

Mikelann's Emotional Pricing

WORKBOOK

**How to Feel Great Charging
What You're Really Worth**

It's time to go
from surviving
to thriving!

Mikelann Valterra, MA



www.womenearning.com

Mikelann's Emotional Pricing Workbook: How to Feel Great Charging What You're *Really* Worth

By Mikelann Valterra

ISBN-13: 978-0-9794597-1-9

ISBN-10: 0-9794597-1-0

Published by:

Women's Earning Institute, Inc.

1718 NW 56th St.

Suite 306

Seattle, WA 98107

206-634-0861

www.womenearning.com

www.ratesettingtoolkit.com

© 2009 Mikelann Valterra and the Women's Earning Institute, Inc.

All rights reserved. No part of this book may be used, reproduced or transmitted in any form, by any means (electronic, photocopying, recording or otherwise) without the prior written permission of the publisher.

Bulk orders or customized copies of *Mikelann's Emotional Pricing Workbook*:

Contact the Women's Earning Institute, Inc., to discuss these options.

Mikelann Valterra is available to speak to your group or organization.

As a specialist in women's earning issues, Mikelann speaks widely on how to earn at your potential and overcome self-sabotaging beliefs about money.

Call: 206-634-0861

E-mail: Mikelann@womenearning.com

Visit: www.womenearning.com

Table of Contents

Introduction	5
1 You <i>Can</i> Move from Surviving to Thriving!	8
What underearning is – and isn't	8
Word to the wise: Keep your money issues to yourself	11
2 Where's the Problem?	13
Do you value your time?	13
Your internal conflicts about money	16
What do you believe about work and money?	19
It's time to escape "Noble Poverty"	23
Has it occurred to you to make more money?	27
3 Taking a Closer Look	29
It doesn't have to be flexibility vs. higher earnings	29
Talking with your future self	31
The "Receiving Valve"	33
Find your internal income ceiling	35
Looking deeper at deservedness	39
Claim your number	41
4 I Hear You Arguing Back!	44
<i>"I'm not ready to charge more"</i>	44
Are you waiting until you are perfect?	46
<i>"Hey! I'm just starting out"</i>	49
<i>"I could never afford what I charge!"</i>	52
Two ways to feel good about charging your full fee	53
<i>"But I want to be accessible to more people"</i>	55
So, you say you're not really motivated by money...	56

5 Put Yourself Where You Belong – First! 59

The “Good Girl Syndrome” and self care 59

Give yourself support! Hang out with successful women 62

Stop over-identifying with your business (It's hard on your self-esteem) 65

6 It's Time to Stop Discounting 68

Believe it or not: NOT everyone should be able to afford you 68

Discounting woes 71

Charge for *value* instead of for *time* 73

Give away your caring for free 76

Conclusion 78

Do you value your time?

When you sell a service, you are, in essence, selling your time. There is no physical product. Therefore, if you do not protect your time and value it carefully, you will simply not earn enough money. Your time is what you have to sell. (Later we will talk about pricing based on value vs. time.) In essence, your time is all you've got, so if you give it away, or sell it cheaply, how will you earn enough money?

One of the most common ways that women underearn is failing to protect their time. They undercharge clients and sometimes they simply give away their time. On the surface, they may say they don't discount their fees. But the truth is that they give away a lot of time they don't bill for. Or they understate the amount of time they actually put in on a project. If they see clients face to face, such as coaching or therapy, they may go over the scheduled time but not charge their clients for this additional time.

“Underbilling” is when you charge people for less time than you actually put in on a project. For example, you worked ten hours on a project. But when it comes time to invoice them, you only put down eight hours. Sometimes we think we should have gotten more done in less time. I've also heard people say, “Well, I don't want to charge them for my own learning time.” True, but many women go over the line and simply give away too much of their time. Perhaps they've heard the client is not doing very well, and they feel too uncomfortable billing for all their hours, so they “eat” some of their own time. Or they simply fear the total invoice will shock the client and make that person angry.

This pattern of underbilling saps your energy. You may be working very hard, but when you are not paid for all of your work, you're likely to start resenting it. And if you are not charging for all of your time, you are not making the kind of money you could be making.

If someone gives away some of their time and they've consciously decided to do that, it is not necessarily underearning. There have been times when I happily gifted my time to someone. Underearning is when someone does this repeatedly. And underbilling is *not* about consciously giving someone the gift of your time, but rather, it usually occurs because we have poor time boundaries or feel bad about what we charge. Remember, if you consistently give your time and services away for less than they are worth, you're underearning.

Here is another big thought: Stop throwing in the kitchen sink! One reason women business owners underearn is they throw in the kitchen sink. Just because they can, they offer their clients everything they can do. They can't stop themselves from going that extra mile. But if your clients are only paying for a basic level of service, you must keep yourself from doing more. This is hard. "I know I could make this even better if I did this or put in more time," you say. If you do, be sure your clients know what level of service they are receiving. Other times, it makes sense to say, "Now that we are in the middle of this project, I want to remind you that if you upgrade to this level of service, we could also do *x* or *y*."

So stop throwing in the kitchen sink. You don't have to give everything you've got to everyone. Keep something in reserve, for goodness' sake. If they purchase a basic package, that has to be okay. Different people can afford different things. You must protect your time and do the work you've been paid to do—not what you think they *should* have hired you to do!

Exercise: Throwing in the kitchen sink

Do you suffer from throwing in the kitchen sink? Have you routinely given clients more than they paid for? If so, why? What were your reasons? Did they realize they were getting such a good deal? Did you feel taken advantage of? How could you avoid throwing in the kitchen sink?

Sometimes we are overly concerned with what a client can or can't afford so, in effect, we make the decision for them when we underbill. We worry, for example, that they can't afford to pay us for the entire ten hours we put in on a project. Perhaps they shared their financial difficulties with us or we know they are not doing well for some reason. But if we then undercharge them as a result of this knowledge, we are, in effect, making the decision for them as to what they can or can't afford. This is similar to a parent-child relationship when we make decisions for others. It is not professional.

Service providers who charge their clients for "face to face" time, such as massage therapists or coaches, may not be able to see as many clients in a day because they always go over their scheduled time and have to build in extra time. Do you have a hard time bringing sessions to a close? Is the client leading the session instead of you, and the client just keeps on going? I am not necessarily advocating stacking your clients in back-to-back appointments. Many providers need time between clients to rest or take notes. But if you build in extra time simply because you always give away a lot of free time due to sloppy time boundaries, this should be a red flag

Underbilling is really a boundary issue. If you don't charge clients for the extra time, or all the time you put in on their projects, you are giving yourself away. Valuing your time is the same thing as valuing yourself. And remember, you are the one in charge. It is up to you to charge for all your time. If you don't, no one will do it for you.

And you don't have to be perfect in order to deliver enough value to charge your full fee. We'll come back to that issue soon.

Exercise: Valuing your time

How do you value your time? In the past three months, have you charged for all the time you've put in? Do you go overtime in your client appointments? Do your clients know how much time you really worked? If not, why not? What is your logical rationale for underbilling? What is the feeling or fear beneath this reason?