

Dental Consultant Master Academy
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Action Sheet - Week 26
Establishing Your Consulting Fees

Begin your consulting business with correct billing practices.

Starting out without a system in place now will cost you time and money later.

Value Based Fees Are Best

1. There is a cap on your clients investment when you base fees on values
2. You never have a meter running for your client. Your client doesn't need to worry that they owe additional money for various emails or calls. You an outline how many emails and/or phone calls are acceptable for each client contract.
3. This will avoid having to make a decision about money owed each time you help them with a decision.
4. If you find there is more work to be completed during the contacted.
5. The overall set fee, in relation to the project outcomes to be delivered, is inevitably less of the perceived investment than hourly billing.

- This will be the most uncomplicated way to work together. There will never be a time when there will be a debate about is considered billable time.
- This will build a relationship - a powerful partnership when we are not always talking about billing and monetary considerations.

6. Fee free to add your own benefits for working with clients with a set contract with a project cost vs. billing per hour.

Ways to Increase Your Fees

1. Establish your fee collectively with your client. Tips means that you work through th objectives/measures/value sequence of conceptual agreements so the future client is continually apprised of the results and the fee is simply the investment will generate for them.
2. Base fees on value not tasks. Do not focus on how much time you will spend on observation, team meetings, follow up calls, etc. Focus on the clients end result, for example, more profits, a retirement date in the near future, less stress, etc.
3. Never use time as the basis of your value.
4. Don't just stop at what the client wants but pursue what else the client needs. Every client probably knows what they want but few will understand what they really need.

5. Set w decent fee and do great work. You will probably have more projects to complete in the near future with the client. Plan to have approximately 70% of your business be repeat business.

6. Engage in client diagnosis not prescriptive. Never confront. Do not offer your client set solutions, pigeonholed responses, and off-the-shelf services/products. Listen and converse. Provide your client with the opportunity to be a partner right from the early relationship-building process. If the client feels won ownership in the joint diagnosis of the issues, two things immediately occur: First, your value is perceived as much greater in the collaboration and, second, the resultant fee structure will be far more the result of your joint efforts.

Imagine a dentist or clinician with their patient and they will ask: "Does your mouth hurt on the upper teeth or the lower teeth?"

Involve the potential client's behaviors and lifestyle in the course of your 'treatment plan' you design for them.

7. Never volunteer to lower your fees.

8. If you are forced to consider a fee reduction, reduce that value commensurably.

9. Always provide options so you hear more "Yeses". The choice is not should we use Brenda's services, but how will we use Brenda's services?

10. Always begin with and end with the results.

11. Broaden your objectives by asking "Why". For example if the client is asking to have improved case acceptance ask "Why now". Or ask "What will things in your office look like if out do have more patients accept treatment? Now you can respond by saying "It makes sense to take a look at why there has been a decline in patients accepting your diagnosis and scheduling for treatment to be completed.

12. Be sure your client knows your full range of services. If they need something beyond your scope of talents, interests, don't abandon the projector. Any parts of it, but subcontract it. Or at least refer to someone who is competent at want they need. You will have two grateful parties.

13. Determine how many other options the buyer perceives, other than you.

14. Use contracts and proposals as confirmations and summations, not explorations. The proposal is not a negotiating document. The fees established in it should be based on prior areas of conceptual agreement.

15. If your potential client insists on nailing down rates, use the magic response: "I don't know." If they respond with "Well, you must have daily rates." You reply, "I am different, and in your best interest, I don't have a daily rate." If they now respond with "Well, can't you give me an estimate?" You will respond by saying "I will give you an estimate when I learn more. At this time I don't have enough information about the outcomes to know what. Methodologies will be most effective. I'm not sure about the scope of the project."

16. Do not accept business from troublesome, unpleasant or disrespectful prospects. I occasionally let prospective clients know that I don't think we are a good fit. It always amazes me when I do highs is. It's

not something I enjoy saying to people and in the end it does earn me respect. In the end they end up changing their tune. I don't end up changing my mind about working with them.

17. If and when you of have a highly compensated employee, they must bring in new business. You may be prone to take on partners or employees because you prefer to work with others. Never pay highly for a commodity but pay for talent and for them to bring on clients.

18. Fees have to do with value.

19. Determine what other consultants in your industry are charging and charge appropriately.

20. Introduce new value with existing clients to raise your fees.

21. Offer incentives to accelerate payments. Offer a one-time fee of X that will include all expenses, therefore removing the need to create more billing.

22. Never accept payment subject to conditions to be met upon completion.

23. Focus on improvement not solving all their problems.

24. Provide proactive ideas, benchmarking, and best practices.

25. Practice stating and explaining your fees. Use a mirror or make a video of yourself saying this.

26. Don't use round numbers. Also don't be ridiculous about it. It's best not to position options at \$10,000 or \$15,000 or \$20,000, etc. the client will want to see the work sheet that generated that kind of precision. Remember, if the client walks away thinking that the value was a bargain and you walk away fee like you got paid well, there is no third consideration.

27. Don't post fees in websites or printed materials.

28. If you ever do work for pro bono do send an invoice.

29. Stay acutely sensitive to your margins. It's not what you make but what you keep that is crucial. You may be increasing your fees but your expenditures are growing at an even faster of pace.

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