

on their revenue compared to what I charged, they got an amazing deal. But what else can you do?”

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“I don’t know. That’s why I’m calling you.”

“Well, all you can do,” John said, “is try to increase your rates so it gets a little fairer. In this case, I’d negotiate a higher rate for your ongoing service for the start-up.”

Steve did quote a higher rate for the maintenance work, which the team agreed to, but the ongoing service amounted to only a couple hours a week. So Steve had to scramble again for new business. He was determined, however, to charge a higher hourly rate to all new clients. Unfortunately, many of his prospects were referrals from clients he had offered discounts to, who expected similar rates. Because he was desperate for billable hours, he took on the low-paying business.

With a six-figure income looking like a pipe dream, Steve put in another call to his buddy John, hoping for some new insights. Instead he discovered that John had just taken a full-time position. Steve was floored. After probing, he learned that John had been secretly struggling. Work wasn’t always steady and bills had