for you to see an image or read a phrase before it sticks into your memory.
    - Inserting a proper description of your product with a simple review from whoever is writing the article. Remember to focus on the product, not the person.

Conclusion

Having taken this home-study course, you are undoubtedly aware that it is in no way akin to nor in the genre of those many books which promise to make you a millionaire overnight with practically no effort or experience.

But this book does promise to make you a successful coach in your own field with an annual revenue of $300,000, leading a golden life, being your own boss, and writing your own paychecks. And there is no reason why you cannot do this by following all the steps that are fully described.

Overnight? No. But surely in a relatively short period of time with due diligence.

Some years ago, the famous billionaire, J. Paul Getty, wrote a book called *How to Become a Millionaire.* In it, he said that anyone can become one, provide that he makes that his first, foremost, and only priority in life at a very early age.

He was, no doubt, correct, because, that is, in fact, what he did. He was, he admitted, never interested in anything except making money. In fact, he owned the largest and most valuable private art collection in the world, and admitted that he never found time to quietly view and appreciate it in the various vaults around the world in which these masterpieces reposed.

He also admitted that his brother, who led a very pleasant and normal life, once sent him a book in which he inscribed *"To Paul, the richest man in the world – from your brother, the wealthiest.*

This book does not promise untold riches of the kind that you might gain by gambling in real estate, speculating in the stock market, or playing the lottery. It does promise **WEALTH** in all of its forms: a good professional reputation, a high income, honor and respect by your peers and your clients, and the satisfaction of a life well worth living and a job well done. No small achievement.

Appendix

Mission Statement

The Advantex Coaching Academy is the first and only professional association designed to help both novice and experienced independent coaches earn $300,000 a year or more in their coaching practices – by providing practical, real-world information and advice on how to market, sell, and satisfactorily (and profitably) render coaching services to the clients they want to do business with.

The Coaches Code of Ethics

1. **I am competent in my field.**
2. **I will always make every attempt to identify the client's real problems.**
3. **I will always clearly specify my role in the client's project or assignment.**
4. **I will adapt to the individuality of my client's problems.**
5. **My recommendations will be feasible.**
6. **I will at all times avoid any conflict of interest.**
7. **I will never fail to perform my services to the best of my abilities.**
8. **I will never deceive my client.**
9. **I will never be negligent.**
10. **I will always inform my client of the risks of any undertaking.**
11. **I will always inform my client of my basic approach to his/her problem.**
12. **The matter of my fee will always be presented forthrightly so that my client will always know what his/her money will buy.**
13. **I will maintain total confidentiality with regard to my client's business.**
14. **I will always work to the best of my ability to insure the quick success of my client's project.**
15. **Charges for expenses over and above my regular fee will always be fair and accurate.**
16. **I will never accept fees or commissions from others for recommending equipment, supplies, or services to my client.**