

Hello, everyone. Welcome to today's episode. We are, we're talking about scope and scope creep, the dreaded, dreaded scope creep. So we talked a couple of weeks ago about creating and enforcing these boundaries in our businesses and in our lives so we can be normal people and not lose our minds. And one of the kinds of boundaries that we spoke about was, was scope. Since there are so many issues with scope creep, especially in new businesses. I figured that would be a good thing to talk about today. So scope is basically what's included in the package. You're going to pay a thousand dollars. These are the five things you're going to get. This is the timeline you're going to get it. Just the requirements of the package, let's say. And then school creep is all the little things that get added to it, either extra time, extra features, requirements like rush, work, things like that, all these little things that get added and then chip away at this package.

And all of a sudden things get very stressful, having the boundary and having everything laid out so that we're all clear on what's going on is really important. And I know that it was a huge problem with me in the beginning. I was so happy people wanted to pay me that I was so happy to take any of the work, right. I was supposed to be doing work. These were supposed to be my hours, things like that. And I had started out with these ideas of, of having boundaries. All of a sudden, you're just so excited to get paid when someone says, well, Hey, can you do this too? And you're like, of course I can. Of course I can. And then they want this. And you're like, of course I can take care of that for you. You're so happy to take more work on.

And then all of a sudden, it's late at night and you're working. You weren't supposed to be doing that. You weren't supposed to be adding in these things. I think the only thing I said no to for a long time, the only kind of work was someone wanted me to book travel. I hate booking travel for frankly, for myself, forget others. That was the only thing I was like, Nope. Other than that, I was like, sure, I will do this. And I will add this in. I don't know how to do that, but I'll figure it out. That's what we're taught a lot of times is get in there, figure it out, get the work done. And that's the hustle. Right. But that can also lead to a lot, really a lot of problems.

Okay. So you've been taking on this work. You're all excited. You're so excited. This business thing is working right? And then it starts to creep in creep and creep and creep in, you're doing a little extra of this. You're doing a little extra of that. And then suddenly you are doing an enormous amount of work and you're probably not charging enough for it. This is a real big problem for people who have, like I'm a service business. So it's my time, which is very valuable as we all know, we're not free. But when you are also working with products and you're adding in more and more things that you have to pay for that are away from your profit, all of a sudden you may not be making any money. And it's a lot of work to not make any money. I think a lot of this comes down to figuring out what you're offering, figuring out what you're offering, what you are, including in things, what you're not including things.

It makes it very clear to everyone what's going on. What's included and then you can pay yourself. So why does scope creep matter? Why does it matter? I mean, if we are all excited about our businesses making money, why does it matter? Well, most of our pricing, our business pricing is so hard to do anyway, right? Trying to figure out how much to charge is it too much? Is it too little? And then when you finally figure that out, you, you give the thing, a price. If you are a service based business or product business, there are costs to that business, their software, their parts, there's your time. There's your team's time. All of those things go into pricing something. So if we're going to spend 10 hours on it, and it requires these three products, those all cost a certain amount of money. We need to make a profit and pay ourselves. And that is a very basic understanding of pricing. So when we add in extra things, extra costs, you know, if you're doing roof it's sheets of plywood. If you're doing a bathroom, it's extra tile, things like that, those things cost more money that takes out of the profit, unless you charge more. And if you have no real clear, defined scope of what we're supposed to be doing, it's really hard to

charge more money, right. Especially when you're in the beginning, you don't want to mess it up with this client, right? Maybe it's one of your first clients, maybe really the money right now, you know, apocalypse at all and you don't want to mess it up. So you're like, yes, yes, of course I'll do everything. And then all of a sudden, all these overruns, all these charges, they add up.

Maybe there was rush work because some of them wanted their bathroom done faster. Well, now you to pay your team all the time, because they're working at 10 o'clock at night, trying to put tile up where you've added all these other things in, maybe as you're walking through the house, they're like, Oh, well, while you're here, can you fix something? More time, more money. And then all these costs you didn't account for if you're not charging for them, because you didn't really lay out what you were charging for. Now that budget, all of a sudden doesn't cover it. You pay your team, you pay the products. And all of a sudden you've worked for a week and you've made no money. This is a huge issue with so many businesses. So if this is happening to you. It sucks. Don't feel like you're a failure. It just, I want to help you not do this anymore because I remember doing this and it was awful. Right. And a lot of businesses like restaurants and things like that, they run on such a thin profit margin as it is that as soon as anything cuts into it, that's it. It's so stressful, right? Because now you're like, okay, well now I'm not going to make any money on this job or this package or on this launch because I've worked 24 hours a day for a week to help someone get their course launched on their website and now I didn't charge enough for that. We all go through this at some point, we've all undercharged for something usually happens at the beginning. As you get further down the line, you get a little more, you get a little tougher about it. I'm a lot more strict about what I do and what I don't now than I was four years ago. So we're going start thinking about what we are, including in our packages.

What do we offer? There's a point in your business where you're going to start doing anything to get going. And then there's a place where you're going to be like, okay, these are the things I offer. Now, when you start figuring out where you want to go and what kind of work you want to do, these offers are, are things that you're going to list out. I am going to create this package. I do this thing. I have a systems package where I can come in and I will set up systems in your business. There is a list of what the systems are, what I'm going to cover. What's included that kind of thing. A lot of people come to me and their books are a mess. It's one of those things that they didn't really get around to. They were so excited to be making money and they're just going, and it wasn't their gig. So they, they don't, they don't know how to do that. So we have a package where we will go in and get all of your books straightened out, make all the reconciliations happen, put all the things where they're supposed to. And that's a package and includes these things. If you want ongoing maintenance of this, that's a different thing. In the beginning, I would have just said, okay, I'll just do, I'll just fix everything for you. And then we'll just keep going for there and it'll be okay. But then you don't get paid the right way. People add in things. Now there's a package, clearly defined what you get to get your books in order. Then there's a maintenance package, clearly defined. Every month we go in, we get all the transactions together. We reconcile your bank accounts to your bookkeeping. Then we run all your reports for your accountant. We put it all in a Drive folder, whatever. There are steps in there for a price. Maybe you want to add invoicing in. That's a different thing. And if I just said yes to adding invoicing in for, let's say a hundred people, a hundred of your clients, that's a huge chunk of time. Now I have to pay either my team for that or myself for that. And all of a sudden, it's not worth it, that price. So I have learned to stick to my guns and say, this is what's included. I'm happy to do that work, but that's for an additional price. And that's really hard to do in the beginning. It's really hard to do now sometimes. I want to help people. Sure. I'll take care of that. And I always default to charging too little, but that's not going to be effective for my business.

It doesn't take care of my team. It's stressful thinking that you're not making any money here. It makes you real cranky. Working for free makes you cranky. And when you are trying to do work and

deliver work, and you don't want to do it because the costs are wrong, you're not gonna make any money. You don't even really like doing this work. But you said yes anyway, it makes you cranky. And you don't do good work. All of a sudden you don't like your business. You're burned out. You're working all the time. That's not the reason we got into this gig, right? We wanted our own businesses that we can make our own rules. We were not dictated from high above, from a corporate overlord, right? The man, as they say. And sometimes with scope creep, those rules get broken. And that whole image of making our own gig and our own life gets a little further and further and further away.

So today I'm reminding you. We got into this to make our own rules, to be able to do what we think is right. And to have a business we really like working in. I want you to start looking at what things you offer, what are the things you sell? What is included in that? Can you look at your packages of whatever it is? I keep saying packages because I feel like that's the easiest word, but whatever it is that you do, what's included, how much do you charge and do you make any money? So many times people put a price on it, they never even look at how much the thing costs. Then they sell it and they can't possibly make any money for that. Or they hate the work. Cause they're never is enough. If you sell something for a thousand dollars, that should be \$5,000, you're always going to be losing money. And that is a terrible way to have to live. Oh, he's being broke. That's not the way to live.

So go through this stuff. What do you offer? What are the things that are included in this offer? Do you deliver five things, 10 things, 20 things do they get done in a week, two weeks, a day, these are all things as well that can be a defining attributes of your work. There are people that do things like a VIP or an intensive day where they get everything done in a day. And that scope of this is what you get done in a day is a selling feature because there's a lot of people out there who want this to be done and don't want a six month gig. I don't want to sign up for a six month systems package when I can have you come in for a day, fix everything and we can just get going.

Remember that what you're offering needs to be clearly defined and then use that as a marketing tool. This is what it is. This is what we do. This is what's included. Be very clear with people and people appreciate it. Especially when you are paying money. Like, especially if you're paying a lot of money, they want to know what they're getting. They don't want to feel like they got gypped. They want to feel like, okay, well I know that there were 10 things on this list. Did I get them all? You want to get your oil changed? And there's a 27 million point check. Did I get an oil filter? Did they do the windshield wiper fluid? No. Everyone knowing what the deal is means that everyone knows if it was completed. And then we can all be happy about it.

Now there are always going to be those people who want extra or they want an upgrade and they want to pay less for it. There are people I walk into a call and they, I will say my price on my package. And they immediately asked for a discount. Those, by the way, are people who always ask for a discount on everything you do, FYI. If they know what they're getting, and then they can see that it's been done. They'll be like, alright job. Well done. I got my money's worth. And then if you want to throw an extra stuff to show off or to add more value or to make sure that they're really happy, okay, but you're not obligated to do it. You're not going to hate everything because it didn't go well.

And it's so stressful when a client is mad. It's so stressful. When people are upset, I take it very personally. I really take pride in my work and if someone's upset, I can't sleep. I don't have a kind of business that has Yelp reviews, but those kinds of things like it, it weighs on you. So want you to set up a way that we can create scope, set those boundaries, be really strong and stern about putting your foot down and saying, I'm sorry, this is what what's included in this package. That way we can really lay out some lines and you know what can be done. I want you to create things that you want to work on, that you want to sell. I'm actually doing this right now. I've been doing almost exclusively, just one-on-one OBM/DOO work the last couple of years. People need me to do things. It's a retainer model. I helped

them out. There has been a lot of scope creep on some things which have been fine because I enjoyed the work and it grows. And it's fine, but it's hard to have that happen with your team. If I just say we can do all this stuff all the way, that puts pressure on my team to do that as well. And that's not fair. So this idea of keeping the scope in check, it means that my team knows it's in check. My team also knows that they're not going to be expected to do crazy ass things that we never agreed to. So keeping this all in check means that my team still likes me. My team knows that if a client is calling them or emailing them late at night or something like that, that's not cool. And they know they can come to me and I will deal with it.

They are not expected to do extra things. Keeping that scope creep in check is a benefit for everyone involved, client, you, the business, your team, your team will love the fact that they don't have to do all these crazy things all the time that the client is asking for, because it sucks. So I want you to go through your offers. I'm doing this as well. Let's go through this journey together of the different things we're going to offer. I'm going to start offering more packages of things that people have really been coming to me lately on we have the finance package, but it hasn't been exactly mapped out. And we're working on that. Now. It has been like a one off basis. I've kind of created a custom package like, Hey, okay, you need help with this. It will be this much. But to having that kind of built out what is included, what's not.

Systems packages, those are coming up soon where it will be coming into your business, setting up things, getting everything organized, all the things that you kind of forgot about, or just enough time for getting all of that information out of your team's head and into SOP so that if they leave, they don't take all the knowledge with them. And then your business is struggling. All of those kinds of things. And then building out those packages, what's included, what am I going to offer? What is it going to be an offer? How long is it going to be figuring all that out and then putting it down, putting a price on it, and then letting the clients know. I really, really hope that you put some thought into this because I really want you to be successful. And I know you can do it. All right, guys, I'll see you next week.