

# Determining Your Income Potential as a Consultant



# The Co-Founders of LEAP

---



# In Today's Session

---

- How to determine the market rate for your services as an independent
- Balancing the four factors that determine your income potential
- Avoiding the three common financial traps that trip up independents

# The Allure of Consulting

---



Control & Flexibility



Income Potential



Do More of the  
Work You Love



Challenge Yourself

# Let's Talk Money Today!

---



Control & Flexibility



Income Potential



Do More of the  
Work You Love



Challenge Yourself

# Determining Market Rate

# Your Power Play

---



# Power Play Example

---





# Market Rate Factors

---

- Your industry
- Your skill level
- The demand for your specific skills
- Your geography
- The economy



# Your Market Rate is Set

---

- You just have to find it!
- Do your research – some places to start:
  - [Nation1099](#)
  - [Upwork](#)
  - [Toptal](#)
  - [Guru](#)
  - [PWCTalentExchange](#)
- Ask others who do similar work

# Rate Structures

- **Time based:** hourly or daily
- **Project based:** fixed fee for set deliverables
- **Performance based:** fee depends on the outcomes
- **Retainer based:** base fee paid in advance
- **Hybrid models:** creative combinations



# Where Are You in the Value Chain?



## Pair of Hands

- Efficiency
- Out put
- Work ethic

## Problems Solved

- Analytical Skills
- Technical Expertise

## Opportunities Realized

- Visioning Skills
- Ability to engage others in something new

## Thought Leadership

- Subject matter mastery
- Ability to communicate new ideas clearly

## Trusted Advice

- Trust worthiness
- Breadth in your area of expertise and business

# The Four Factors

That Determine Your Income Potential

# 1. Your Rates

---

**You begin with a market rate and can increase your rates though:**

- Clearly defining & delivering on your business value
- Adding certifications and credentials (that matter)
- Establishing subject matter expertise in a topic that matters
- Specializing in a high demand specialty
- Expanding experience
- Expanding client base





## 2. Your Capacity

---



# 3. Your Marketing

---





## 4. Your Scalability

---



# Summary: Your Income Potential

---

- What is your rate?
- How much do you want work?
- How effective is your marketing?
- How scalable are your business offerings?

# Three Financial Traps

# Trap 1: Thinking All Time is Billable

---



- My market rate is \$100 per hour
- 40 hours a week = \$4,000
- 50 weeks a year = \$200,000
- I'm rich!!!

# Trap 2: Not Managing Cash Flow

---



There can be a long time between:

- Finding the work
- Securing the contract
- Delivering the work
- Invoicing the work
- Getting paid

# Trap 3: Not Managing the Sell/Do Cycle



# Remember...

---

- This is a high margin/low overhead business
  - But you still need to manage expenses
- It is a business
  - You will need to spend time “on the business” as well as “in the business”
- Your income can grow as you amass:
  - Skills
  - Experience
  - Client testimonials
  - Certifications & endorsements

# Resources



# Resources for ATD Members & Friends

---

- Head to [leaprightnow.biz/atd](https://leaprightnow.biz/atd) to:
  - Download a free excerpt from *Owning It* by Kris Taylor
  - Download the Business 101 for Consultant Checklist
  - Learn more about the Launch Series: Live & OnDemand and claim a special ATD discount

# Thank You

---

- We hope your career brings you satisfaction, meaning, positive challenges – and that it fits nicely into your larger life!

