

Goodbye Timesheets ... Hello Value Pricing!

By Marnie Stretch, CPB

This lucky Canuck spent a few days in Napa in late January ... which was fabulous for a few reasons. I got to get away from the Canadian deep freeze for a few days, visit some beautiful California wineries, and work on my business with Ron Baker and the rest of the Black Swans.



Marnie and Ron in Napa

A little background.

The Black Swan Project is a unique training and coaching program hosted by the Institute of Professional Bookkeepers of Canada (IPBC). There are six Swans from Canada in our group, plus 11 awesome alumni. We have the incredible opportunity of working directly with Ron to move our businesses away from hourly billing to value pricing.

Value pricing is an amazing concept and one that I've been learning about for several years. I first met Ron at the 2012 IPBC Conference in Vancouver. He was the guest speaker for a one-day pre-conference session, and let me just say, he had me at "Far Niente." If you've followed Ron, you'll know that story. If not, Google it!

The ideas he presented made so much sense. I found myself agreeing with everything he was telling us. Take bank reconciliations, for example. Think of a customer you've had for a few years. I'll bet that bank reconciliation used to take you a lot longer than it does now. If you're charging an hourly rate for your work and you're going faster, you're actually making less money.

Hearing the myriad of reasons that timesheets are insane was like a bonk over the head with a brick. There were varying degrees of resistance from the crowd, and even if I didn't go home and implement any of his suggestions right away, it seriously shifted my thinking. The seed was planted. One thing I did go home and do was read a copy of his book, "Implementing Value Pricing." A must read!

Ron was back for a two-day session the following year in Mississauga at the 2013 IPBC Conference. While I was already sold on the concept of value pricing, I was ready to hear more so that I could think about how to actually DO it. Ron is truly a visionary. He is down to earth, humble and brilliant. Every time I hear him speak, he gets me to a deeper level of understanding.

Goodbye Timesheets ... Hello Value Pricing!

This time we heard directly from the first group of Black Swans who spent the year working with Ron to change their business models. They shared their successes and failures, and were insightful and inspirational. Knowledge workers! I love that phrase. The one thing I couldn't wrap my brain around was how I would accomplish this given my own business model. I do a lot of training, consulting and troubleshooting, yet only a small amount of bookkeeping. How would I value price these types of customers? By the way, I'm still wrestling with this, so updates are to follow.

“It wasn't just a professional shift they were experiencing; it was a personal shift”

I started with a baby step.

In January 2014, with Ron's assistance, I created three packages for a new monthly bookkeeping customer. I presented the packages and the customer chose the middle option – success!

Last September, I saw Ron for the third year in a row at the 2014 IPBC Conference in Kelowna, and this time, we heard from the second year Swans. They were extremely energized. It wasn't just a professional shift they were experiencing; it was a personal shift. They talked about the gifts of more time, more money and more confidence. I KNEW it was something I wanted for myself. No more delays. I was finally ready. I applied to be a Swan. When I received the email that I was accepted into the next group, I was elated.

Value pricing takes a massive amount of work, especially in the beginning. As Ron says, creating packages is inefficient. It's not a fixed-price menu that you create to pick and choose from for your new clients. Instead, it's pricing the CUSTOMER, and that is most certainly an ART, and one that takes time and requires you to LISTEN. I had a coaching call with Ron this weekend and he got right to the heart of the matter... how much I value myself. Ultimately, that's where the shift begins.

Goodbye Timesheets ... Hello Value Pricing!

Here is a question for you: What are you selling, your time? I don't think so. We are made up of so much more than our time, and if that's all you have to sell, that's unfortunate.

I have a lot of value-pricing challenges ahead, but with the support of Ron and the rest of the Swans, I know the next few rollercoaster months are going to transform my business!

Want the opportunity to listen to Ron Baker?

He is presenting a free, 4-part value-pricing webcast series for Intuit® beginning February 3. [Register today!](#)



About the Author

Marnie Stretch, CPB, has been passionate about QuickBooks for over 20 years. She is certified in both desktop and online versions and is a Member of the Intuit Canada Accountant Council. She loves to troubleshoot QuickBooks files and acts as a profit and growth expert for clients all across North America. She frequently teaches for AccountingCycle and was voted Canada's 2013 Superstar Bookkeeper.

Marnie blogs at
thinkquickbooks.com



Learn how QuickBooks Online Accountant can help you become the Firm of the Future:

Call us on 888-666-7917 or visit quickbooks.com/cloudaccountant