

For Entrepreneurs, 'Demonstrating Value' Can Morph into Unpaid Consulting

Small business fixer Julie Bee says while some “free” work up front may be necessary, it’s important to spell out expectations and set firm boundaries.

CHARLOTTE, NC, UNITED STATES, June 20, 2024 /EINPresswire.com/ -- Most entrepreneurs do their share of pro bono work: helping a family member or friend, or volunteering to do some work for their child’s school or a favorite charity. That’s fine: these projects crop up only occasionally and don’t take up large swathes of time. But there’s another form of pro bono work that’s more problematic, says small business fixer Julie Bee: unpaid consulting.

“In order to secure new business, entrepreneurs have to do a lot of up-front thinking, strategizing, and advising,” says Bee, author of [Burned: How Business Owners Can Overcome Burnout and Fuel Success](#) (Matt Holt, June 2024, ISBN: 978-1-6377449-0-1, \$28.00). “While you do need to show potential clients that your business can deliver a quality product or service, it’s easy to let this stage drag on way too long—to your own detriment.”

During the initial call or meeting with a prospective client, a business owner may go all out to demonstrate value. In a week or two, they may schedule a follow-up...then another, and another. They keep sharing advice, strategies, and ideas in hopes of closing the business—and maybe even get a bigger commitment because of their hard work. But instead, it becomes an endless loop of calls where the prospect picks their brain with no money changing hands.

“Too often, you’re ghosted or told that the prospect decided to go with another option,” says Bee. “You’re left feeling resentful, tired, and broke. Even when the client does sign a contract, it’s frustrating to look back on all the unbillable hours you’ve spent to get this far.”

Worse, when unpaid work becomes habitual, it can lead to burnout. Constantly exerting effort but getting nowhere leaves people feeling demoralized and “stuck” with no end in sight. In her book, Bee acknowledges that situations like this happen to all business owners. Burned provides tactical advice on how to make space for dealing with periodic stress, struggle, and even burnout...while running a company and leveraging the lessons learned.

Bee has a few suggestions for entrepreneurs:

First, practice the mantra: “My time is valuable.” Before setting boundaries with clients, an

entrepreneur must change their own mindset. It's easy to assume that if a conversation isn't costing materials or product, it's not a huge deal.

"Not so," says Bee. "How much could you have charged a paying client for that hour? How much closer could you have gotten to finishing a project or implementing a new idea? For that matter, could the prospective client take what you've shared with them and leverage it to make more money on their own? Never forget that your time is a valuable asset."

Set a time limit on unpaid work or initial consulting. "I know a business owner who has a one-hour initial call with prospective clients," shares Bee. "If they want to continue the conversation after that first hour, the clients have to purchase a package of this entrepreneur's time, which she sells in five-hour increments."

It's important to set expectations up front and be consistent with every prospective client. That means explaining that the initial "taste" of the work is necessary, but the prospect will be charged for consulting time going forward.

Get a post-consultation budget out front... When sharing consultation fees, it's also a good idea to give prospective clients an idea of how much the actual project is likely to cost. Being up front about the expected budget helps weed out "tire-kickers" who may not be serious or who just don't have the funds.

Bee suggests, "Say something like, 'We normally work on a six-month retainer. Our range is \$X to \$Y, with the average contract being \$Z. Is that within your budget?'"

...And don't assume that the budget has dried up mid-project. Sometimes entrepreneurs end up doing unpaid work because they think a client doesn't have the budget to cover everything. This often happens mid-project, when they're already locked into a contract. They believe that the consequences of not doing the work would be worse than spending some unbillable hours. Maybe it's true that the client's dollars just aren't there, but always ask and verify!

"If you believe budget will be an issue, you can ask the client, 'What is your budget at this point?' or say, 'This is what I usually charge for a project like this,'" shares Bee. "Then see where the conversation takes you. Perhaps the money is available after all. If not, maybe the client's expectations can be modified.

"One more option," she adds. "If there isn't enough money to cover you, see if you can negotiate another form of payment. Maybe the client can help you out with admission to an industry conference, give you access to attendee lists, trade one of their own services, etc."

Do any free work without expectations. "In other words, don't justify the work by saying, 'If I do ABC, then the client will respond by doing XYZ,'" explains Bee. "This type of thinking is what fuels seemingly infinite consulting cycles. You're working toward a hoped-for outcome that the client

has not agreed to (and may never agree to). Either be okay with not being compensated, or put a payment plan in place.”

Proceed on a case-by-case basis. Some prospective clients need more time than others to commit. Maybe they are cautious by nature or constrained by a tight budget. Perhaps the desired project is particularly complicated and legitimately needs multiple conversations to talk through.

“You don’t always have to shut people down if they don’t immediately commit, but you do need to recognize when discussions are likely to drag on so you can shorten the cycle,” says Bee. “Also, in my experience, clients who require a lot of your time and energy on the front end will continue to do so throughout the project. This isn’t necessarily a reason to end the relationship—but it is helpful to be aware of as you plan your workflow.”

If resentment arises, self-advocate. “Send an email to the prospective client as far in advance of the scheduled meeting as possible to let them know you’ll need to charge for the upcoming, and any future, consulting sessions,” recommends Bee. “But also give them an out to cancel the meeting with no hard feelings.”

If you feel like you owe the prospect one more meeting, that’s also okay. Just make sure that budget and billing for future consulting sessions and strategic research is at the top of the agenda for that final freebie.

Know that “Free” does not equal “lower quality.” When business owners don’t give 100 percent—when they cut corners or deliver a half-baked pro bono service—it can hurt or even ruin their brand.

“Dissatisfied prospects can do plenty of damage to your business with a few keystrokes,” says Bee. “On the other hand, folks who are impressed by your work can be some of your best ambassadors—even if they don’t sign a contract! For instance, ‘It turned out that I needed some services Julie’s company didn’t offer, but I was so impressed by her ideas and communication. You should give her a call!’”

Watch out for “brain-pickers” in social settings. It’s common in social settings for people to approach entrepreneurs with questions like, “Can I get your professional opinion?” Or “Would you mind doing me a quick favor?”

“If you genuinely don’t mind sharing your expertise at a family cookout or on the sidelines of your nephew’s soccer game, go for it!” encourages Bee. “But if you’d rather not spend your off-hours talking shop (or giving away free advice), have a few responses prepared. For instance, ‘It’s been a long week and my brain is fried! Let’s circle back,’ or, ‘Let’s talk about this during the workday, when you’ll get my full attention. I’ll send you my calendar link to set up a time.’ Then move the conversation on to a different topic.”

Walk away when needed. Not all business is good business. The unpaid consulting stage is the time to rely on instincts.

Bee encourages entrepreneurs to ask questions like: Is this relationship one I really want to be in? Is this person impossible to satisfy? Are they legit but slower to move...or are they consciously trying to take advantage?

“Eventually the takers, time-wasters, and chronic complainers will wear on you and drain your time, energy, and mental health,” says Bee. “Scout them out early and don’t be afraid to ‘pass’ on their business if you believe it will take up too much of your professional or personal bandwidth.”

“For most entrepreneurs, a judicious amount of unpaid consulting is one of the best ways to build your brand and attract new business,” concludes Bee. “But too much of a good thing can leave you frustrated, struggling to make ends meet, or even burned out. Most clients don’t abuse the system intentionally, but if you want to end the unpaid consulting cycle, it’s up to you to set the boundaries. Very few people are going to say no to a continued stream of free ideas!”

#

About Julie Bee:

Julie Bee is the author of the upcoming book *Burned: How Business Owners Can Overcome Burnout and Fuel Success*. A business owner burnout strategist, Bee has been dubbed the “small business fixer” by her clients and peers. With over 15 years in the entrepreneurial field, she has solidified her reputation as a dynamic consultant, a riveting speaker, and a leader who sheds light on the darker side of business ownership. Having been celebrated by *Fast Company* and *Forbes*, her insights are in high demand across the industry. For more information, please visit <https://www.thejuliebee.com/>.

About the Book:

Burned: How Business Owners Can Overcome Burnout and Fuel Success (Matt Holt, June 2024, ISBN: 978-1-6377449-0-1, \$28.00) is available for pre-order from major online booksellers.

Dottie DeHart

DH&C

dottie@dehartandcompany.com

This press release can be viewed online at: <https://www.einpresswire.com/article/721511137>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable

in today's world. Please see our Editorial Guidelines for more information.

© 1995-2024 Newsmatics Inc. All Right Reserved.