

into more revenue. This was good from a budgeting point of view. But the more success the client had then the more my fee increased as it was also based on leads. This was bad from a budgeting point of view. The system became so successful that it exceeded an internal budget figure the client had set for costs and this caused an internal conflict with demands to switch off the system until new budget was allocated (a very lengthy process). Switch off a revenue generating system because it's doing better than expected and passed some arbitrary budget figure? This is what happens when an inflexible one size fits all approach of budgeting hits reality.

Before you go “this is daft”, actually it's not. Over time companies tend to build up a body of work and processes — the corporate corpus — designed to stop past failure. It's all done with reasonable intentions. The desire to spend money effectively and the desire to know resources are being well used. That mass of good intentions are often the cause of many problems when you try to change the system. That corpus can become a corpse, a zombie killing off innovation whenever it is found. I had attempted to change the system by introducing a worth based approach and I should have known that this would cause tensions with the corpus, in this case the budgeting system. I learned that lesson quickly.

I've used worth based approaches (often called “outcome”) many times over the last decade, in fact I prefer them. Whilst they tend to solve the issue of an excessive focus on contracts, they have invariably hit other roadblocks such as a client not being able to describe a metric of value or the purpose of the system or even conflict and politics within