

Help! I've Underquoted!

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You're listening to business that Asri, the audio advice column for your online business. I'm Kirsty Denton.

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And I'm Amy Posner. We're talking bite sized episodes that solve real world problems with a no holds barred tell it like it is kind of approach.

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We have got a bit of a curly question this week, it's got both Amy and I sort of in the background, it is this, what do you do when you've quoted a price that's no longer valid, and you're already mid project, I agreed to a first half of a project and a second separate project once completed, they're about the same size. So I told them, it would be about the same price. I was wrong. This is taking much longer than I expected. How do I talk to the client? I don't want to go back on my word, but I also don't want to lose money or resent my clients. Who, Amy, I'm gonna throw this one over to you because I feel like this is your zone of genius.

01:03

Yeah, you know, this is a sticky one. But there's only one answer for it, really. And that is you've got to you've got to talk to the client, you've got to have enough, you have to decide what things you're willing to do what you have to probably you're gonna have to compromise a little bit. What are you willing to do? And then just have a really honest conversation with them? There's sort of nothing else for it. I mean, yeah, that's not true. I mean, you could decide to just to just suck it up. But what this person is saying is I don't want to lose money or resent my client. And I think it's perfectly valid to go to someone and say, hey, you know, I've got something to talk to you about, I under scoped when I looked at this project initially, you know, a little bit of an explanation about why you, you know, why you did that, or, you know, might be that you've gone the extra mile, you know, when I first looked at it, I thought we had all this in place, but it turns out, we didn't or it was old, and it was I needed to do this, or any, whatever it was that you needed to do, that's ended up taking more time, ideally justified, you know, explain it to them, and just saying, and here's my conundrum, you know, I, I

undercharged you. And I'm fine to stick with that. For this. That's my, you know, 100%, my responsibility. But I'm concerned, because I told you that you know, to do you know, the second half would be the same price. And it's just not, it's really not realistic, but we can't, can we come up with some kind of a compromise? I'm really sorry. And then, you know, what you're asking them is, are they willing to compromise? I mean, the reality here is you don't have to do the second half of the project, it won't, it won't create a lot of goodwill. But you know, you can always say, Listen, I'm really sorry, it's my, my mistake that I can't afford to take on the project, you can always bail out. Ideally, you've done good work, and they like you and that they're reasonable people, and they'll say, Oh, well, well, you know, how do we figure this out? Where do we go next? What do we do? That's, that's my initial response, Kirstie would say you,

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yes, I think mine is the same. And I love that you gave some really practical language around that, because I feel like, I feel like this is one of those situations where you probably know what you should do. But the act of doing it is what feels really tricky and uncomfortable. So I love that you gave some some sentences there that could sort of help, you know, grease the wheels and get that in motion, I guess something I'm thinking, I think if this was me, I would probably present a couple of options to the client. Within that conversation, I feel like I would say, you know, knowing what I know now, and having already done this work with you for the, you know, the this current or previous project, here's what the cost would be for the second part. Alternatively, if it's more important for you that we stick to the original budget, here's what I could happily do for that price. And therefore you present a reduced scope. That is basically what you now know, was a fair exchange for the price that you'd be charging. Do you think you'd do something similar Ami? Or would you just try and get the proper price for the original scope?

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No, no, I like your idea. I think that works really well. I mean, I think there's so many things here, right? Because, you know, the person feels like they they gave their word and so that's one issue is you know, you feel like you're going back on something you said but what you said you said without the right information and you know, honestly, that it's not that uncommon, I mean not to have the right information doesn't doesn't mean that you know, the price was wrong necessarily. But these things sometimes I mean, these things are hard to know sometimes so it's not uncommon to get inside of something and realize it's different than you you thought it was from the outside you know, whose responsibility or quote fault that is? You know, that's not that's not always clear either. But I think yeah, I think the best thing is to like what you're saying boiled down I think is to come up with a you know, a compromise that works for everyone and I don't think there's any reason you know that that shouldn't be perfectly acceptable like, because because that is how you deal with any kind of a price issue is you offer to reduce scope right if somebody needs to keep the price the price well then you know, what can move what can move is the deliverables so you know we adjust that we adjust the deliverables to fit the fit the price in that case, and I think that is perfectly reasonable and realist Stick and it's also I'm thinking like from the client's point of view, and you come to them with that, you know, your choices either to, you know, be gracious about it and realize, you know, people make mistakes. And hey, I got the first one did a really good price? I'm going to go along or you know, you can you can be disagreeable. In which case, you know, person's, you know, maybe we'll read it to you anyway.

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That's right. I would also say, like, try not to go into this conversation, assuming that the client will get upset or angry or like have a reflexive No, I think if you have a good relationship with them, the far more likely scenario is that they really already value the work that you've done for them, they understand that there is inherent value in you being the person to do the second part of this project, because you've done the first and therefore, you now know things about their business and about their ways of working and about in particulars around the deliverables that they may want. You know, and I don't know whether this person is a copywriter. But if you where it might be that you've now got their voice nailed, for example, or you've already done a lot of the research, so you know more about their ideal prospect. And, of course, you know, adjust to those examples, depending on what kind of work that you do. But realizing that, you know, there is actually value for the client in keeping you onto the second part of the project, even if the scope is reduced, or if the price is more than what you'd previously discussed. So yeah, I just encourage you to remember that because I actually think the tricky piece here is probably the anxiety and discomfort around having that conversation more so than the actual content of that conversation itself, if that makes sense.

06:34

Yeah, it does make sense. And I've, you know, I've had to have that conversation, and I'm remembering, you know, a particular one. And I think the attitude of the client was sort of like, okay, you know, all right, well, too bad. But here we are, you know, don't love it, but you made a mistake, and I want to keep working with you, and it's legit. And, you know, we'll just ride past this. And ideally, it won't happen again. And the other thing that I would add to what you just said, too, is consider whatever you come up with, maybe find a way to sweeten the pot, you know, so because, you know, I made this mistake, and I feel bad coming back to you like this. You know, once you have negotiated what you're going to do, you know, what I'll do is I'll throw in X and make it something that's relatively easy for you to do but has real value for them. If there is such a thing there usually is. And I think that just that just goes a long way it doesn't like it doesn't have to be the monetary value of the thing so much as the, you know, the intention and what you're showing them about how you behave and what matters to you. I think that can go a really, really long way. In a situation like that.

07:33

Yes, although it's funny, I'm like, Well, as you said that a part of me was like, No, don't do that. I'm not that I think, hang on, let me try and unpack this. Why did my body do that? I feel like Absolutely, yes. Like, offer them something where possible, and where appropriate that makes them feel like good about the decision to continue to work with you, even though the goalposts have changed. But I wonder if I don't know if there's something in there about like if you offer them another deliverable or another piece or or something, does that sort of feel funny in the context of you coming back to them and saying, oh, you know, what I've realized, because of the work that I've been doing for you already, that the price I quoted is too low for, you know, the work that's actually involved, and I don't know, maybe I'm wrong with that. But anyway, that was my reaction. So I just thought I'd share that. I don't know what that's all about, I guess other other things you could offer them could be like, you know, maybe a more expressed timeline, for example, if you have that ability, or it could be something like a follow up call three months down the track where it's like, you know, 60 minutes, just touching base, seeing how things are performing, and maybe offering some suggestions for improvement or whatever that might look like. So yeah, I don't know.

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No, you do know. And that's almost inevitably what I would offer, it would be something more along the lines of support than an actual, like, some hard deliverable kind of a thing. And often, it would be the down the track thing. And you know, that has multiple benefits, too. Because you know, when you talk to them three months later, you know, that's a good time to talk about another project, something else might come up, but that's not the reason that you're doing it in this case. But that's almost always what I'll offer. Because it's really, I think it's it's nice for them, and it's it doesn't impact the problem that you were talking about, which is like reducing the scope, but then adding to the scope, which is like looks really Yeah. Like what are you pulling off? Right, so you want it to be like sort of related and my case it you know, because I do consulting is easy to throw on some consultant. Yeah, it takes my time, but it's not something you know, it's something I can just show up and do and deliver real value. You know what I'm saying? So I think that's it's an adjacent thing that doesn't devalue the fact that we've changed things in the way that we have.

09:57

Okay, perfect. Yes. All right. I'm glad I did. hold up my weird feeling then because that is very useful information. Thank you, Amy. I'm just reading this question. I'm wondering if there's anything else you wanted to add? I feel like I might be out of insights. But I wonder if there's something else lurking about in your brain? Amy?

10:16

I think that, you know, maybe a final word here is that I think transparency just always works. In cases like this, like when you've made a mistake, or you know, you've done something wrong, just to own it. I mean, before you do, you know, come in have a solution in mind that you can, that you can propose, but I mean, as cliché as it sounds, it's like, you know, there's nothing wrong with making mistakes, there's only something wrong with not fixing them. Right? I mean, so are not taking responsibility for them. So, yeah, like, no one wants to hear that was priced wrong, or, but if you bring that to them, and you're you bring it to them with integrity, and you're honest about it. Yeah, you know, most people, it's gonna be fine. And I'm not talking about I mean, it just almost any situation, I think, in business, and one thing that I have found really helpful is to preface it. What you say with like, this is, this is a really awkward conversation to have to have with you, or I really didn't want to have to bring this up, or I'm so sorry to have to, you know, tell you or, like, qualify it or set the person up to be receptive, rather than have their arms across their chests or they're sort of like leaning in, like, oh, no, what's wrong, you know, that kind of a thing? Because it matters, it matters, how you how you present, it matters. So I think, I think just just remember that, that it's not, you know, it's all okay, as long as you own it, in my view.

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Yeah, totally agree. And I think you're right, that transparency, and that honesty, really is always the best plan of attack. At the end of the day, businesses are all run by humans. So you know, I think this is when fostering and investing in the relationship you have with your clients can actually come in

really handy, right, not just when things are going well, and you know, according to plan, but also when things might need to change course.

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100% Well, I think that I think that brings us to a wrap on this one. I hope that's helpful for this person. You know, go forth, be bold, be honest. Do your thing.

12:08

Yeah, that's our wrap. If you listening have found this episode helpful and you feel like leaving us a review we would absolutely love that reviews, a lack of gold in the in the land of podcasts. So you can do that wherever you listen to that that's on Spotify or iTunes. And if you have a question that you'd like us to tackle in a future episode, head on over to businessbadass.co/podcast And you'll find the questions submission form waiting for you there.

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Thanks for your time and your attention. Catch you next time.

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