

Quick and Dirty Fees and Contracting Survey for Independent English Language Teaching Consultants

Last update March 22, 2017 with 14 respondents

This survey was developed as a supplementary resource for the March 22, 2017 TESOL presentation called "Making the Leap to Consulting." The organizers surveyed 14 experienced ESL consultants and consolidate their findings below. Refer questions to Joe McVeigh: joe@joemcveigh.org.

Note on fees. Daily consulting fees averaged about \$1000 among respondents with the average range being roughly \$800–\$1,200 per day. The lowest daily fee reported was \$250. The highest was \$2,600. As many respondents note below, "It depends"

1. What is your standard rate for consulting or training per day or per hour?

- Average hourly rate is \$75–\$100. I have a "friends and family" rate for editing at \$45 an hour. As a subject-matter expert, I charge \$120 an hour.
- \$1,500 per day. I once got \$2,000 per day for a for-profit company that urgently needed someone with my exact qualifications.
- \$50 per hour for calls, meetings, email, \$100 per hour for curriculum writing, editing, \$500 for 4-hour training with light customization, \$750–\$1,000 for all day training, up to \$1,500 for highly customizable materials
- Typically \$1,400–\$1,500 per day. Varies from \$960 per day or \$120 per hour for a long-time, favorite client up to \$1,600 per day or \$200 per hour.
- No standard rate, prefer flat rate. But if daily, varies from \$1,000–\$1,500.
- If my fee has to cover my work and I have to absorb the cost of travel and other expenses without any reimbursement, then I may charge closer to \$2,500 a day in order to cover those costs.
- \$35-60 an hour. \$100-\$550 for an event or day.
- \$2,600 per day for professional development; \$1,300 per day for coaching; \$300 per person for a 15 hour online course; other consulting depends on project.
- 300-400 GB pounds per day. [\$375-\$500]. This is the standard British Council rate for consultants.
- \$1250 per day
- \$350 a day or \$75 an hour
- \$750-\$1000 a day, depending on the kind of work and degree of preparation required.
- \$100-\$125 per hour plus expenses.
- When I do international training I charge a daily rate of \$400-500 plus all expenses.

2. Are your rates flexible, depending on circumstances?

- I try, when possible, to get my desired daily rate. If it is outside the client's budget, then I will try to reduce the scope of the project so that I feel I am getting paid adequately. In some cases we negotiate, and I work for less.

- Yes, based on a) what I feel they will accept, b) for profit status, c) location (less if no travel involved), d) how much I like them, e) length of project (better rate if longer project with more days)
- Yes. The client is the main variable, my time is another. I charge more if someone is asking me to squeeze something in. I charge less if it's a community-based organization or a program I know has limited funding.
- Absolutely yes. Depending on the resources of the agency, and the value the work holds for me intrinsically (I do free workshops for public libraries) or professionally (an under funded event that would give me good exposure).
- In general I will charge a deep-pockets client somewhat more than one who is not.
- Somewhat flexible. Variables are extreme hours (e.g. Skype calls to different time zones), additional responsibilities, specialized expertise, working with difficult staff
- Yes. Depends on what I'm doing and for whom I am doing it.
- Our consulting fees vary depending on the project, for example the amount of instructional materials we are reviewing or producing; we also offer tailored consulting to organizations on larger projects so this varies.
- Yes. We sometimes charge less for teacher associations that don't have many funds.
- They are flexible, but so far, I've never had to be flexible, which probably means I'm charging too little. :)
- Highly variable. I think the lowest I've gone is \$250 for a day and the highest \$1250. The latter was full day for 100 teachers. So # of attendees is a variable.
- Yes. The funder makes a difference. For example if I work for the State Department as an English Language Specialist, they set the rate, which is about \$300 a day. Other variables are length of contract, how preparation is included in the fee structure, and whether or not travel is involved.
- If the assignment is long term and there are clear differences in the work to be performed, I have also used a scale that ranges from \$50 - \$100 per hour depending on the tasks to be performed. Consulting is always at the highest rate.

3. Do you have a minimum requirement of time or payment?

- I prefer to charge by the day rather than the hour, so at least 1 day is a minimum.
- Not on time, but I would like to have a minimum fee of \$1000 for anything that involves air travel, \$300 for local training I can drive to
- One day or \$1000.
- Nope.
- No
- No.
- No. I've never been hired for less than a full day's rate, though.
- At least a half day
- No.
- We have created a menu of services. We generally prefer to have the work fall within the existing menu.

- No

4. How do you charge for a project? — Daily? Hourly? Flat rate?

- Depends on what sort of project? Usually a daily rate.
- Daily if it's 2–5 day project, but I use an hourly figure to get to the daily. I submit a flat-rate bid for longer project or accept what's offered if it comes from the federal government, though this is sometimes negotiable. I charge hourly if training for a professional development agency.
- \$1,200–\$1,500 for a workshop (6 hours). I charge by days and hours. I keep a spreadsheet to record time I spend on project broken down in 15-minute increments. When I am busy, I may have 2 or 3 clients at the same time.
- Prefer flat rate, but structure contract into segments.
- Depends on the project. Many times a client comes with a set budget for what they are able or willing to pay and I decide whether to take on the project or not.
- I often develop a fee schedule to get a ball park and then offer that number. Some longer contracts develop a fee schedule with me.
- I usually charge a flat rate, but I give an estimate by multiplying the estimated number of hours the project will take against my hourly rate. Then I give that to the client with the assurance that I will keep them apprised of progress against the projected number of hours so they'll have an early heads-up if it looks like it will take more time (and therefore money) than estimated.
- I charge by the project. Most of my consulting consists of half-day workshops, for which I get paid for a day's work - putting together the materials is half a day, the workshop is half a day. I don't charge for follow-up, mostly because I've never had anyone follow up with me after a workshop (although I give my email address to all workshop attendees).
- I do both by the project and by the hour. I still do quite a bit of traditional editing work that is paid hourly.
- Depends on the scope of the project. If hourly, rates are higher. If long term, daily rates are lower.
- Usually a flat rate, depending on the project.
- Hourly.
- Usually a daily rate. In my experience, this is often how consultant time is built into a proposal. Note that a daily rate can be billed out in smaller units, e.g. ½ day, etc.
- Depends on the scope of the project. If hourly, rates are higher. If long term, daily rates are lower.

5. How often do you require clients to sign a contract?

- Sometimes – depends on the client. Some clients that I trust, I will work on a handshake basis. Others we write it down. Often the contract is essentially an agreement based on the proposal. When I am doing accreditation consulting, both the client and I need to have a signed disclosure form for the accrediting agency.
- Usually.
- Almost always unless it is a one-day (or less) workshop, in which case I send an e-mail specifying terms.
- Always.

- I have several contracts going all the time. Some are one time events, others are ongoing.
- Never. I've not had a problem.
- I have clients sign a memorandum of understanding that has an end date for services. The MOU can be renewed if both parties agree.
- Always
- Every time we work with a district or organization, they sign a contract. But when we offer direct-to-educator courses we do not require a contract.
- I make sure to have a clause in the contract that I will retain copyright of materials developed, especially anything that I have developed previously and then modify slightly for them.
- Sometimes.
- Always.
- Always for large scale projects with large clients such as publishers or the British Council. Hardly ever for small projects or one-off consultancies of a few hours or days

6. Are you incorporated? What do you see as the advantages or disadvantages?

- No. Seems like too much work. But I am very careful to monitor and claim expenses on a schedule C.
- No. Seems more involved than I need to be.
- No. My accountant says it is not necessary.
- Yes, being an LLC has been helpful to be an established, women-owned business and allows us to build and hopefully sustain a solid infrastructure where we can bring other consultants in.
- No. It would be advantageous to get better insurance rates, however the state where I live has unfriendly tax practices for small businesses.
- No, I work as a sole proprietor. Becoming incorporated is not advantageous for me. Too much cost and trouble for too little reward.
- No. In my state there is a \$500 licensing fee every year. Too expensive.
- No, I'm not. I haven't seen a need yet, but I've thought about it. I think the big advantage of incorporation is protection from lawsuits, which would be good, but I still haven't seen the need yet.
- Yes. I formed an LLC early on. No disadvantages. Advantages are that tracking income and expenses are clear by having a business bank account and a business credit card. Taxes for the LLC flow through my personal return. I want my financial situation to be clear and on the up and up. I consulted with my CPA first. I am registered with the State as well. These functions are easy and economical by using a company like Legal Zoom.
- No, but hope to this year. Taxes advantages, protection of personal assets.
- No. Since I've worked mostly part time I haven't seen the need to do the paperwork.
- Yes. It looks more professional and we can easily create teams for large projects

7. Do you request a certain percentage of your fees up front?

- Rarely. Sometimes with a very large project.

- Usually not, but I have on occasion—especially if I had a deliverable with a crunchy deadline.
- Not usually.
- Sometimes on relatively short projects. Amount varies from 25% to 50%.
- Nope.
- No. Clients are required to submit payments monthly by no later than a set date in the MOU. I render invoices the last day of each month.
- No, but great idea.
- We require full payment in advance for online courses. For other services we invoice as per the agreement.
- No
- No. One client pays me weekly and others have paid regularly so it hasn't been a concern. The State Department does some up front. I think 60%?
- No. All of my funders have been institutions of some sort that I am confident will pay me. I haven't been disappointed yet.
- No, but for large projects we will have milestones with deliverables that require partial payments of the overall fee.

8. What elements do you charge for? When do you start the meter?

8a. Do you charge for the proposal?

- No. I start charging after the proposal is agreed to.
- No.
- Would love to because it takes so much time, but in my case most often the proposal is a step in my memorandum of understanding or letter of agreement.
- No. I start the meter once a proposal is accepted. Usually I work in stages with Stage 1 being a needs assessment. Although, sometimes it is clear what is needed or requested (i.e. strategic planning workshop) so first stage might be different. I generally don't give more than one free hour of phone consultation.
- No, unless the proposal phase drags on forever.
- Meter starts when proposal is accepted.
- I usually do not charge for the proposal. I see it as a cost of doing business.
- If I have to work for a long time to land a major contract, I keep track of the upfront time and make sure I recoup it by the level of pricing.
- I start the meter once I have signed the contract, but honestly I bill for much less time than I give. I never charge for a proposal.
- No.
- Generally not.
- We always quote a consultancy fee up front. This can be tricky but major clients don't like things to be vague. For example, if you say, "It might cost this much but it could cost double if I need to spend additional time," it suggests you don't really know what you're doing.

8b. Do you charge for travel time? For expenses?

- Not time, but I always ask for expense reimbursement unless it is incorporated into the overall fee.
- I ask for expenses including travel insurance, baggage fees, and tolls.
- I like to be paid for travel time, but I don't always get this.
- If possible I ask the client to pay directly for major expenses such as airfare and hotel. At times I may ask the client to pay for travel insurance or, in locations of political unrest, special insurance.
- In the proposal process I negotiate with client regarding whether they want to compensate directly for travel and materials or have me roll those into overall price.
- If traveling out of state.
- The school pays for my travel and accommodations and often feeds me in the dining hall, but I don't charge for my time. I am usually doing other work while I'm traveling (or just sitting there enjoying myself reading a book), so I don't think that's fair.
- Local travel is figured into the daily rate; national travel is added on as a reimbursable expense.
- Yes. I usually charge at least a half day for travel. Often this is a full day or can be a day and a half or two days if international.
- Always for expenses.
- I do not charge for travel time.
- I do charge for travel expenses such as meals and lodging.

8c. Do you charge for materials duplication? Materials creation?

- Not usually
- I ask clients to reimburse for costs of duplicating and mailing
- Yes, although when I can—and it's a matter of timing—I try to have the client arrange for copying and any materials such as tear sheets or easels. I bring a lot of supplies, but most are re-used.
- I make sure to have a clause in the contract that I will retain copyright of materials developed, especially anything that I have developed previously and then modify slightly for them.
- I ask the client to duplicate materials.
- No. I've been known to ask the school to photocopy materials (workshop handouts, usually) for me once I get to campus, though.
- I charge for preparation. This is often a set fee or for a set number of hours.
- I've never printed materials myself, the client has always done that. So I charge for material creation within the planning time fee but not for the materials themselves.
- No, funders usually supply copies of training materials for distribution to my participants when I'm doing a training. The State Department contracts had a budget for any additional materials that might be needed for preparation.
- Yes, I charge for creating materials.
- Will be scoped and laid out in the proposal if included.

8d. Do you include a penalty for slow payment?

- No
- I wish ;-)
- Not a financial one. But when that client returns to request more work, they find that I am suddenly incredibly busy and overcommitted. ☺
- No.
- I have in the past, such as between 1-5%, depending on the delay.
- Nope. Never had a school that didn't pay me promptly once I submitted the invoice (many of them have a check for me while I'm still on campus), so I haven't seen the need.
- I request a maximum of 10-15 days turnaround; I do not allow a 30-day payment period.
- I haven't. I've never had an issue with payment. Knock on wood.
- Not at this time.
- No. But I also haven't run into this before.
- This has never been a problem for me. If payment were slow and there was no response or improvement, I would cease work and let the client know why.
- No, never

9. Any other thoughts, ideas or advice?

- Some state agencies will not reimburse for rental cars. It's important to find that out up front and take taxis or Uber.
- For projects that require travel out of state, if a client does not have a per diem written into the contract, I look up that state's per diem and add that into my proposal costs.
- Find out ahead of time what costs there are for work permits, visas, and other required documentation in international settings. Be sure those are also added to the proposal costs.
- I believe it is a good idea to sign a mutual nondisclosure agreement. Whether one is signed or not, I operate within the spirit of an NDA and respect standard confidentiality practices.
- Not all compensation is financial. For example, one client paid for my tuition costs to participate in online training that resulted in obtaining a professional certificate.
- Consulting is a fantastically creative and dynamic way to work, but it is not efficient and the pay is never as good as it should be.
- Do not be afraid to charge what you are worth. You must also deliver for your clients by providing high quality work on time.
- When you are first starting out, try testing your price points. If everybody says OK right away, you probably aren't charging enough. If everyone says no, you are probably overcharging. See what the market will bear.