A black and white photograph of the New York City skyline. The Empire State Building is the central focus, its spire reaching towards a cloudy sky. Other skyscrapers and the dense urban landscape of Manhattan are visible in the background and foreground.

CommuniT Solutions: Money Matters

COMMUNIT SOLUTIONS

CommunIT Solutions - Money Matters



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Stop chasing your money!

Doing business is not about work: it's about GETTING PAID! This is a source of misery and frustration for many entrepreneurs and Small Business owners and operators at the beginning of their careers.



While they correctly focus on doing what they do well, getting the word out, engaging customers and closing deals, a good number of them find themselves

stuck and frustrated when it comes to actually **GETTING the money** they've worked so hard for.

It comes down to a basic mindset trap: somehow, many of us have been convinced that there is something bad about "*focusing on the money*". In seven years of leading sessions for **Operation Hope's Entrepreneurial Training Program**, I've actually heard people – who are supposedly there to learn **how to be entrepreneurs** – say, with a straight face "I'm *not* in it for the **money**". To which my reply is always "then you need to *get a JOB*".



Business is actually **all ABOUT money**. The **work** we do, the **price** we charge, the **steps** we take to get paid **ARE** the business. The problem is, we have been told all our lives that "asking for money" is like *begging*. Until we realize that **every invoice** we will **ever submit** is for money we have **ALREADY EARNED**, we won't be able to shake the feeling that we are paupers rattling a tin cup, begging for the indulgence of passersby to drop a coin to sustain the folly of our silly efforts.

You are a **BUSINESS** – it is who you **ARE**, not what you do. You **provide value** to people who **want** and **need** it, and for that you **deserve to be paid**.

STOP CHASING YOUR MONEY!

You must not only tell yourself this – you must **understand it** to be true **deep down** in the **core of your being**, or you will *never be completely comfortable* when it comes to “asking for money”.

You're not doing anybody any favors

Your clients contact you, urgent or enthusiastic about getting you to do the thing they want or need. You discuss the issue, confirm their request, get their signature on the contract or agreement (*please tell me you're not working on verbal agreements and handshake deals - more on this in **Chapter 13**...*) then set about *getting the work done*.

During this part of the deal, you won't have to chase them down as they *call*, *text* or *email you* to make sure you do what they want, how they want it done, are on schedule and on or under budget.

Finally, the work is done... and *you* get weird inside. Suddenly, you feel *practically embarrassed* as you have to send them an invoice and "ask for money". Well, let's stop right there: you are **NOT** "asking for money". You ask for money when *a friend lends you \$20 until payday*. or a *relative makes a personal loan* for you to buy a car or what have you. When you **submit an invoice** to a client, you are requesting **payment** for professional services already performed.

Let's be absolutely clear about this: you are NOT a *hobbyist*. This isn't something you're doing in your spare time – this is you, **BEING A BUSINESS**. Your **doctor, dentist, plumber or mechanic** doesn't apologize when it is

YOU'RE NOT DOING ANYBODY ANY FAVORS

time for **you** to **pay them**. Why are you feeling any way *other than confident* when it's time for your customers or clients to pay **YOU**? Haven't you done a good job, meeting or exceeding their expectations and requests? Isn't this what you do "for a living"? It's not being **cocky** or **presumptuous** to *expect to get paid*.



When you were an employee, if your boss told you on payday you weren't getting paid... that would have been a fight. For one or two weeks, you punched the clock, did the work, and you had **BETTER** get paid for your efforts.

It's no different now: the only difference is your [mindset](#). Change it - **NOW!** Because just like when you worked for a paycheck...

It's ALREADY YOUR MONEY

If you get *NOTHING else* from this eBook, let **this** be your takeaway. You are **not taking** anyone's money when you submit an invoice for your professional services – you are **requesting money** that you have ALREADY EARNED. Don't ever let it be a *debate*, a *discussion* or a *disagreement* – it's **not** up to your customer to determine IF they feel like paying you. The equation is very simple: you **WORK**, they **PAY**.

This is why I mentioned above that you must – **MUST** – work from signed contractual agreements. Many of us start off working from *verbal agreements* and *handshake deals* (see **Chapter 2**), because we often are thrown abruptly into being a business due to a **layoff** or **economic downturn**. This phase should last as *briefly* as possible. While every verbal contract *technically* is legal and binding, good luck with that should a customer choose to *renege*.

Written contracts are not only **much easier to enforce**, they can (and *should*) also help to **clarify exactly what is expected** of all parties involved. For example:

- **How much time** will this take?
- **Who provides** the materials or third-party services that may be required?
- Will you have any **out-of-pocket expenses** and, if so, will you be

compensated directly for them or **absorb the cost** in your fee?

Dealing with these details and others are where handshake deals **get messy** and sometimes ***fall apart** completely*. Preparing your [customer agreements](#) (which **you**, not your customers, should ***always do***) gives you the opportunity to address these issue **before** they become *deal breakers* .

Contracts/service agreements, in our opinion, should *not be* about “what to do if we have to go to court”. If you feel you may have to **take legal action**, you probably want to consider **whether you should** take on this particular client **in the first place**.

Contracts, for solopreneurs and Small Business people, are about **two things** in particular: **eliminating** as many “**show stoppers**” as possible, and **enforcing the payment** of your invoices after the work is done.

Stop being afraid of talking about the money

The main difference between a professional and an amateur is that a professional **GETS PAID**.

Think about it: when you take your vehicle in to a **mechanic**, and they analyze the problem and tell you what (they think) is wrong and what needs to be done to fix it, what's the **first thing** you ask them? "**How much is that gonna cost?**", right?

Same thing if a **dentist** tells you you need a crown, a filling, a root canal, or whatever (you may also ask "**does my insurance cover this?**" but it's basically the same question). If you hire a **plumber**, an **electrician** or a **contractor** to work on your office or home, you don't just let them at it without at least getting **an estimate**.

It is no different when **YOU** are the **professional**, the **contractor**, the **consultant**. Making money is **THE** reason why you "do business". Is it the **only** reason? Of course not. But it had **BETTER** be the **primary reason**.

Believe me: **most businesses** that **don't** have making money and getting

STOP BEING AFRAID OF TALKING ABOUT THE MONEY

paid as the **MAIN reason** they are in business, *aren't in business for long* . What *motivates* you, what gets you *out of bed*, brings a *smile to your face* and puts a *pep in your step* and all that “**happy** talk, **positive** thinking, **motivational**, mood altering, jazz hands” stuff *notwithstanding*, you had **better** make sure your **bottom line** is your *top priority*.

You've got **bills** to pay. **Plans** to make. **Things to do** that are actually about **making you happy**, or making the world a **better place**. Simply put, we must **do well** before we can **do good**... after all, there's **no such thing** as a **broke philanthropist**. Charity and good works are done **out of our excess**. If we're “just getting by”, we can't **really** be much of a **change agent** in this world.

It's **not** about *greed*, folks... it's *simple math*: Your **Income** must exceed your **Outlay**, or your **Upkeep** becomes your **Downfall**.

Money is like fresh produce: it has a short shelf life

Finally, you must **not only** get paid, but you must get paid **as soon as possible**. Something easily overlooked by the self-employed, the solopreneur and the Small Business owner or operator is that money quickly loses value over time.

It's called cash FLOW for *good reason* — the money you owe **me**, *I owe someone else*. The longer you take to pay me, the more you disrupt my ability to *stay on top of my debts*, remain *profitable* and *invest in my future plans*. This is why I advise service-based solopreneurs to ALWAYS **get a down payment** for their services (I've been instructed to refer to this as a **retainer**), and stagger payments into two or more parts. If you **get it** all at once, you'll **spend it** all at once.

That “**feast or famine**” thing doesn't work so good during the fallow periods. Every month, you will have your recurring expenses, even if the devil don't come and the creek don't rise. Rent, utilities, food, travel, hygiene and more — all *must be paid* whether you have a new **client**, new **contract**, new **business** or not. By staggering your payments, you stand a better chance of always having some amount of cash flow **coming in** — and by not getting it all at

once, you forcibly restrict yourself to a tighter budget. Or to any kind of budget **at all!**

Running a business is as much, if not more, about **MONEY management** as *project* or *task management*. Many of us are quite good at **doing the work**, yet quite lousy at **collecting the fees** or **paying the bills**. There's too much *anxiety* and *embarrassment* ingrained in our attitudes about money. We are discouraged from openly discussing how much we *make*, how much we *owe*, or how well we do or don't *manage* what funds we have.

This is quite odd – especially in the 21st century social media age, where we openly discuss things that would make the most immodest person of a few decades ago blush. Why this is is a sociological study for another chapter in a different book – the fact is that if we are to be successful Small Business people, solopreneurs, contractors and consultants, we must confront whatever the source of our reluctance to deal with money is in a *straightforward* and *resolute* manner. And, as Loretta said to Ronny in “Moonstruck”: **SNAP OUT OF IT!!!**



DTMFA – Dump the Major Failures Already!

Given all the challenges that come with doing business and daring to take the first steps in the entrepreneurial journey, we often feel we have to take every job, every customer, every opportunity to “make money”. It’s all about getting paid, and there’s no such thing as [bad money](#), right?

If you’ve been in business for more than a year or two, you know that there is bad money, there are [bad customers](#), and there are opportunities that end up costing more than they profit. A key aspect of “real” business success is recognizing the difference between good and bad opportunities, and *avoiding the bad ones*.



As a business owner, *you get to **choose*** who to do business with. This may not be the **conventional view** of business, but it's true. In the first few years of the entrepreneurial journey, one of the biggest challenges for most of us is realizing that *we are **not employees***. The people we work for **do not hire us** – they *contract our services* . When we're on the desperate search for **our second customer** this may seem pretty presumptuous, but as our businesses mature we must develop a more **mature** and **nuanced** attitude about *customers, business and money*.

Let's take a look at a few of the aspects of this “more mature” approach toward customer relations and financial management:

Everybody is not your customer: don't take every job that's offered to you

You've **formed** your company, **printed** up business cards, and **launched** a five-page website. Now, to **find some customers!** When we're newly launched, getting *any customers* seems like a good thing. After all, it means *money coming in*, and emotionally it's reassuring that "somebody out there likes us". While this *isn't a bad thing* – especially when it's an uptick from zero revenue – if we're **not careful** we can develop bad habits that will be *hard to overcome*.

Most importantly, all businesses must learn to distinguish their [target market](#) from just "available customers". Who will be the source of repeat business? Who can we [upsell](#) and [cross sell](#) to? Who will be the best source of quality referrals? Before we get to whether they are pleasant or demanding, good-natured or foul-tempered, we must always remember that the purpose of business is consistently getting paid and making a profit.

EVERYBODY IS NOT YOUR CUSTOMER: DON'T TAKE EVERY JOB THAT'S...



Taking on all comers can have us *wasting time* with clients who want to [bargain for price](#), demand more than they pay for – or **both**!

Bargain shoppers are usually “[one-and-done](#)” types – not much **repeat business** there, and it’s quite possible to have what seems like a windfall one month, only to be faced with a dry spell because we were *chasing the available customer*, rather than being selective, and building a *quality customer base*.

It's not an audition, it's an interview

You don't *have to do business* with **anyone**. In fact, you're **not obligated** to do business *at all* – it's a *choice*. So make sure when you do *choose* to do business, that you're **checking out your potential clients** AT LEAST **as rigorously** as they are checking **you** out.

As soon as possible, lose the “employee mentality”. You are **not working for their payment**: they are **hiring YOU** to provide *value and quality*. This may seem strange when you're still at the stage where you're uncomfortable “asking people for money”, but **they have to be worthy** of being your customer. They're *not doing you a favor* – you're doing them a **service**.



Don't be shy about letting difficult customers go, or **breaking off** conversations with **hagglers**. When faced with someone who tries to get you to lower your

IT'S NOT AN AUDITION, IT'S AN INTERVIEW

price or take on more work than you're bargaining for by telling you "I know someone who can do this for less" – by all means, inform them (politely) that they are of course **free to do business** with that **person** or **company**.

Here's the *dirty little secret* that should make this sort of thing easier: if that "person that they know" were **really** such a bargain, **that's** who they would be talking with **instead of you**. Don't be fooled – *be firm*.

Know your Value

Part of why it's *so difficult* for **newbie** entrepreneurs and **startup** business owners to overcome "asking for the money" difficulties is that they are **not confident** that they are worth the price they are asking. If you **don't know** what you're charging them for, and why, you'll **always choke** when it comes to *asking for the money*.

I always use the example of a lawyer that **charges \$500 an hour**. If you ask that lawyer "what can I get for **\$300?**", they'll tell you "**not** an *hour of my time!*" They **know the value** of the service they provide, and they know they *don't have to justify it*. They will probably be accused of being overpriced... so be it. The **sooner** they *let that complaining prospect go*, the **faster** they'll get to the client that **appreciates the value** they offer, and *won't flinch* when their **price is mentioned**.

Let's not get it twisted though: "knowing your value" is **not the same** as just *picking a price out of the air* because you're in a rush to get rich. This is where **market** and **competitor analysis** are essential. You can't be a **novice** in your field and **charge 3x** what **experienced pros** are asking – even if you get one or two *suckers*... er, unsuspecting prospects to pay that price, **word** will quickly **get out**, and once you're *branded as gouging the market*, you'll soon go down in flames based on *negative word of mouth*... not to mention being hit

with demands for **refunds**, or threats of *legal action*.



**Don't
settle for
less than
you
deserve.**

Go **slow** and play **fair**, but *don't underbid* yourself either. Pricing is an *art* and a *science*, and it **takes time** to get it right. Examine your financials regularly, constantly evaluate your market and, most importantly, remember that once you're established, you've got to raise your fees every few years. The **cost of living** and all other expenses **constantly increase** — don't put yourself out of business out of **fear** that you might drive some customers away with a **price hike**.

Put in the work. **Prepare** your customers, **explain** things clearly and **justify your increase** without *appearing defensive*. Your *good customers* will **stay** — the *bad ones* you're better off without. And you should **always be working** on increasing your customer base; that's typically where you should apply your new fee schedule anyway.

Don't back down!

You can bargain for **services**, or **value offered**, but **NEVER** bargain for **price**. Your price is **your price**: if they want to **PAY** less, they **GET** less – it's *that simple*. Bargaining on price too easily and too often makes you appear *unskilled* and *uncertain*.

You don't go into a **restaurant** and insist that they charge you **20% less** than the price on the menu. You **don't haggle** with your **doctor** or **dentist**. You are a **professional** – your prices are **not negotiable**. This isn't a hobby; don't let **anyone ever** treat you like an amateur just because you work for yourself, or you're just starting out. Remember: they can always choose to **walk away** and **find somebody else** at a cheaper rate if that's **really** the deal-breaker. But once you've established your pricing, [stick to your guns](#).

Those **same hagglers** may end up **coming back** with a sheepish expression, tail tucked between their legs. That "*cheaper deal*" ended up being a **nightmare** instead of a **bargain**. And now, rather than appearing "difficult", you occur to them as a **professional** that's **worth the price** you ask. So *don't gloat* – just stay (reasonably) humble and, by all means, **TAKE THEIR MONEY**. That is, if you decide that **THEY** are worthy of **YOUR** time and effort. **Remember:** *clients* and *customers* must [also provide value...](#)

Freeloaders Need Not Apply



This will be *pretty short*, compared to the previous chapters in this series. Last chapter, we mentioned that there *are* such things as bad **money** and, particularly, bad customers. The *worst kind* of customers we call “freeloaders”.

These are the type who will engage your services **knowing full well** they can't – or *won't* – pay you or, if they **do** pay, it's usually **late** and after they've been very *demanding* and *aggravating*.

Shut these bums **down** at the door! It's best not to let these jokers get *past the proposal stage...* once they're on your customer list, they're not only **annoying**, they can actually **lose** you *money and business* . Learn to spot and filter out this type of client, who will have you **chasing them** for your payment and **pulling out** your hair.

It's payment for services rendered

Make sure you set the [terms of agreement](#) (see **Chapter 3**) clearly, right from the start. That would be **before** you do anything other than have a meeting or a phone call to *consider* doing business with them; well before you even consider **preparing** a *written proposal*, or **sending them** an [estimate](#). You've got to be sure you make it **absolutely clear**: you are a *professional*, providing **value** and **quality service**.

When it comes time for you to get paid, it's *not negotiable* – you're not *asking for a loan*, *requesting a favor* or *"imposing on them"*. **Don't let them** guilt you into accepting [excuses for delayed payment](#), or start **throwing shade** on your work in an attempt to [justify reduced payment](#). Be in **constant communication** with your customers and clients as the work is being performed. **Always check in** to *"take the temperature"*, and whenever possible, **get it in writing** – *emails* and *text messages* are best for this.

Keep it light and cordial, but always remember: you're preparing a "**paper trail**" of *acceptance* and *satisfaction* with the work in progress to **shut down** any sudden **complaints** and **criticism** after the work is done... the *sudden appearance* of these quibbles is one **sure sign** that *you've got a freeloader* on your hands

Get it in writing



Anyone not willing to sign a [binding agreement](#) in advance is the one you walk away from – **FAST!** The surest “freeloader [litmus test](#)” is somebody that **won’t formally commit** to doing business.

These types always want a [handshake deal](#) and a [verbal agreement](#). And *watch out* for these grifters — they’ll usually come at you with *charm* and *charisma*, insisting that you’re just “little guys, all **in it together**”, all “**looking out** for each other”. Meanwhile, they’re just *looking out for themselves*, trying to create [weasel-room](#) so they can hide in the shadows of “well, *I don’t remember it that way*” and “it’s *your word* against *mine*”.

GET IT IN WRITING

As we mentioned in **Chapter 3 - “It’s ALREADY YOUR MONEY”**, you **MUST** get a signed agreement before you commit to doing **ANY** work. With a good customer, a contract eliminates *uncertainty*, defines *responsibility* and establishes the *schedule of payment*. With these *freeloaders*, the mention of signing a contract is like **citronella** to a **mosquito** – [Bye, Felicia!](#)

Get a down payment

This is the *second part* of the “no-pest strip one-two punch” **freeloader eliminator**. The *huckster*, the *hustler*, the *shyster*, the [scammer](#) will **NOT** put up any cash before attempting to *scam you* out of your **hard work** and **effort**. In fact, the very same flim-flam, back pedaling and excuses that you will hear when it comes **time to get paid** – if you allow these freeloaders through the door – will **show up here**. You’ll be amazed at how quickly they transform from boasting, strutting, confident mavens to stammering, flummoxed, simpering dolts once you mention “the *down payment* for that will be...”

As mentioned in Chapter 1 - **Stop chasing your money**, by the time you’ve *met with* the prospect, *evaluated* the situation and *submitted* a proposal, you’ve **ALREADY DONE WORK**.

If they **aren’t willing** to [put some skin in the game](#), they’re **not serious** about *engaging your services* (always remember: they are **NOT HIRING YOU** - see Chapter 6), and are likely going to try to **haggle** your price down, or **beat you** for payment *entirely*.

GET A DOWN PAYMENT



Be **polite**, but **firm**. Let them know that **this is the way** you do business – they can **choose** or **refuse** to do business with you, but those are the **only options** available. **YOU** set the terms, **NOT** *your customers* .

Don't be afraid to **show freeloaders the door**... the *little bit of money* you think you'll lose is **nothing** compared to the **time** and **effort** you'll **waste** dealing with them. And in the long run, it's better that you watch a freeloader walking out the door than watching the marshals put a **padlock** ON **your** door... as they **shut down your business** due to *freeloader overload*...!

Show Me the MONEY!

In the *previous chapters* in this eBook, we've talked about some **fundamental** Small Business **money issues**:

Sales is about offering value, not requesting payment

1. Work is done based on binding written agreements, *not* handshake deals
2. Money has a short shelf life: getting paid **FAST** is part of doing business **BETTER**
3. You don't have to take every job that's offered to you
4. Not all customers are worth the effort – or the payment
5. Knowing which customers to avoid can save you **time, money** – and **business**

SHOW ME THE MONEY!

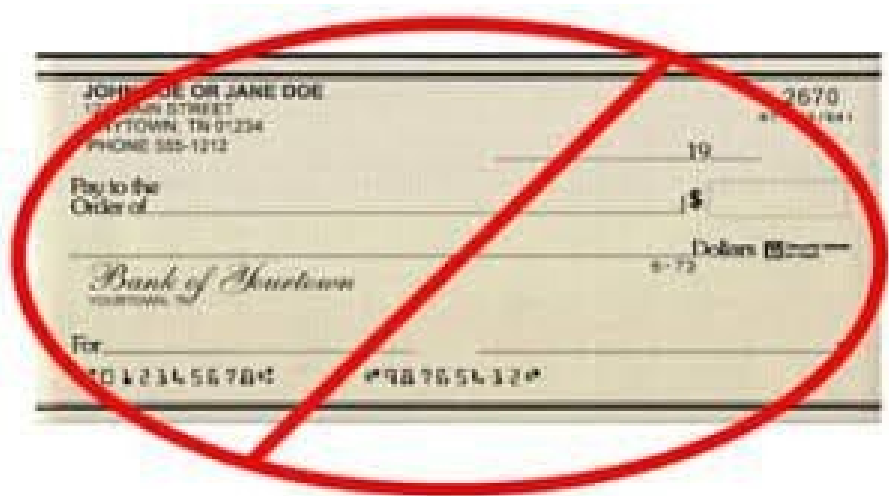


Ok – so we’ve covered the **basics**, and laid down a **pretty good foundation** for dealing with **important** Small Business **financial issues** and, hopefully, getting past those **doubts** and **inhibitions** which make it difficult to “ask for the money”.

Now, we move on to the fun part: **Let’s Get PAID!**

No Checks. PERIOD!

It's the *new millennium*. We're done accepting personal checks for payment. Constantly **checking the mailbox** or having to **take a trip** to collect a piece of paper which then has to be **deposited** in a bank, then **waiting several days** to finally get paid – or get *stuffed with a bounced check* – is simply **ridiculous**.



Stop letting your customers determine *how* and *when* – and *IF* – you get paid. Everybody has at least a debit card – **nobody books** an airline flight, **reserves**

NO CHECKS. PERIOD!

a hotel or *rents* a car with a **check**.

Anyone who **does not have** plastic simply **isn't your customer**. End of story; *move on*. You not only get to **choose** who your customers are; you, and **you ONLY**, determine *how you will receive payment*. This point is **not negotiable**. You're not in business for anyone's *convenience* – you're doing business to make a **profit**... which cannot happen **until** you get paid, and get paid as *quickly as possible*.

This may seem **harsh** - and of course, there are *always* some exceptions - but overall your **business** will run **much smoother**, your **stress levels** will be *reduced* and your **cash flow** will be *significantly improved* when you **stop taking checks** for payment.

If you currently *are* taking checks, and are wondering **how** you could *transition your check-writing customers* to **digital** payment, see Chapter 22 - **Blame "Your Accountant"**.

No Cash, either

You're a **BUSINESS**, not a *hobbyist*. Off the books is *off the grid*: you can't build **net worth** or **credit worthiness** with *unclaimed, untraceable* financial transactions. Also, electronic payments **automatically** record and categorize each transaction, which among other advantages is an incredible *time saver* come **tax season**.

Cash payments **don't scale** past a few hundred dollars - are you **seriously** going to accept payment of a **\$5,000 fee** in *paper money*? It would feel like an **illicit transaction**, and expose you to a **high risk of being robbed**. Depositing large amounts of cash will **seem sketchy** to your bank - and will require you to actually **take a trip to your bank**, rather than just **checking** your email INBOX for **confirmation** of your **digital invoice being paid**.

And for those of you who think you're "**getting over** on Uncle Sam", or somehow operating "*smarter*" if you *hide income from the government*, consider this: your business is only worth what is shown on the record. Why does *this* matter? Try going to a bank for a **business loan**, or a **line of credit**, when you've been hiding 30 – 40% of your revenue. What you've done is made yourself only 60 – 70% as credit-worthy as you *could have been*.

You're also more likely to **lose track** of money, mix **personal** and **business**

NO CASH, EITHER

assets (a [death-knell to LLCs](#)), and are **far more likely** to be [audited by the IRS](#). Of course, as with checks there may be the **occasional exception**, but if you intend to scale your business to **six** or **seven figures** of annual revenue, you're **not likely** to achieve that goal accepting cash payments.

An Invoice is NOT A BILL

A detailed invoice is a **request for payment** for **SERVICES RENDERED** (Chapter 12). They're **not** *lending you money*: they're **paying you** for the work you've **ALREADY DONE**.

It's also a service record of the **profitable activity** *performed* by your business. Much of what you do "as a business" is **behind the scenes**. You are **preparing** to do the work, **gathering** the skills and materiel required to perform the work and **getting** to and from the work (even if it's just a trip from your bedroom to your workspace at home). **NONE of this** is what your customers and clients are paying you for... they don't even *really* pay you for the actions and effort which directly contribute to "work being done".

They pay you for the **RESULTS**. As my first business coach always says "Remember that everyone's favorite radio station is [WIL.FM](#) – **What's In It For ME?**" Recall that money has a limited shelf life – so does the **memory** of a *satisfied customer*.

The more **time that passes** between the end of the job and the payment of the invoice, the more likely it is that even **the most satisfied customer** will be to *question* **what** *they're paying for*, and **why**.

Click to add header

INVOICE

Invoice #: 100.1 Date: August 9, Customer ID: 57922 Bill To: Contact:	.com San Francisco, CA 94105 .com
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LABOR

DESCRIPTION	HOURS	RATE	AMOUNT
Rear Bumper painting	2.5	60	\$150.00
Rear Fender painting	3	60	\$180.00
Panel Realign.	3	40	\$120.00
Dent Repairs, Coin Size	1	20	\$20.00
Dent Repairs, Up to A4 Size	1	30	\$30.00
			\$0.00
			\$0.00
LABOR TOTAL			\$500.00
TAX RATE			7.00%
SUB TOTAL LABOR			\$535.00

PARTS

DESCRIPTION	PRICE	QUANTITY	AMOUNT
Kool Vue Passenger Side Mirror	35	1	\$35.00
Eastern Standard Rear, Passenger Side Catalytic Converter	199	1	\$199.00
Replacement Driver Side Headlight	87	1	\$87.00
			\$0.00
			\$0.00
			\$0.00
PARTS TOTAL			\$321.00
TAX RATE			5.00%
SUB TOTAL PARTS			\$337.05

NOTES:

TOTAL \$872.05

Please contact [Name] at [Phone #] with any questions regarding this invoice.

Thank you for your business!

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hired them”.

That’s the reason that seasoned **project managers** and **contract professionals** talk about “**deliverables**” and not “outcomes”: it’s got to be *from the customer’s perspective*. They don’t really want to know **how** you did it, although this may be quite important **to you**. This is a mistake **I made** at the beginning of my consultancy. I felt it was important to show that *I had “worked really hard”*, as if I had to *impress* them. To be honest, I think I also wanted to impress *upon* them how **complicated** this IT stuff was, as if to prove I was **worth** my fee.

NOBODY CARED. It didn’t stop me from getting paid (thankfully), but I found that when I began to put things in terms of **results** and *not effort*, not only did the invoices get paid **faster** and with **less pushback**, but I would sometimes get feedback about *this* or *that* detail, either *requests for clarification* or **positive** comments like “*oh, you did that TOO?*”

Not “good for you; lookit **how hard** you worked”, but “gee thanks – you did more **for US** than we even *thought we’d asked for*”. **THAT’S** the result that *matters most* to **YOU**; a **satisfied customer**. They’re the ones most likely to **work with you again**, and to make [unsolicited referrals](#) because they’re just *that happy* with the way things worked out **for them**.

On the record

Don't write a **book**, but DO give a **detailed account** of what the invoice is for. Memories are *slippery*, especially when it comes to **money**.

The more you **remind them** of *why they agreed* to engage your services (remember: they are **NOT HIRING YOU!**), the **more easily** they will ***pony up the cash...*** *electronically*, of course.

Your (signed) [written agreement](#) and your detailed invoice are the *bookends of your work record*. Many [Small Businesses](#), especially service-based ones, exist for years with no **history** or **paper trail** of [what they've actually done](#) during the time they've existed. Have you just been grinding out work, or have you *actually accomplished anything*? If you're looking for partners, or seeking investment from non-traditional financing like *venture capitalists*, "*angel investors*" or *family and friends*, they'll want to look at more than just your bank balance.

It not just **how much** you've made – it's **HOW** you **made it**. That's important even if it's just for **tracking your own progress...** or determining *if there's been **any progress** at all*. And it's always nice to simply be able to *look back* over a **month**, a **quarter** or a **year** and see what you've actually done.

Memory fades *quickly*; as you're always focusing on the **task to come**, the **next** sale, the *next* client, you need to keep an accurate record of you **current clients** and the **work at hand**, to ensure that you **get paid** in a *timely manner* without any *hassles*...

Always say “Thank You”

This is something almost **nobody mentions** in Small Business financial discussions: the [importance of gratitude](#). It’s also the flip side of “avoid the bad customers” – [REWARD the good ones](#).



Just as you **don’t have to** work with the bad customers, the good customers don’t *have to* work **with you**. They *choose to*. ALWAYS let them know that

you **understand** this, and that *you appreciate it*. Not just in conversation, but on your invoices. **EVERY** time.

I use the “**notes**” section of my invoices for this purpose. I say something to the effect of “Thank you for the opportunity of providing quality service for you and your business”. It seems like a *small* thing, and nobody’s going to refuse payment because it *isn’t* there. Also, **nobody** has **ever mentioned this** in the hundreds of invoices I’ve submitted that have been paid in over a decade that I’ve been working for myself.

That’s **not** the point. Just as you shouldn’t do charitable things to **bring praise** or **attention** to yourself, **don’t** express your gratitude seeking an “attaboy” or a pat on the head. Do it because it’s part of the sales conversation.

They **may not** ever **say** anything, but *they WILL notice it*. And, subconsciously perhaps, they’ll notice that you’re the **only one** who says it, explicitly, **every time**.

You show them you **don’t** take them **for granted**, that they’re **not just a cash machine** for your personal benefit. When it comes to deciding to **engage** your services **again** – or choosing between **you** and a **competitor** trying to win them on *price* or other benefits – it may be the **subtle difference** that *tips the balance* in your favor.

You may **never** know... *do it anyway*. Because that’s the way **YOU** do business. Because, at the end of the day, that’s the **person you are**. And that, after all, is what **really** matters.

Selling it to Your Buyers

Time to wrap things up. We've considered the [mindset adjustments](#) required to overcome the "asking for money" resistance. Identified the **good** and **bad** [customers](#), and plotted strategies for **eliminating the freeloaders** – or **avoiding** them *altogether*. So that leaves us with the [good customers](#), and how to overcome *their* tendencies to **resist our efforts** to get paid **FASTER**.

Yes: you are **going to** meet resistance, especially if you have existing customers, and you've made the professional *mistake* of [allowing them to pay you](#) **HOW** they want, **WHEN** they want. People are *creatures of habit*, and tend to get set in their ways – which may be to pay by check, or [cash](#), and pay on whatever schedule *they prefer*.

And the "hassle" of dealing with [invoices](#) may seem like an *unnecessary procedure* to them. "Can't we just do it the way we've **always** done it/the way **I'd rather** do it/the way that **works best** for **ME**?"



If you've been read this eBook *straight through* from the beginning, you know the answer to that is simply “**No**”. Still, how do we get this to *go over* with our customers - especially our **existing** ones - and not become another **source of stress** and a **series of headaches**?

Here's how:

Blame “Your Accountant”

Or your “**bookkeeper**”. Even if you work alone. Always create a straw man (straw **person?**) to play the “bad cop”: explain that this is *out of your hands*, and to *improve efficiency*, comply with [Uncle Sam](#), blah blah blah, that you’ve *been advised* by the person/people who handle your financials that it simply *has to be* done this way going forward.

Much of this will be **true**, even if the **implacable bureaucrat** you’re talking about is just a *phantom version of yourself*. You have made the decisions & changes to **improve your company**. It **IS** a better way to manage your financials. And it IS **non-negotiable**.

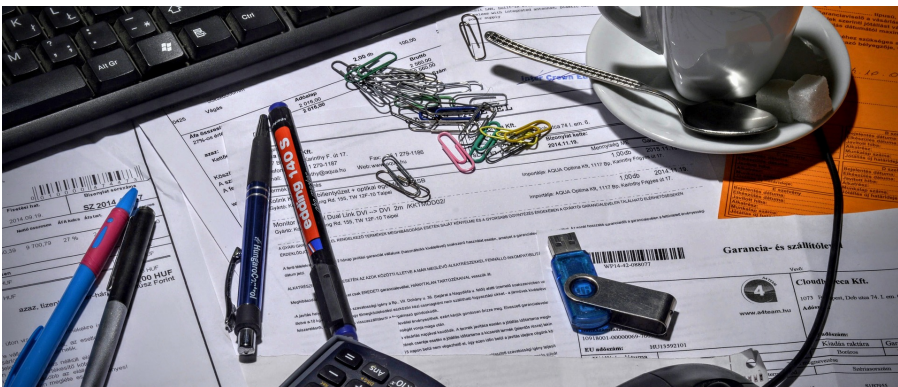
By inventing a “fall guy” (fall *person?*), you avoid having to tell someone you’re trying to convince to pay you that “it’s **my way** or the **highway**” - even though that actually *is* the case. Because you **don’t** want them to [chose the highway](#)... and you probably want to **continue doing business** with them.

Good customers are not that easy to find, and **steady** customers are [worth more](#) than new ones.

It's a feature, not a bug

The previous section helps you explain why YOU have chosen to be/are “**obligated**” to handle invoicing and payment this way... but where’s the “WIL.FM” for the person *who has to do* the paying?

Explain to your customers and clients that your professional services are a tax write-off (**most** are – *check with the experts* to be sure you know what you’re talking about); but **ONLY** if things are properly documented. Nothing inspires people to put up with a new procedure more than the phrase “**it will save you money**”.



It's for their protection

You may not **want to** raise the subject of refund or dissatisfaction, but with certain customers this can be a **selling point**. Payment by cash is *invisible* and *hard to dispute*, even with a **hand written receipt**, which is kind of flimsy evidence for small claims court. Checks *aren't* much better. A digitally signed professional service agreement and PDF invoices recording electronic payments are **better than the paper** they're printed on.

They're **binding and enforceable**. You do, of course, also intend to **deliver outstanding services** and leave **every customer** and **client** *ecstatically satisfied*. Positioning “going digital” as professional consideration may actually **help overcome** that reluctant person (who may be *trying to balk* over price) by showing them **how seriously** you've *thought out* – and *operate* – **Your Small Business**.

