

# THE INDEPENDENT CONSULTING MANUAL



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# Please Enjoy This Sample Chapter

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By Kai Davis

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You're about to read a sample chapter from [The Independent Consulting Manual](#), an insider's guide to building a six-figure solo consultancy.

This sample chapter, entitled "Turning down work is good for your business" by Jeremy Green, discusses how you can better qualify your clients to work with you — and signs that you should look for that signal that you should turn that client down.

## **Build a business that fits the life you want**

The Independent Consulting Manual has all you need to know about building a successful high-profit consulting practice that fits the life you want.

Whether you're just starting out as a freelancer, running a small agency, or even just using consulting to fund a SaaS business, the Independent Consulting Manual has what you need to know to build and grow a successful consulting business. A roundtable of expert authors, all of whom have built six-figure consultancies in the last five years, share the lessons they learned and what you need to know to succeed.

And now, I'll turn it over to Jeremy.

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# Turning down work is good for your business

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By Jeremy Green

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As a technically proficient independent consultant, it can be easy to fall into the mindset of thinking “If your problem requires computerizing, I can do it!” The idea of turning down work from a client who’s ready to pay seems like madness.

In my experience, and from observing many of my successful colleagues I’ve come to appreciate the importance of turning down work that isn’t a great fit. From what I’ve discovered, a great client-consultant fit needs to be built on a few main components:

1. It involves you solving a problem that’s in your area of expertise

2. The client works with you in a calm, reasonable, professional manner.
3. You and your client get along well and effectively communicate as humans involved a professional endeavor
4. They are looking for you to join their project as “a brain” and not just a “pair of hands”
5. You must believe that your involvement will legitimately help their business

For more on positioning, read Philip Morgan's chapter, “Positioning For Greater Value.”

The first point involves finding an area of specialization. A niche. Your positioning. Positioning the process of deciding to say “I’m really good at solving problem X”. By becoming very good at solving a given problem, you become incredibly more valuable to people who have that problem.

The other points involve the personalities of the types of people that you want to work with.

Maybe you’ve learned the hard way, like I have, that it’s no fun working with people who run projects on the “fire of the day” method. These are projects with constantly shifting priorities and a very reactionary approach to new development. Ideally, you’re working with people who understand

the idea of developing a plan, executing it, gathering data, and then correcting course.

## **Make room for great clients by avoiding the bad ones**

As an independent operator there's not much worse than getting stuck in the middle of a big project with a bad client. They can rapidly descend into unprofitable territory, and worse, they can really sap your energy and enthusiasm for independent work. History is littered with the horror stories of freelancers and consultants who have gotten tied up with bad clients. Don't believe me? Just spend a little time on [Clients From Hell](#). You don't want to end up as a painfully sad/funny story, so you should spend some time thinking about the kinds of clients you do and do not want to work with.

By carefully weeding out clients that don't exactly match your ideal requirements you can dramatically change the nature of your independent practice. You'll find that you have better clients, who value your expertise more. As a

natural result you'll be able to charge higher rates, and you'll be less stressed and will have more fun.

Likewise, you can contribute much more effectively to a project when you understand the real goals driving the effort. When you understand at a very low level *WHY* the project exists, it's much easier to recommend solutions that will be effective and within budget. Clients who just want to delegate work are usually looking for junior developers, even if they may not realize it.

## Measures of Success

One of the greatest things about being an independent consultant is that you can define your definition of "success".

For some people, success will mean "making as much money as possible". For other people, it might mean "making just enough to get by, as long as I don't have a 9 to 5 job".

Being independent means that no one else gets to define that yardstick for you. It's important to take some time to define what success looks like to you.



For myself, I've decided that one of the most important measures of success is that I'm working with clients that I like on projects that are interesting and well managed. I'm fortunate to be working in a field where the money kind of takes care of itself just as long as I maintain some awareness of current market rates.

It's taken me a while to zero in on the types of clients that are the best fit for me. Unfortunately, that process has most often been shaped by having run ins with bad clients that led me to be aware of new things to look out for.

## **Show stoppers**

These are things that should automatically cause you to stop pursuing a prospect. These issues should be non-negotiable and are very strong indicators that a client will be more trouble than they're worth.

## **The project isn't in your core area of expertise**

This may be the biggest trap for technical consultants. It's awfully easy to think "I'm great at Rails, how hard can Sina-

tra be?” or “I’ve got Python down, surely I can handle some PHP”. Don’t. Just don’t.

**Figure out what you’re good at and stick to it.** If you haven’t read Philip Morgan’s chapter on positioning yet, read it now. The rest of this chapter can wait.

By wading into unfamiliar technical waters, you’re practically guaranteeing that you’ll deliver less value than you’re capable of. If you hope to charge a premium for your services you need to ensure that you’re delivering as much value as possible during every minute that you spend on the project.

This isn’t to say that you shouldn’t learn new things. You should learn new things. Your business will be much better served if you do the learning and experimenting on your own time and projects. Client work should be something that you know you can hit out of the park.

### **Expectation mismatch**

Some clients will come to you with crazy expectations that you’ll never be able to meet.

Some times you can help them recalibrate, but other times it's best just not to get involved.

Make sure that you understand, in their terms, what the problem they're experiencing is and what they view as a successful outcome.

If their expectations are outside of what you can realistically hope to deliver, you probably don't want to get involved with that project.

Getting involved when you know you can't meet their expectations is a recipe for disaster every time. Once they realize that you won't meet the deadline (for example) you will lose their trust. Once that happens they'll want to start micro managing and keeping a tight reign on you. And rightly so. You might think that you can change their expectations as things go along, but that rarely works. It's best to just not get involved at all.

## **Overbooked / Scheduling Problems**

Most potential clients will have some sort of timeline in their head of when they hope to start and finish a project.

Start date is obviously important because you may not be able to start immediately if you have a healthy [pipeline](#).

It's also important to know if they have a target launch date, and why that particular date has been chosen.

If they need to have something launched before an annual trade show, that's a pretty hard deadline. Other times you may find that they've just picked a date that's 3 months from now because somebody gave them the idea that this is a 3-month project, and they expect you to start tomorrow.

### **Budget mismatch**

Budget is one of the most important parts of a project engagement.

If a client expects to spend drastically less than you know an engagement to be worth, then it's probably not worth your time to try to convince them of the value.

Even if you convince them to pay a higher price, they're likely to remain skeptical and may end up slipping into micro-management just to feel like they've "gotten their money's worth."

Sticking to your guns on your rate can have another effect that comes as a surprise to many people. It increases your value in the mind of the prospect.

I once had a prospect decline to work with me on one project because my rate was too high. On that project he just needed an extra set of hands and wouldn't really be able to benefit from my expertise. Some time later he got in touch and asked if he could pay double the rate that I had quoted him previously for a few hours worth of time to help him plan the software architecture for a new product his company was building.

By sticking to my guns and being firm on my rate, I communicated to this prospect that I was a high-value advisor — not a contractor — and when they needed high-level input on the architecture for the new product, they thought of me as the best person for the job.

### **Not having access to the decision maker**

You always want to be working directly with the decision maker. The economic buyer.

Coming to a deal with a prospect is the process of making a case why they should trust you with part of their business. No one will ever be able to make your case more effectively than you yourself.

You don't want to be in a situation where you're working exclusively with an assistant, or a department manager who doesn't have the final say about whether or not to spend that budget. If you get into that situation then the possibility of your project happening are subject to the internal politics and bureaucracy of that organization.

You want to be making your case directly to the person who is making the decision.

### **You're not seen as an equal**

You can tell a lot about how someone views and values you by the way they treat and talk to you. You want to look for clients that view you as an equal, not a subordinate. As a trusted advisor you're on their level, and you deserve the according level of respect.

Some people may be busy, and therefore sometimes dispense with the niceties, and that's OK. But you shouldn't tolerate someone who talks down to you or tries to get their way by bullying you into submission or trying to wear you down.

That's almost always a clear sign that they don't value your input.

Also, try to avoid people who are lacking in basic manners or who are a total a-hole.

## **Tread carefully**

These items are more “minor offenses” than the last batch. If a client fits just one of these, you should do your best to negotiate something that works for you or to mitigate the area of concern somehow. If they exhibit two or more of these signals, you should consider those combined signals to be a red flag and not proceed any further.

## Unfavorable contract terms

The terms of the contract define the nature of the working relationship, and being an independent contractor you're free to shape the terms to be exactly what you'd like them to be.

Not all clients will go for everything, but if you're confident about what you're asking for it can actually be a good sign that a client is not a good fit when they balk at your terms.

For myself, other than the normal base-covering and descriptions about how payment works and who will own what, I've seen the most success with clients when a project begins in one of two ways.

The first option is to begin with a starter project of one sort or another. If this is a new venture, then the starter project will be a road-mapping session where we'll dive into the details of what they're looking to do and assemble a rough outline of how we might accomplish their goals.

If their goal is to refactor or optimize an existing product, then the starter project would be an in-depth code review.



If the goal is to add new features to an existing product, then the starter project is part code review and part road mapping session.

In all cases, the goal is to have a small project that we can start with, at a fixed price. This gives the client assurance that they'll be getting a defined deliverable for a fixed cost. It also allows both parties to evaluate the process of working together and leaves each party the option to part ways at the end of the starter project.

Some clients don't want to do a starter project for a variety of reasons. Maybe they're on a short timeline and feel like they can't take the extra time. Maybe they just don't see the value in doing a code review or a road-mapping session.

In these cases, I've found that you're safe to start work, but on one condition: you and the client agree on a weekly rate. When I start projects of this sort, I make absolutely no guarantees about how many weeks anything will take and assure the client that they're free to stop our work together at any time.

The first option is designed to reduce the risk for the client. With the first option, they start with a small project and aren't committed to anything larger if they don't appreciate the results or don't like working with you.

Some clients see the first option as being risky. So for them, you can offer the second option. By offering them the second option, you and the client can get started immediately on the project — but only if the client agrees to your payment terms.

Which brings us to...

### **Unfavorable payment terms**

Always ask for payment up front.

By asking for payment up front, you reduce your risk, and it honestly helps you to be better at what you do.

There was a time when I'd do a bunch of work, invoice the client, and then spend the next few weeks hounding them about remembering to pay the invoice. It's no fun. It leads to a lot of worry and stress.

Every moment that you spend worrying about payment or reminding the client to pay is time that you aren't spending working on a project or learning to be better at what you do.

When you move to up front payment, you don't lose time to playing bill collector.

This is another area where being independent is awesome. Nobody can tell you that you have to accept terms that you don't find favorable. Decide what terms make the most sense for you and then stick to your guns. If a client understands the value you can bring to their business they'll be more than happy to accommodate any reasonable request.

### **Mirco-Management**

Try and avoid working with clients who try to miro-manage everything. You're much more productive when you can take ownership of a problem and solve it the way that you know how.

Besides that, you want to work for you clients as "a brain" and not just as "a pair of hands". Anyone who wants to

micro-manage everything you do clearly just sees you as a pair of hands.

People usually won't come right out and tell you that they're a micro-manager, so you have to look for the signs. Some of the ones that you might most commonly see include:

### **Insisting on face-to-face meetings.**

For my business, most of my clients over the last few years have been hundreds of miles away from me, and I've never even met some of them face to face.

Most times, for your business, having an in-person meeting might not add any value to the project. So, try to avoid scheduling them.

If someone pushes and pushes for an in-person meeting before you're even working together, that's a strong sign to that their general style of collaboration isn't going to jive well with yours.

## **Insisting on working out of their office**

Closely related to the face to face meetings is the insistence that you work out of the client's office for some or all of the engagement. This usually stems from a client having a "butts in seats" mentality about how to manage a project. You don't want clients who are concerned about ensuring you spend "enough" time in their chair. You want clients who focus on the results that you deliver to improve their business.

## **Overly concerned about time tracking**

Much of the work you do probably involves you talking with people for a while so that you understand their problems, letting the problem "stew" in your head for a while, then finally designing, proposing and building solutions.

When people are concerned about tying every single dollar they spend to a single tiny deliverable, that's another good signal that they're looking for a pair of hands that they can babysit.

You want to look for clients who can recognize the larger value of the project as a whole and who trust you to operate as a professional.

### **Poor on-line communication skills**

Some of the other offenses mentioned above can develop as a sort of “cover” for having poor communication skills in general. Effective on-line communication is a must for any project. To work efficiently with a client you need them to be comfortable communicating ideas via text in various on-line venues.

Not only is it important to have things happen asynchronously to prevent delays in the project, it's also critical to have a shared project history that you and the client can both refer to.

At the very least, they need to be responsive via email, and capable of giving you a meaty reply when necessary.

Familiarity with project management software is a big plus. If the client isn't already familiar with one, hopefully they're at least willing to give using one a try.

Having a central repository for all of the information related to a project is a huge help. Having this repository allows you to go back and review things that the client has said – in their OWN words.

### **Indecisiveness / Lack of clear vision**

It's very hard to help someone who doesn't understand what they want or need. Unless you specialize in that kind of thing, you probably don't want to be involved in someone's business discovery process. To do it properly is a long process that involves the business owner needing to ask themselves many tough questions.

If a prospect can't clearly articulate at least what their basic goal is for being in business, then they're probably not going to be the kind of client that can benefit from the services of a specialist.

Similarly, if someone is constantly changing their mind about what they need or “just throwing out new ideas” while you're trying to determine the scope of the project, that may be a sign that they don't really know what they're

doing and are hoping that you can come in and sprinkle some magic dust to make them successful. (See the above section covering unrealistic expectations, and then run away from that prospect.)

## **Ideological differences**

I don't tend to get into ideology, philosophy or politics with my clients, but suffice it to say that there are a number of organizations out there that I just would not feel good about working with.

## **Decide what's right for you**

So, that was a big list of things to think about when deciding whether to take someone on as a new client. Maybe some of these ring true for you and maybe you have different priorities.

Whatever the case, you should develop your own set of criteria that will help you build the practice that's right for you.



# Now What?

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## **You've Finished The Sample Chapter — Now What?**

Take a moment and ask yourself: What would you do with 10%, 20% or even 50% more money than you are currently making? Now look through this list of topics included in The Independent Consulting Manual to help you make that dream a reality.

1. Effectively use Facebook ads
2. Avoid late payments & get paid on time
3. Handle overdue invoices
4. Grow an audience using podcasts
5. Productized your consulting offerings
6. Plan actual minimal viable products
7. Send effective cold outreach emails

8. Use winning email & phone scripts
9. Faster fulfillment with processes
10. Cope with entrepreneurial stress
11. Better qualify your clients
12. Start and run a professional Slack
13. Properly structure your sales website
14. Write proposals using options
15. Multiply the value of your services
16. Establish your fool-proof positioning
17. Say no to bad work
18. Automate your sales pipeline
19. Master consulting's emotional game
20. Transition to value-based fees
21. Travel as a business owner
22. Use social media to get new clients
23. Maintain a healthy work/life balance
24. Run your business from anywhere
25. **Most importantly, you'll learn how to make more money**

## Help Where (And When) You Most Need It

Do you want to grow your consulting business?

- Know how to position your business and niche down?
- Learn step-by-step ways to attract clients to you easily and efficiently?

- Get the most important questions answered by your prospects and write amazing proposals?
- Know the expensive problems that your clients are experiencing — and willing to pay to solve?
- And keep your work and life in balance?

You've reached the end of the sample chapter. But you'll learn all of these aspects of running a successful consulting business (and more) in the full Independent Consulting Manual.

[Start building a better business today. Order the Independent Consulting Manual here.](#)