

choice

the magazine of professional coaching

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An elephant is standing on a large, striped ball (resembling a beach ball) on a wooden floor. The elephant is facing right, and its trunk is slightly curled. The background is a red curtain.

The 'M' Words

Dealing with the
elephant in the room

6 Strategies to a
6-Figure Practice

Million-Dollar
Questions

How to Close
the Sale & Keep It

Marketing

Money

Why is it that we coaches are terrific at helping our clients achieve financial success, yet so many of us continue to earn far below our own potential? Why don't more coaches make more money? In this issue we take a look at the 'M' Words that help coaches become more financially successful. How do marketing, management and mindset fit into the money equation? What is the psychology behind making money that is a stumbling block for many coaches? What do we need to do to make more money? Read on to learn more about this pervasive issue.



Management

Mindset

The 'M' Words

Dealing with the elephant
in the room

By Pam Boney

Making the leap into the field of coaching can be daunting for those who are accustomed to the security of a comfortable salary. One of the biggest fears we have to overcome is the survey-reported average income of a coach, which is quite low.

For me, the fact that I would be parting ways with a salary that was many times higher and lose a set of golden handcuffs with comfortable perks meant I might never have taken the risk. Alas, my restless inner saboteur would not be quieted. I truly felt deeply called to this burgeoning profession that seemed to fit my interests like a glove.

So, leap I did. And my first task was to use my business acumen to figure out how I could manage to earn six figures in year one. If I couldn't, then I'd have to keep working for *the man* forever. The good news is that I did find a way and over the course of my first decade in the profession, I even found ways to scale into a seven-figure business. Since then, I've helped countless corporate deserters make the leap too, by teaching them these six strategies I devised to kick-start revenues in a new business venture.



“We won’t take risks unless we first feel reasonably safe inside. So the first order of business in any new venture is to secure a baseline of revenue that keeps you out of fear.”

6 Strategies to a 6-Figure Practice

Strategy # 1: STABILIZE

Leverage what you know to create safety for your psyche

The first strategy extends from what motivates productive human behavior. Here’s the deal: we won’t take risks unless we first feel reasonably safe inside. To most of us, this means we have enough to eat and can pay essential bills. So the first order of business in any new venture is to secure a baseline of revenue that keeps you out of fear.

For those who are really lucky, it’s saying yes to a severance package. For the rest, the next best option is to leverage what you already know and sell your expertise in a base retainer. This may mean you don’t get to coach for some part of your revenue stream, but investing in your peace of mind is not to be underestimated.

In my case, I came from the hospitality business, so I went to our competitor, pitched development of their key leaders and secured a retainer to coach the leadership team on an annual retainer. They got a seasoned executive from their competitor for a fraction of what it would cost to hire me. Was I consulting for some of that time? Of course. But more importantly, I was practicing coaching while they thought they were buying my expertise. The point here is to secure enough to keep you sane while you delve into the challenging task of starting a business of your own, with skills that are new to you.

The point? Don’t underestimate the power your unconscious fears can have on your ultimate failure or success. A patronizing pat on the head just won’t work.

Strategy # 2: MOTIVATE

Narrow your offering to what you love doing most

For me, the next strategy is about motivation. The whole reason we chose to work for ourselves is so we can do

what we love doing most, right? So, while the first strategy is comforting, the second is designed to free up the remaining portion of your time for your free spirit that yearns for creativity.

But don’t get greedy and think you’re going to be able to do what you love for the majority of the time. You don’t have the credibility to bask in that honored position quite yet. After all, you’re changing careers. You don’t yet *know what you don’t know*, so you need time to learn.

This strategy serves two purposes. First, it releases energy to keep you moving forward toward your ultimate goal by letting you try out new skills. More importantly, it will help narrow and define your target market so you eventually become known for something that you adore doing.

Many new coaches worry this will somehow limit their client base, but it does something much more important – it differentiates you. It creates clarity about the problem you solve and whom you do this magical work to serve. In a huge sea of coaches, you need to be different in some way. And that difference is the one thing your soul is now called to do. So do it with the remaining part of your time and wait for the time when it becomes what you do all day. Be patient and learn fast.

Strategy # 3: CLARITY

Get clear about your ideal client & what they get from you alone

The first step here is to know thyself! Then get to know thy ideal client! Who are you and what can you offer that is unique to you and you alone? Who do you care most about? What do they already get from interacting with you? This is all about clarifying who you are *when your best self* is present, and then fleshing out your personal brand and marketing from there.

What is the persona of the person you most like to serve? Build a profile for that character and think about everything they want, everything they enjoy, everything they do, what they worry about and so on. Give this persona a name, an age, a career, a family situation; describe their clothes, their personality, their likes and dislikes. Identify the one most

important goal this person wants to achieve.

Much like developing a character in a book, you must think carefully about what drives and motivates your ideal client. Once you are clear, create all of your website, marketing materials and blog content so that THIS person will see themselves all over your offering.

And whatever you do, don't make your website all about you. Prospective clients must land at your site and quickly see themselves, their problems and that you can help them. Don't worry about marketing yourself to ANY other client. Just go for this one. Eventually, others will come, too. But first you must be known for something precise and specific.

Strategy # 4: STRUCTURE

Plan and design your revenue market mix

In order to make a certain amount of revenue, you must start with the end in mind and then divide it into revenue streams and chunks that tell you exactly what you need to accomplish each week for the achievement of that end goal.

In most early coaching practices the only revenue streams are consulting or coaching. Later there will be more, but many coaches struggle with what to charge in this early stage. They think one hourly fee level will do the trick and position their fees as if they have no experience to offer. This is an oversimplified way of thinking about revenues.

In my case, I borrowed an idea from the travel industry to solve this problem. What we learned is that corporate clients will pay a lot more for a hotel room than people on leisure travel will pay for that *very same room*. The same is true for your coaching services! For example, you might have three streams of coaching revenue with differing fee levels plus another fee for consulting time.

Corporate buyers will pay you much higher fees, so you might want this segment to represent the lion's share of your coaching revenue. But you also might have personal clients who can afford a good, mid-level fee, which is work you'd like to take in the early stage. And to get experience, you might also do some pro bono work to pay it forward. This translates to three levels of fees and requires you to build a spreadsheet to map out the ideal mix from each segment needed to achieve your year-end revenue goal.

In short, don't feel like you have to charge one fee level commiserate with one skill level or it will limit your ability to earn higher fees early on. Big goals are achieved by little goals achieved one day at a time.

Strategy # 5: FOCUS

Anchor everything you do with integrity to your vision

Building a thriving business that earns referrals is the single most important skill to hone once the first four strategies are in place. And this means getting as much practice coaching as you can. You need this for credentials and you need to get very good at what you do as soon as possible.

This means you say "no" to everything and everyone else that could steal you away from committing every hour of your week you can to coaching in your niche. This means you don't waste time tinkering with your website and marketing materials, don't take calls that are not associated with revenues, don't go to coffee with other coaches, and finally, don't sign up for more coach training after your basic training until you have enough revenue to get you above your first financial threshold.



“Don't feel like you have to charge one fee level commiserate with one skill level or it will limit your ability to earn higher fees early on.”

I've seen too many new coaches get so enamored with learning that they forget to treat the growth of their business with the respect this task deserves. Consider delayed gratification and treat learning and development as a reward instead.

Set a goal based on your vision statement and then ruthlessly prioritize everything you do against that vision. For my first coaching practice I committed to a vision that focused on *getting high potential leaders promoted*. This leveraged what I knew how to do and for the first 4-5 years, I did nothing else.

Strategy # 6: SCALE
Create an alliance to handle your non-niche clients

Last but not least, for your business to move beyond what you as one person can do, you must look for ways to scale your expertise in order to shift into exponential financial performance.

Building on strategy #5, I knew I wanted to focus on what I did best, but I also noticed that I attracted a lot of clients who wanted something other than what I was offering. This made me think about how to scale a service business by creating an alliance of coaches who each serve a different niche in various specialties. This allowed me to do what I do well and refer or subcontract other business to those who can do it better.

The result: everyone wins. Most

importantly, our clients win because none of us were tempted to take business that didn't interest and excite us. Further, working together to market combined offerings meant a cooperative sharing of redundant expenses, so it also reduced overhead expenses for everyone. We could offer a group of coaches to a wider group of clients, so it also created synergy and credibility for all.

Bonus Strategy:
EXPONENTIAL SCALING WITH TECHNOLOGY

Over the years, I've continued to employ these basic ideas and strategies to both my coaching practice and eventually to found a tech startup where we build scalable coaching products that are offered to the masses.

Our coaching network now stretches all around the world. While we're not the first ones to accomplish such goals, we are among the few who have monetized our ideas in tangible ways that make the coaching profession a force to admire. We are professionals that require our clients to disrupt themselves.

Likewise, if we hope to earn what we believe we are worth, perhaps disrupting ourselves is also the way to achieving that end. Those of us who are further along the path must be thought leaders in a massive opportunity to merge ancient wisdom with modern technology – to go exponential.

By using any or all of these proven strategies, you, too can kick-start revenues in your business venture as a coach and make the leap to six figures and beyond.



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