

Breakthrough Consulting

Week 10: Making the Leap To Full-Time Consulting

Homework

This week's homework focuses on the key areas covered in the week's video/audio/transcript lesson.

In addition, at the end of this document, I've included a resource for insurance coverage for healthcare, dental, disability, and life for freelancers/consultants.

1. What are your objections to quitting your day job?

Similar to sales objections, you probably have your own objections to quitting your day job to do consulting full-time. To take your consulting business to a higher level and truly transform your life, you'll need to identify and overcome your own objections.

So, list your top objections or fears about quitting your day job to do consulting full-time. What are you most concerned or anxious about?

2. What can you do or put in place to eliminate your objections?

After you've listed your top objections, fears, and anxieties about ditching your job to consult full-time, you can focus on what specifically what you need to do to overcome your objections.

For example, maybe you're concerned about being able to generate enough revenue to pay your bills. What can you do to overcome that issue? Options might include:

- boosting your marketing to get more clients and more consulting work,
- raising your hourly rate or experimenting with value-based pricing, or
- exploring and marketing repeatable or template-ized solutions to your clients.

Another concern might be that you need to maintain health insurance coverage. In this case, you'd want to investigate options for coverage, including group plans, individual plans, and health savings accounts. An additional resource is listed at the end of this document.

The point is that having specific objections, fears, and concerns helps you focus yourself on solving the specific problem instead of just worrying without taking action. Ask yourself: what am I concerned about, and how can I address or fix it?

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3. Start building your entrepreneurial network.

Being self-employed can be isolating. To combat that problem and to make sure you have a support network of like-minded people around you, you'll need to create connections with other self-employed people.

Don't underestimate the importance of having a network of other self-employed and entrepreneurial people around you. Having a circle of friends is great, but having a circle of people who are essentially business advisors is priceless--they'll help you work through tough challenges, and will help give your guidance on questions you'll encounter as you grow your consulting business.

How do you find these people? There are several ways. [Meetup.com](https://www.meetup.com) is a good start, since there are literally thousands of groups around the world focused on self-employed freelancing/consulting entrepreneurial people. [LinkedIn.com](https://www.linkedin.com) is another source of networking. You can also look for coworking spaces in your town where other self-employed people congregate and work. Talk to friends and acquaintances to get introduced to other freelancers, consultants, and entrepreneurs in your town, and keep building your circle of business colleagues and advisors.

4. What do you want out of your business?

A consulting business has the potential to completely transform your life and create more freedom, flexibility, and financial security for you and your family. However, you'll also want to reflect on exactly what kinds of changes you want to get from having your own business.

Though I sometimes emphasize earning more money, I make that emphasis because, for most of us, having more money creates more freedom and gives us more options in our lives. Generally, you have more options if you earn \$100k/year vs. \$50k/year.

However, I want to make it clear that money isn't the only thing you should care about--far from it. Money is simply a means to get other things you want--like paying off debt, or being able to take more time off, or being able to send your kids to private school, or being able to work less so you can spend more time volunteering, or any number of other personal goals you may have.

So, take some time to consider exactly how you want to transform your life, what you want it to look like, how you want to spend your time. Write down specific goals, and how your consulting business can help you achieve them.

5. What are your business goals?

After you've identified your personal goals, your business goals should be fairly easy to identify. Essentially, your business goals will be in service of your personal goals. How can your consulting business help you attain your personal goals?

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For example, maybe you want to do less business travel so you can spend more time with your family. In that case, you'd want to think about how you can structure your consulting business so that you travel seldom if at all.

Or maybe you want to be able to work anywhere--from home, a coffee shop, or while traveling outside the country. To do that, you'd need to consider what kinds of projects and deliverables you could take on and provide that would afford you that kind of flexibility.

6. What are your key metrics?

Your key metrics--or, performance indicators--will flow naturally from whatever business goals you've identified. These key metrics will be the way you measure your progress toward your goals.

For example, if you want more discretionary time (i.e., to work less), then you'll want to look at metrics like your revenue and your effective hourly rate. In this case, if your monthly revenue is fairly consistent at, say, \$7,000 per month, you'd want to be increasing your effective hourly rate over time. That means, to generate the same amount of revenue each month, you're working fewer hours--and therefore you have more discretionary/non-work time.

So, consider your business and personal goals, then decide what metrics make sense. Revenue by itself is OK, but you'll also want to take into account how much time (i.e., hours) it takes you to generate your revenue; you don't want your effective hourly rate to be low. Other metrics you might want to consider are:

- # of consulting clients in your "orchard"
- # of active projects
- # of billed hours per day, week, or month
- cash collected per month
- % of time you have to be on-site with a client

7. What are the business necessities/expenses you think you need?

Like I mentioned in the video/audio/transcription, it can be really easy to justify business expenses. But expensive, shiny toys don't necessarily lead to business growth or helping you get closer to reaching your goals. Here's a list of questions to ask that will help you decide if a business expense makes sense:

- How will this help me achieve my goals? (Remind yourself of your goals and your key metrics: revenue, effective hourly rate, efficiency, free time, etc.)
- Instead of buying X, can I achieve what X can provide in a cheaper or simpler way?
- How will this purchase help generate more revenue?

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- What's generating my revenue now? Can I do more of it?
- What's holding me back from generating more revenue?
- Is the lack of thing X limiting my revenue?
- Is the lack of thing X causing me to lose business or clients?

Resource:

If you need to get insurance for healthcare, dental, disability, or life, you may want to look into the services that Freelancers Union offers: <https://be.freelancersunion.org/benefits/plans/freelancers-insurance-company/2012/health/>