



OUTCOMES VALUE BASED ENGAGEMENT

Services based contracts are not easy to manage because the outcomes are sometimes not fully defined or the measurements of the outcomes difficult. Contracts for providing a service often depend on the perceived value the receiver is getting and when that value is no longer received, the engagement is terminated, often without an outcome and therefore no Return on Investment.

Basic rate versus Coaching rate

A basic rate as defined in our [Point of Sale](#) is *1hr ad hoc @ £50/hr* and is pre-paid and called-off at *a mutually agreed time and method* by the *receiver* of the time. The objective here is to contract a source of Business Development skill to discuss possible ways of achieving Business Change.

Alternatively, a full coaching engagement ([see comparisons here](#)) can be called-off at a mutually agreed time and method by the receiver, by selecting the pre-paid *2hr @ £180 for two coaching calls*, separated by about a fortnight. The *fully planned* and *tooled Premium* coaching engagement seeks to deliver specific outcomes by *Inspiring* the leader to become *Educated* (or exposed to new ideas) to a body of knowledge which THEY then *Apply* (to their context) & *Implement* (to generate desired change) in their business and personal lives. There is *no contractual span or limit* to these interventions which are at the discretion of the receiver of the service.

Outcomes Value based Engagement ([OvBe](#))

Using an outcome value based engagement *can deliver benefits* where *the elements of change are mutually managed by the service provider* to achieve defined outcomes on which is based their negotiated remuneration. Our implementation uses the *BASE* rate *PLUS* a Minimum contracted period, *LIMITED* by a negotiated Incentive Cap.

The terms table example

Outcome (examples)	Budget	Measurement Actual	Variance	Your Weighting	ROI
1, Qualified Leads n/m	20	12	8	20%	NO
2, Sales Conversion rate 1:x	1.3	1.2	-0	50%	YES
3, Enterprise T/O ,000/m	200	190	10	30%	NO
Billing per Outcome	Outcome #1	Outcome #2	Outcome #3	Arrear bill/m	
Monthly billing per hour in arrear	£0.00	£270.00	£0.00	£270.00	





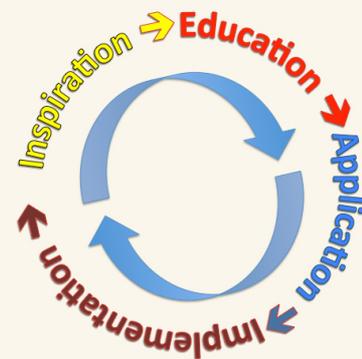
Rate per month (2x1hr meetings) is **£280/m for a fully delivered OvBe**, but **time is ONLY pre-paid at the ad-hoc rate of £50/meeting** (i.e.£100/m), however, **when an outcome is achieved**, the **additional rate** (if applicable) for the month past **is invoiced in arrears**. This ensures that the outcome has been **reached** and **maintained** in the enterprise. The engagement may be **terminated giving 3 months notice** so the minimum costs would be; $3 \times £100 = £300$ and, conceivably a maximum of $3 \times £280 = £840$ with **all the outcomes reached** thus £540 is at delivery risk.

In an Outcomes Value Based Engagement **we mutually engage** in each of the 4 steps of change;

The anatomy of Change

Change is created by 4 dependant (following on from the previous) and also interdependent characteristics. Coaching is “normally” associated with the first two and the Business Development activities of the Entrepreneur by the last two.

1. **Inspiration** is a requirement of changing the future. A busy leader needs to cut time out of their daily routine to visualise and be inspired by where they want to go. The leaders function is to engage employees in pursuit of their vision ~ simply put, your task is to prepare yourself and your business for growth and that requires a VISION of the future!
2. **Education** does not imply a lack of knowledge. It’s all about researching what we need to do to enable the inspiration to become the new desired reality. The leader needs to be influenced widely, read deeply, and make sure that they are surrounded by those who can inform their understanding of what is required.
3. **Application** is where we design from the bottom up, and from the top down, a system which will have everybody’s buy-in. If we can achieve this, we have employee engagement, skin in the game, a collaborative creation of a system which fits your business like a glove.
4. **Implementation** is where the action is and the results of implementation are what we are looking for ~ to make the company great. It s a result of simple project management, a learnt, habitual skill, to get this job done. This, is a crucial skill for building an Asset of Value.



A full understanding of the importance of these 4 steps in **creating, communicating, enabling and maintaining** change is covered in FREE our book, “[herding cats!](#)”

