DBA Lunch & Learn – July 21, 2021 - GoProposal

Kirstin: Hey, everybody, it's Kirstin Reeder with the Digital Bookkeeper Association. And, I just want to make sure that you can all hear me. So, if you can hear me, type into the Q&A box that you can.

Kirstin: Waiting, waiting, waiting. Yay, okay, awesome. Thank you. Oh, it's nice, oh, I love that I see some of your names and I'm like, "I got to meet you in person last month at BKX," so that's awesome. Well, we are super excited to have GoProposal with us today. Jack Chopin from GoProposal is tuning in, I'm assuming all the way from ... Are you in England right now, Jack?

Jack: That's right, yeah. Manchester, as recently agreed.

Kirstin: What time is it there?

Jack: So, it's one minute past six in the afternoon, in the evening for me.

Kirstin: Okay, okay. So, we're around lunchtime, you're around supper time. Okay. Awesome. Well, that is so strange to me, but anyway, awesome. Well, I am so thrilled to have you here, and we've got, some of our members already use GoProposal and so when I announced that you were going to be speaking with us today, they were like, "Oh, yay. Can't wait to hear it." And I know that when I found out that what you're going to be talking about, I thought, "Okay, I need to take notes, because I struggle." Because, I have my own bookkeeping business myself, and what you're talking about today are things that I personally struggle with in my business. So, I am super excited.

Kirstin: And just a little bit of housekeeping, if any of you have questions, feel free to ask them in the Q&A box, and we will answer them as we can. And we're going to need to finish up about 10 minutes before the hour, because we've got another group coming in, right after us. So, just to let you know about that, Jack, as well. So, I will go ahead and turn it over to you, and take it away.

Jack: Fantastic, thank you so much for that, Kirstin. There's a little introduction there. I will try and match the American energy that you guys have got, but being British, we tend to be a little bit, so softer. So, hopefully you guys can still see a bit of enthusiasm from me at your end.

Jack: So, as Kirstin said, I'm Jack. I'm the head of client success at GoProposal. Now, for those guys who don't know what GoProposal is, we're a pricing and proposal software that services the UK, Europe, Australia, and North America. So, the US and Canada. And, we're all about pricing consistently, selling more confidently, and minimizing risk. So, just a little bit of introduction to who's talking to you. And that's not to try to sell or anything like that, but to just to give you context of what our experience is, and who we've spoken to in the past, because we've dealt with thousands of businesses, bookkeepers, accountants, that have had challenges. And we find lots of themes in those challenges that I want to come on to as we go through this presentation.

Jack: So, before we get into the challenge and conversations with clients, how we can price more consistently, thing like that, I want to have a little talk about the ideal world. And I'll make a few assumptions here about the ideal world, but from speaking with clients, there's always a few things around what the ideal world looks like to them. I think firstly, they want to be able to deliver the maximum possible value to their clients, and to be appreciated for it. Obviously, delivering value is very important, but to get the recognition for that is also very important. It's a big part of why we do what we do, and what motivates us as humans.

Jack: We want to get paid fairly for all the work that we brought in, that's very important and that's across the board. No one wants to put in a lot of work and then not get the financial reward, because that's so important when we're running a business, or when we're in work, or whatever it's going to be. We want to build long-lasting and meaningful relationships with our clients. That's obviously. More fulfilling in our work, but also is better for our business moving forward as well. And, we want to build a business and a team that we're proud of. I may be making some assumptions here. There may be certain things in there that isn't part of your ideal world, but from what I can gather speaking to business owners, these are the keys things they want to be able to achieve and where they'd like to be in life.

Jack: Now, outside of business, there's your personal life as well. And the big reason why we create this business, why we go to work, why we do what we do is to lead to our ideal life outside of work. Now, that could be to give your kids the best possible holidays in the summer. It could be that you're big on gardening, and you've got a dream garden in mind. Whatever it is, the business is never the end goal. There's always something set to your heart that you're working towards. And we want to be able to achieve that with our ideal world.

Jack: Well, getting there is often a challenge. Now, what we need to get there from our experience is three core things. So, we need to make sure that we're pricing consistently across all of our clients. We need to make sure that we can sell with unshakeable confidence, and now when I say sell, I know it's a bit of a dirty word, but I don't mean it in that sense. I mean it in terms of giving our clients what they need, and having a fair agreement within that. So, that could be prospective clients, that could be current clients. Whenever we're working with all of those guys, we're always selling. Every conversation, we're doing that. And, we want to minimize the risk in our business, so we can't be toppled over by unseen storms. We've just faced one for the past couple of years. An unseen storm that has toppled many businesses. And, we want to be able to minimize what happens with things like that when they come along, and make sure that we're protected from what the uncertainty in the future can hold.

Jack: So, we've got our ideal world. We've got those key things that are going to help us get there, but what's stopping us? What's stopping us from getting there? And again, I'm going to make some assumptions. On the businesses I've spoken to, the thousands of businesses that we've worked with, there's a common theme on what holds them back. And, I want to run through a model that we've got for explaining this.

Jack: So, let's assume this is our business. This sphere, this is our world, we've got many layers that run through it. And, I've talked about the ideal world, and ultimately, the very first thing we need to do with our business is impact our clients. That's not just for bookkeeping. That's any service business, possibly any business across the planet, is to have an impact on the people that we engage with and that we work with. So, if we're ever trying to think about what we're to do for our business, what our next step should be, this is our true north, impacting our clients.

Jack: Now, to be able to impact our clients, we need to have a thriving culture. And the reason that we need to have a thriving culture is because if we're going to grow our business, we can't grow it ourselves. It's the systems, it's the people within our business that can grow it. What we need to do is develop the systems, grow the people, create that thriving culture, and that will grow our business.

Jack: And then ultimately, at the core of everything we do, we need to make money. So, if we're not making money, it's going to be very difficult to achieve anything else, because unfortunately, it makes the world go around. Or, fortunately, depending on how you like to look at it. So, these are our core things.

Jack: Now, when we look in our business, and we've got a cross section of our business like this, we will come across surface problems. So, sorry, I've jumped ahead there guys. Just before we get to the surface problems, essentially the final thing is actually in fulfillment. So, what I mentioned earlier about, whether it's our families that drive us forward, whether it's our passions, or our hobbies that drive us forward, whatever it is, there's so joy and fulfillment that we want to get out of this business.

Jack: And, when we look at this model, we'll often see surface problems that will come up when we're trying to create that perfect business in the ideal world. We may be over-servicing clients. We may be getting underpaid for the work that we're doing. It may be that we're undervalued about the really gain towards, really getting us down, and our clients don't see all the value that we put in. It may be that we're unsystemized. It may be that there's a lot of chaos in the world that we work in. Maybe we just feel overwhelmed. Maybe we come in, in the morning, or we lay awake at night because we're overwhelmed. Now, when we're trying to build the perfect business, or build our ideal business, these are just surface problems. And the reason they're surface problems is because they are just symptoms of the core issue. They're not the things that's going to address the core issue.

Jack: So, a great example for this would be, a few months ago, I had a little bit of an outbreak of spots. I had a little bit of acne that came up around my face, and the first thing I thought of was, I'm going to get some cream, and some lotions and potions to try and sort this out. When in reality, what happened, I've been drinking a little bit too much beer. I've not been getting enough exercise. I've been possibly a little bit lazy and laying around the house a little bit too much, and that was the thing I needed to address. That was my core problem that I needed to address. So, at the core of our business, there's a very similar thing that we want to address first, and that is the Value Exchange System. And, it's really, really simple, this, guys. It's really simple and but really important.

Jack: The Value Exchange System is made up of two key things. We've got the scope of work that we deliver, and we've got the price that our clients pay for us, with our work. That's how simple it is. It's very, very simple. Now, pretty much without exception, all of the clients I've worked with that have had the biggest overwhelming problems, biggest surface problems, have come from the fact that scope was not in balance with their price. So essentially, their scope was way bigger than the money they were getting in, and it was growing and growing, day-to-day, and month-to-month, because they weren't addressing the scope of work, or having that conversation with their client. So, because that Value Exchange System is out of balance, it meant that they were doing way too much work. They were getting overwhelmed, it felt chaotic. They didn't have the money in their business to put things right, to systemize, and to get the stuff they need. And it all just came down to the fact, they're delivering too much work for too little money.

Jack: And as I say, that grows. It continues to grow if we don't address it. So, it's not just, that client comes through the door and we agree to the wrong fee. It's that, if we don't have a system in place to constantly monitor that scope, then that price is going to get smaller and smaller in comparison to the work that we're doing for those people. So, this is what we need to address first. So, we want to keep that scope and that price in constant balance from day one, when our clients walk through the door, our prospects. And, day 1,000 when they've been with us for years, and we're still working with them. That scope and that price needs to remain in balance. And then, if we can get that and we can remove those surface problems, our business can function really well, we can create that thriving culture. We can impact our client, we can make our money, and we can get that joy and fulfillment.

Jack: So, when we're thinking about that, and when we're thinking about the concept of how quickly our scope and our price can come out of balance, I want to talk about the one in 60 rule, because this ties into the conversations that we're going to talk about when it comes to dealing with our clients. So, the one in 60 rule is an aviation concept. And essentially, the idea is if we're one degree out in our navigation, that'd be 60 nautical miles that we travel. We will be one nautical mile from where we need to be. And that's just from one degree out. So, you think how far planes can travel, and think of the distances they can cover, and think how far out they can be, just by not having that recalibration done regularly.

Jack: So, it has to be constantly checked, constantly monitored. Are we on the right path? Are we going in the right direction? And this is very similar to controlling the scope with our clients. It's not just a one conversation at the start of the relationship and we can let it go. It's constant calibration, constantly checking, constantly touching base with our clients.

Jack: So, off the back of that, something that we have worked with our clients on. Something that some amazing bookkeepers have used, and something that has been a big success with the members that we worked with is the 1-3-12 rhythm. So, the 1-3-12 rhythm is our meeting rhythm that will stop us getting to the point where that scope and that price is way out of balance. So, what is the 1-3-12 rhythm? It is essentially a month rhythm, so month one, month three, and month 12. And this is how it would look. So, reviewing payroll on a monthly basis. Reviewing bookkeeping on a quarterly basis. And then the full review taking place yearly.

Jack: So essentially, what we're looking at here, what are the things that need to be reviewed more greatly than others? So, you've got your payroll, which is the most frequent. Bookkeeping, which probably the next thing we need to review regularly, and then a full review of everything. So, when we say the full review, it's about recalibration, returning back the conversation. What are their goals? What are they trying to achieve? What's going wrong, and we'll come on to how we can structure that, lay it down the line.

Jack: So, monthly payroll. So, if we're going to review payroll every single month and make sure that we've got that calibration, and that we're keeping our costs in line, the very first thing we need to be able to agree is making sure that our client knows this is happening. Because, the very first part of having this work, is having a system where the clients understand what's going to take place. So, if we agree to the process up front, then we can just amend the invoice on a monthly basis to make sure that we're keeping track of payroll. There's no need to resend a new proposal, or anything like that. And, we can even notice, send an email just to confirm what's going to happen. Explain what the next payment's going to look like.

Jack: Now, this is obviously very important for our monetary aspect of our business, but this is very important for the training of our clients. Because, one of the biggest challenges that we'll receive is, clients not being trained in the way of understanding that scope and price are always going to be consistent. So, if they know every time someone new comes on the payroll or someone leaves on payroll, their price changes, they're going to start to appreciate the fact that this system is in place. Our value exchange system is very, very thorough, and we'll pick everything up. And if we start training them on that, then the next time they ring us and ask us to do something quickly, or to take a look at something, or to help them with a tax element or something like that, they know there's going to be a cost associated with that. The more they get used to that theme, the easier those conversations become. So, the very first thing, monthly payroll. The simplest thing to introduce, the easiest thing to explain, and a very great place to start when it comes to our calibrations.

Jack: Then, we've got our quarterly bookkeeping. So, when we talk about the quarterly bookkeeping or refer to some very specific services that we might deliver, but this is about taking a look at elements that can change quantity wise throughout the year. So, I'm going to jump into GoProposal to show you how we would deliver this shortly. Okay, and guys this is not about selling GoProposal. This is about showing you how it could work. You can deliver this in any way that you want. I think it explains it nicely. But essentially, we have a 50-minute quarterly call, going through the state of where things are. Take a look at the quantities that we're delivering. We can send an updated proposal. We don't have to get a new signature. It's just about confirming that document within the same year from the previous signature at the start of the year, so we're all good. And, we can position this in a really positive mindset, which is the growth in bookkeeping is a healthy sign for a business.

Jack: And I'm not sure if this is the same in the US, but in the UK, bookkeepers do not value themselves anywhere near as much as they should. I recently worked with a cohort of bookkeepers where such a common point was that they didn't sort of feel confident, as how we are experts, or we know lots about this business, or we can really help you. There was this little bit of a complex really, that they weren't as valuable as an accountant, or another financial advisor. So, this helps us get away from that mindset, because bookkeeping is the backbone, the foundation of everything that's going to happen. And this is going to help us appropriate that, and our clients appropriate that.

Jack: So, if I just quickly jump across here, when I talk about a quarterly bookkeeping review, I'm using GoProposal here to show you that the transactions, you don't have to worry about the system too much. Essentially what I'm talking about is reviewing the number of transactions that fall into these very particular services that we're delivering. So, if we're delivering things that are transactionally based, so reconciling bank accounts, PayPal accounts, recording accounting transactions, itemizing lump sum deposits, things like that, we can see in QuickBooks, or Zero, whatever system we are using, what quantity that client is requiring. And we can review that on a quarterly basis.

Jack: If their monthly average goes above what we agreed previously, so let's say I've got my client here. That monthly average was 101 to 125 previously. This quarter, they've seen some great growth, and they've from 176 to 200, so I can just quickly amend that, make sure they can see that, because transactions are very easy to understand and appropriate in terms of when they grow or when they shrink. And then, just resend that to the client.

Jack: So, when I'm talking about bookkeeping reviews, I'm talking about those transactions that we can track. Now, a lot of you guys may track by the hour, you may charge by the hour, which is absolutely fine. The reason why we do it this way, and so many of our members do it this way, is one, it's much easier to sort of communicate to the client. Because, if you think about a transaction of reconciling an item, that's very easy for a business owner to understand. Now, for a business owner to understand an hour of your time, it's like trying to understand the hour of a pilot, or the hour of a surgeon, or the hour of an engineer. Unless you're trained very specifically in that skill set, an hour is a very hard concept to get your head around to appropriate its value. So, this is just why we do that.

Jack: But also, as you systemize your business, as you grow it, as you develop it, as you find more efficiencies, you get rewarded if you're charging by transaction because you can speed up the number of transactions that you deliver. And it's not the client get rewarded if he bills less hours, actually. So, that's the quarterly bookkeeping review. So, we've reviewed payroll every month. We're looking at bookkeeping on a quarterly basis. Having a 15-minute phone conversation, reviewing those transactions, or reviewing those hours if that's how you'd like to work, which is making sure that, that's in track throughout the year. The big thing I'm trying to get across here guys is that every year isn't enough. We need to be looking throughout the year because of how complex and complicated the work is, that you guys do. Once a year is not going to be frequent enough. It's going to be that one in 60 rule again, where we're going to be one nautical mile away from where we need to be very quickly.

Jack: Great, so the final conversation there is the annual review. So, this is a space to start talking longer term. Realigning with goals, understanding challenges, and just seeing what it is they want to achieve long term, because it's so nice as a business owner to have people tap into that, people that you work with, or people that you pay to work with you. If they're tapped into what you care about, what your goals are, then we're going to feel a lot more valued. But also, as a bookkeeper, we can provide more value if we know that. So, this is a great space to understand this.

Jack: Now, if you think about this as a structure guys, a 1-3-12 method, it all feeds into itself. Because, not only are we educating our clients more by showing them that the scope and the price will always be in balance, but those quarterly bookkeeping reviews is really good opportunities to find out more about their business. Because, if we're looking at bookkeeping reviews, and understanding what's happening or what's changing with their transactions, and having that conversation with them, we might pick up on other things that we can talk about, other services that we can help with, which can all arm us for this annual review, so we can provide the biggest amount of value. So, you guys may talk to your clients every day, every week, but essentially if we've got structure in place that make sure we talk to every single client, then the annual review is going to go a lot smoother.

Jack: So, we talk about the annual review with the GLOSS Method is essentially how we position it. So, you guys may have seen this. What the GLOSS Method is, is all about goals, location, obstacles, speed, solution. It spells out the gloss there. So, the goals are what are you trying to get to, where are you now, what's holding you back, how fast you want to go, and what's the best solution for you. And we've got some great material on our website that you can download for free and take a look at, if you want to learn more about the GLOSS Method, and how could work.

Jack: But rather than going into the GLOSS Method itself and how it would work, I think there's a more important thing to address, because this is the conversation that most people are afraid of in my experience. Which is, how to handle the increased fees conversations? So, how do you handle a fee review, and that conversation, what's the structure to tackle that? So, I want to talk through how we would manage this. A bullet-proof agenda for tackling these things.

Jack: So, the very first thing we need to do is schedule the meeting. I know that sounds really obvious. Of course, we need to schedule a meeting if we're going to talk to someone about the fee review. And, but what we need to think about here is how we can make that as easy as possible. So, if you're going to start delivering a 1-3-12 method, for example, you need to communicate to your clients what that rhythm's going to look like. If you've got your own rhythm that you want to sell, that you know is going to work better for your business, the very first step is making sure your clients know that rhythm is taking place. Because, they need to understand why these things are happening. It can't be a surprise that these things come up. It can't be out of nowhere. We need to think about how we communicate that.

Jack: We can create systems around this as well. So, Calendly is a system that's great for creating workflows and making sure people book the calls that they need to. So, that would be a great thing to look at. Or, you may have your own automated email system that could help generate bookings for you, but essentially what system that you put in place that's going to make this process of having a conversation with your client, at least every year, less daunting and give it less chance of slipping. How can we be consistent with this? Or, may in-systemizing it is going to be our best way of being consistent.

Jack: Yeah, and you can even use other essential meetings to start this conversation. So, if you have a regular review of that account, or there's some technical meetings that you have with your clients, then we can start forming these conversations as part of that as well.

Jack: So, we've got the schedule meetings. We've got our client booked in for a fee review. Now, that's going to be the easy part, because the hard part is going to be, how do we actually have this conversation with the client? And, in terms of the way that's going to work, the very first thing I always recommend is to set positive intentions with the client. Set them with ourselves as well, absolutely, before we go into the meeting, but set up positive intentions with the client.

Jack: So, I've just got an example here of how we could do that. So, we've got the meeting booked in, we're with our client, and we need to set our positive intentions about why we're doing this. So, "We want to ensure we're providing you with the very highest level of service and to make sure that we're doing everything we can to support you in the growth of your business, and improving your personal financial situation." This is a great thing to think about, have in your mind before you go into the meeting, but this is the very first thing that we need to let them know that we're here for, because, it's just going to completely change the shape of the meeting.

Jack: If we go into a meeting and we're on the defensive, and we're worried about what they're going to say, and we're looking at the negative, "Oh, I've got to have more money, or this is going to happen," and the meeting is going to go down that route. If we start the meeting with a positive intention, where we tell them what we want to do, and I am completely confident that all you guys want to do this for your clients, there's no way you don't want this for your clients, so just tell them that. And then, you're going to have a much more positive experience with this meeting, and you can feel great that you've gone in with the best intentions.

Jack: Then what about the agenda? How are we going to structure this fee review meeting, when we're having this conversation with a client? So, the first thing we want to do is frame up. Frame with the client what's going well. What frustrations do you have? Is there anything more we can be doing for you? And then, recap over that. So, the very start of our conversation is to frame up what's going on in their world, and not in ours. So, what's working well? What sort of things are functioning well for them? It could be what's working well with our services. Find out what they're happy with.

Jack: What are their frustrations? Now, this doesn't need to be frustrations with your services. It's more likely it's things that you aren't doing for them that you could be. So, absolutely, "Hey, I'm sick of chasing my clients all the time for payments. Every single end of month I get that. I'm worried I'm not going to be able to pay the bills, because my clients aren't paying me on time. It's such a huge frustration of mine." Great, brilliant, there's our opportunity to help them with something that they're going to really, really care about.

Jack: "And is there anything more we can be doing for you?" So, that could lead on from the frustrations, or it could be other things they are yet to bring up. And then we want to recap. This is very important, to recap, because we're reconfirming back to them what they said to us. Just to ensure that we're on the same page, and they're happy with it. And then we want to review our proposal.

Jack: So, we review the services that we're offering. So, whether it's a document you guys have got, if you use GoProposal already, having GoProposal on the screen. If you have another system that you use, have that up so you can review it and go through everything. And you want to get agreement at every single step. So, as you're reviewing the proposal, if you can get agreement at every single step, then the final agreement and saying, "Yes, I'm happy with that," is much easier. But also, they're confirming the truths of the proposal as you go through.

Jack: So, it may not be in your proposal that you're doing it with, but let's just say for example, we're using this as an example for this process. Okay, "So, Peter, you've got 15 employees and you pay them monthly, is that correct?" Peter, "Yes, confirm that's right." Great, so I'm getting these little mini confirmations as I'm running through. So, that could be on a sheet here, just going, "Okay, so it's 15 employees that you've got. And, we've got down here that you're doing your own bookkeeping for the financial statements. Great. We've got it down here as the retail industry. Great." All those sorts of things. So, as we're going through, we're just confirming the factors that affect this.

Jack: And as I say in there, that little note there, is that's so important because it's agreeing the scope as we go. They're confirming that we're right. We can introduce any new services. So, "Do you want to take a look at management of accounts? You mentioned your challenge with the clients there. It's keeping you up at night at the end of month. We've got credit control service where we can manage that for you, where we'll deal with all your debts, as in everyone that owes you money, and make sure that they get you paid. Is that something you're interested in? Great. Brilliant." Introduce those new services.

Jack: And then the final thing is we want to present our fees. Tell them what the cost is going to be, and then shut-up. And then, that sounds quite harsh, but then the idea is when we present our fees to clients in a fee review, we want to avoid this situation where we go, "Okay, and that's going to be $1300 a month. But I can see, you probably think that's quite a lot. I can take some money off that for you, or I can help you out with that, we can negotiate if we need to." Already straight away, showing the client that there's an opportunity to get some money off because we're nervous about what they're going to say, or we don't want to lose a lead.

Jack: So, don't do that. We just say, "Great, and that'll be $1300 a month." And just deal with your quick silence. Let them soak in, all the time they need to take. Don't fall into the trap of then going, "But we can do something here. I can help you out. Please stay with us." You'll talk yourself into the problem of the Value Exchange System being out of balance if you do that. And any questions that they've got, we can chat through any questions. Get the acceptance or confirm next steps. So, when they're going to accept or what's going to happen moving forward as part of this fee review. And then, restate those positive intentions. Don't leave the meeting ended on the fact you've increased their fees. Leave again on why you've increased their fees. What it is you want to achieve for them.

Jack: Now, there'll be a question that scares everyone here, who doesn't do this already, and that is, "Why have my fees gone up?" That is the question we're all scared of. I've spoken to so many people that avoid these very conversations because they're scared of that single question. Why have my fees gone up? And, the fact is, it's a combination of factors for so many things, if you want to be specific, that you can mention. "We haven't reviewed your fee recently. This will be more regular moving forward." We introduce our new rhythms to them. "The service level has increased." Give examples. It might be additional things you've introduced. "You've got additional services," so we've introduced other services in there. "Your revenue has increased, so there's more emails, there's more queries. We want to make sure you've got no surprise bills moving forward."

Jack: "Complexity and regulatory requirements increased." Explain what's changed there. "You've got additional staff," or it could actually be, "We've priced some services too low. And we got it wrong at the start, and we want to make sure to keep delivering at that rate, and to respect this relationship, and we need to get to the right point." Because, business owners understand that. We've all been in that same situation. They don't want you to be in that situation. They can connect with that. And, we've actually gathered responses that I use, as the members have had from fee reviews, and we've managed to do a bit of a sort of split of a percentage of what's going to come back. 80% from what we've seen and the people we've spoken to will get, "That's fine." The one response we would dream of is the one we'll get most of the time.

Jack: We've actually had a few people where the client said to them, "I'm surprised you haven't done this sooner. I felt like I was getting a bit of a good deal there. I can't believe you haven't done this to us sooner." Then we've got, "I didn't really want to spend any more money." So, around 15% from what we've seen will come back with that. So, again, remind them of the value of what we're doing. But, if it needs to be lower, what can we take out, or downgrade, or remove? So, "What service can we take out and you can do yourself? How can we downgrade the scope to make sure you're getting the price that you need," because the scope and the value never changes? We never negotiate on that. We negotiate on what scope elements they're going to get and how we come to an agreement that way.

Jack: And then, there'll be one percent, "There's no way I'm paying anymore." The really difficult clients, and they're so rare. And again, you totally respect that. So, "You can keep having what you're having, or you can keep paying what you're paying, but you can't have both," as a nice little way of putting that. Ask them what they want to downgrade or remove, and if they say they're leaving, that's that. Say you're sorry. You can help them move on. You'll make it a very easy move for them. That's going to seem very, very hard and scary. I know guys, but if they're not paying us enough money and we need to get more from them, and they're actually losing us money in the business, then there's no way we can do that if we don't get them to a position where that Value Exchange System is in balance.

Jack: So, just a reminder, at the end of the process we restate those positive outcomes. What we're trying to do. The highest level of service, grow your business, improve your personal and financial situation. That's what we're here to do. Just end that meeting and that process with that.

Jack: Now, how can we handle the volume of conversations that's going to go through? Because, if you think about the 1-3-12 method, you're thinking, "That is a lot of conversations that I've got to have there." So, I want to talk about the structure of business, and we're closely associated with a firm called MAP that had this very same problem a few years ago. So, here's all the clients. Here was Paul, the business owner. Held all the client relationships. And the team behind him helped him service those clients, which instantly led to a bottleneck. So, straightaway, all the conversations are flowing through Paul. There's no way he can do that. There's no way he can handle it. He's trying to get it out to the team in time, but it's not going to work, because he's only one man. So, this is the big problem that you have.

Jack: So, to address that, a simple restructure. The team have those conversations with the clients. The team have the quarterly bookkeeping review. The team do the fee reviews. He would do it with the largest clients, the most important clients, but for a large majority of it, he would let his team handle it, and he controlled and navigated his team. So, you may be on your own out there, guys. You may be a solo practitioner, but still think about how you structure the way you have these conversations or the work that you do, in the way where you're not creating bottlenecks is going to make controlling that Value Exchange System difficult. Great.

Jack: So, in terms of dealing with the team, again we'll have the same questions. "They don't want to do it. They don't know how to do it. The team might get it wrong. I don't want my team selling to the clients if they get it wrong. I'm the best person to do it, so I'm going to keep doing this." They're all the things that people say when they get to this point, and they're trying to systemize this process. When in fact, the ladder of leadership is about creating.

Jack: Let the people, people who can lead businesses in better ways, so here's the ladder of leadership. "Tell me what to do," which is where a lot of people start. "I see what I need to do." "I can recommend what I think I will be doing." "I would like to be doing this," at number four. "I intend to do this." Six, "I've done this," and then seven, "I've been doing this. I've been doing this, I've been managing that," and that's the ultimate place that we want to get to. So, and the more we can level our workers ... Oh, I shouldn't say workers. Our team, workers such a sterile word. Sorry about that, guys. And the more that we can get from them. And if we're thinking again back to the start of the process, creating that thriving culture, there's no thriving culture down here. The thriving culture's all up here. That's how we create that thriving culture, and grow our business in the best possible way.

Jack: Now, I want to call out what I think you guys would be afraid of when you have these conversations. Your clients can refuse to pay more. Your clients will leave. You'll lose all your clients. Every client I got run slam right out the door. All ultimately, underneath it all, is not being good enough. That same underlying fear that everybody has every now and again is just not being good enough to do that. So, I just want you guys to be aware that these are fears that everybody had. These fears are common, and you shouldn't let them overtake you. You shouldn't let them rule what you decide, and the people have come out the other end of these fears and completely smashed it, and you can absolutely do that, too.

Jack: Brilliant. Okay, guys, so action time. What would I recommend you're going to do if you're going to start trying to address these problems? So, the first thing I would want to do if I was you guys, and anything in there has resonated with you is to identify the clients where the scope is bigger than the value and the income you get from those relationships. So essentially, look for those clients where you're doing way too much work for them. Just identify them at first. All you need to do. You don't have to do anything about it. Just find out who they are in your business.

Jack: If you find those and you want to keep going forward, identify a good point to have that first conversation with them. And, you don't have to think about an extravagant system that's going to manage this conversation. You don't have to start with all that, because that's just putting off that conversation. Where you want to get to is having that first conversation with the worst candidates who are getting the most, the least. Or, the person that you know really well, who loves your work, but you know aren't paying enough. Wherever you can find the minimum risk in those conversations, have that first conversation as soon as possible. Then identify client relationships that could be held by other members of your team. So, if you have a team around you, who can they start managing directly? Can you start giving them the controls of these relationships and wrestle that away from yourself? Remove that bottleneck if that's the problem that you have.

Jack: And, establish your annual review rhythm first, and build on that. So, think about what your fee review with them is going to be, however you want to see it. Doesn't have to be the 1-3-12 method. Can be whatever you want it to be. Establish what you think would be best for your business and start building on that as soon as possible.

Kirstin: Hey, Jack, real quick.

Jack: Yes?

Kirstin: We've got about nine minutes or so left.

Jack: Yeah, great.

Kirstin: So, just wanted to let you know. Okay, thank you.

Jack: Brilliant, fantastic. Awesome, yeah. So, it went very, very into it guys, so I just want to talk about a couple of stories of people who have been through the same journey and what it's meant for them. Just to give you a little bit of confidence the world's not going to blow up if you tried it. So, firstly, this story speaks for itself.

Jack: So, "Two years ago, we're charging a client $150, and they refused to move to $250 a month, because they said they didn't see the value." By using this process with GoProposal, it was the process that was move important. They presented a fee of $730 a month, and the client signed on the spot.

Jack: Then, leveraging the team. "Trainees deliver our quarterly bookkeeping reviews for us now. It takes five minutes, develops them as team members. That means we are profitable with bookkeeping for the first time." So, these are just direct stories that we're so proud of, and so sort of happy to hear from the people in our business, because that's the change that we want to see, and that's the change that we believe this process and this system will allow you to see.

Jack: So, a final question, guys. Is there anything in here, if you've connected with it, think that there's a problem there that you can see, that you can address, I just want you to ask yourself right now. Write it down. What will be your first step for change that you're going to do off the back of that? Make it simple. Make it short and sweet. But, just ask yourself that question and then see if you can get that done in the next week. That's what I'd recommend. That's the short and sweet, and stat. If it can be done in a week, then it's one of those. Great.

Jack: Brilliant. Well, fantastic. Thank you so much, guys for listening. I hope that has resonated with you. I hope you've taken something away from that, that you can use and you feel like it's valuable. And hopefully, there's some questions in there that I can answer. Or if not, I just hope that there's something that you can take into your day from that presentation. Thank you. Thank you.

Kirstin: Yeah, wow. Thank you, Jack. I know, it's funny, you said to just automatically think of a client that where your scope has gotten a little bit out of hand. I can think of two, just right off the top of my head, of my clients. Of course, and one of them is probably a little bit easier of a conversation to have. They're kind of friendly with me, and the other one, I'm kind of scared of them, to be quite honest. So, which one am I going to talk to first? I don't know, but I need to talk to both of them, because this is a problem for sure.

Kirstin: But, thank you. Wow, that was a wealth of information and, someone, Arden commented with your little core image earlier. "That example gives a new vision for work on your core. Ha, ha, ha." Just very, when working out, we're supposed to work our core. So, yeah. It was awesome.

Jack: Oh, I have to think about that one.

Kirstin: So, if anybody has any questions, feel free to post them in the Q&A. I was taking pictures of the slides the whole time, because there was just so much in there that was great. Let's see. Oh, I wanted to go back to your monthly payroll reviews.

Jack: Yeah, sure.

Kirstin: So, are you recommending that we update our pricing for our clients, based on when they add someone to their payroll? Or, I think I maybe misunderstood that.

Jack: So, yes, so it's all about the number of people on payroll every month, because from what we've seen, people can often work with seasonal workers, or companies and businesses where that would change a lot. And, if we're not reviewing that every month, then that can often grow and change. But the big thing we're doing now is training our clients on how the Value Exchange System works.

Kirstin: Okay, okay. Yeah, that makes sense, because well, one of my problem clients, when they first started working with me, they had about five employees. And now, they have around 30, and their price has not changed very much. And my fee has not changed very much. So, yeah, they've just grown exponentially. So, awesome. Well, thank you. Oh, wait. "I love the comment about speaking with confidence, too, also, like the advice to shut-up." Yes. Me too. Thank you for reminding me of that, Arden, because I am exactly what your example of what not to do is. I feel like I need to fill the silence with my words. And, that is not what I need to be doing in this situation. So, yeah. Thank you for that.

Jack: No, that's great.

Kirstin: Anyway ... no, go ahead. Go ahead, Jack.

Jack: I was just going to say, if anyone wants a copy of the slide deck, I can get a PDF over to you just as well. So, yeah, I think of course, if anyone asks about it.

Kirstin: Yeah, that'd be great. Yes, we're getting, "Yes, please," in the Q&A box. So, that'd be awesome. Okay, well, I will go ahead and ... So, how can they get in touch with you? Do you have, I can type it into the chat to go out to everybody.

Jack: Yeah, sure. So-

Kirstin: So, like if they want ... or something with GoProposal.

Jack: Absolutely, yeah. So, you can start a trial at goproposal.com if you're interested in learning about the system. Now, I would recommend booking a demo with us first, so the connection with be jack@goproposal.com or cassie@goproposal.com, and we'd be ... Anyone who wants to learn more about a system, we'd really love to talk to you guys about it as well.

Kirstin: Awesome. So, I just typed in Jack and Cassie at goproposal.com. Awesome. Wonderful. Yeah, well, thank you so much, Jack. Thank you, Cassie. It was so great to talk with y'all, and I appropriate you so much for being here. And thank you for your support of BKX and the DBA. Look forward to next year, so yeah, awesome.

Jack: That's great, awesome.

Kirstin: We've got to dash out of here, but thank you again. And if anybody has any questions, just let me know and I'll pass them along to Jack.

Jack: Cheers, guys. Thank you, very much.

Kirstin: Thank you. Bye-bye.

Jack: Bye.