

Ep #4: Client Capacity



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With Your Host

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Hey designer, you're listening to episode four, this is the one where I'm talking all about your client capacity, how much you can or want to take on in your interior design business.

Welcome to *The Interior Design Business CEO*, the only show for designers who are ready to confidently run and grow their businesses without the stress and anxiety. If you're ready to develop a bigger vision for your interior design business, free up your time, and streamline your days for productivity and profit, you're in the right place. I'm Desi Creswell, an award winning interior designer and certified life and business coach. I help interior designers just like you stop feeling overwhelmed so they can build profitable businesses they love to run. Are you ready to confidently lead your business, clients and projects? Let's go.

Hello, hello, we are back. How is your week going? We're coming off a three day weekend, the kids had off school and I volunteered with the kids on Friday afternoon and we did a food packing event through school. And the kids got so into it, especially my son. He complained completely all day Friday about having to go and then, I mean, of course was asking how soon can we go back as soon as we got home. So, loved that.

And speaking of my son, it was kind of interesting this weekend. So we had the three day weekend, there were really only two things he had to do this weekend. He's doing a thing with school where it's called the word study. And so there was two words that he needed to work on over this whole three day weekend. And it was so fascinating to watch the amount of pressure he was creating for himself by the way he was thinking about having to do these two tasks.

He just was so wrapped up in having so much to do, how he just wants it to be a chill day, he said. Which, by the way, there is nothing chill about this boy. And it was creating this overwhelm and pressure for him. And what we did was we just broke it down, just like I would with my clients, and gave him one word study word per day. We made a list of the things he had to accomplish and it was so helpful just getting it out on paper.

And it's really cool to be able to use the tools that I teach my clients and use myself in so many other areas of my life that are just independent of my

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business. And that's one of the things that clients always say after we work together, is that the work really expands and touches so many areas of life, including relationships with husbands, friends, family, their kids, so it's really fun.

Today we're going to be talking about client capacity. And that is really how much work you can comfortably take on in this moment, and I'll touch on that, or that you want to take on. Because you get to decide, right? We talked about that in our very first episode of you get to decide what that lifestyle is that pairs with your business and base what you take on, or your client capacity, on the vision you have for your company and your income goals.

And defining client capacity is really going to start with being clear on how you use your time and making intentional decisions. And then, of course, honoring those decisions. That's a really important piece, that can often be the hardest part too. So you have to understand how much you want to work, how much you want to make to inform the number of projects you take on, how you set your fees, the way you do your markups, right? So that's why this is so important and I'm really excited to dive in.

But first I want to highlight one of the designers in Out of Overwhelm. She was celebrating something that relates perfectly to this. And here's what she said she celebrated on Friday. She said, "I took it 'easy' this week and enjoyed myself. I didn't stress about anything. Got my billing out, now that I'm time tracking it takes me 30 to 45 minutes to this instead of two hours. And I actually don't dread it." She worked on two projects, got them to a more complete place, worked on marketing and really enjoyed the pace that she was moving at.

So I want to highlight this real quick because I want you to use this as evidence that tracking your time isn't going to take time. It is going to save you time. You're going to be able to have accurate data for setting the fees and have accurate data to inform what pace you're moving at throughout the week. So we're going to be talking about this more throughout the episode, but I just thought that was such a beautiful example of what that looks like.

Now, the reason I wanted to do client capacity as a follow-up, as the next episode after episode three, all about intentional time management, is that

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because when clients start to work with me and we engage with the intentional time management process, they often find they're over capacity.

And if you're over capacity, it might sound something like you're slogging through the day. You're working on the weekends trying to cram it all in. You might be having thoughts around needing to be everything to everyone. The key phrase here could be, "I'm being pulled in a million different directions." And it might even be that you're not working all of the time, but the capacity is over in your brain. So thinking about work all of the time, even when you're not actively working.

Now, I'm a word nerd so I love to look up the definitions of things. So I looked up the definition of capacity, and the definition is listed as the maximum amount that something can contain or the amount that something can produce. Capacity really encompasses your loads and your limits. So you've got a certain amount of requests of your time, energy, and attention coming in from clients, your personal life, all of the responsibilities that you have as a person in this world. And you have a certain ability to respond to these requests.

And that can also be if the requests are coming in internally, where you're telling yourself there's certain things you should be doing or have to be doing. And what you can contain or produce really is this mix of projects, your back end CEO work, your marketing, sending out financials, those types of things. And this is why I introduced the concept of a priority filter in episode one. There's always going to be more options, and ideas, and requests of your time than is possible to sustain and implement.

Now, don't let that get you overwhelmed, this is actually a wonderful thing. We never have to be bored. But we do need to be intentional about what we take on. We do we need that filter to help us decide based on our vision, based on our priorities, what we're going to say yes and no to in order to not be over capacity.

I want to clarify, when I read the definition it also said the maximum amount. I want to be very clear here, it doesn't have to be the maximum amount, right? You could decide to not produce or have capacity be at your absolute maximum

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output. So I'm just giving you a big old permission slip right there, so take it from me.

Now, your current business structure, your support team, your systems, how effective and focused you are during the day, all are going to contribute to your capacity. Or you could talk about it as loads and limits, being balanced in a way that really feels good to you. You can, of course, increase your capacity, and you want to give yourself space to do so.

Wishing or planning for your capacity to be greater in the future doesn't actually impact your capacity right now. I hope a light bulb is going off, right? That's wishful thinking that capacity was different than it is. So you actually need to adjust some of your inputs to create space to do capacity increasing activities. So this is a process, really, of paring things down, saying no, and opening up more space for yourself, whether that is just in general or to work on some of these capacity increasing activities.

Let's talk a little bit about why you might be over capacity. Being over capacity is really a result that you have in your business. And with any result you have in your business, you want to understand the root cause, meaning what led to that result. And that always begins with your mindset or your thoughts. Now, if you want to learn more about that, you can go back to episode two, Overwhelm is Optional, where I talk about the self-coaching model and how our thoughts are always creating our results.

There's many more thought errors that contribute to being over capacity than I have time to share today. So I'm going to choose to just focus on three that I think are the most essential for you to be thinking about. We'll also talk about some of the ways that we can support you through these mindset blocks, both in how you're thinking and then also the actual things you can do.

The first reason you might be overcapacity is because of people pleasing tendencies. Now, this is something that I work with my clients on all of the time. There's an entire module in my group program, Out of Overwhelm, on it because it's so so important. And people pleasing is really saying yes when you

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want to say no. It's denying your own truth and priorities as a way to try and influence how others think or feel about you.

And sometimes this works, but then you end up in a position where you are very much not pleased yourself. And ultimately, it's not possible to control what others think and feel about you. It's just not possible to control other humans. This might look like not wanting to disappoint people or tell them they have a wait if you start a wait list. It might be wanting to be likable and easily accessible. It can sound like wanting to be everything to everyone.

And often this will show up as trying to convince yourself of something. It might sound something like, but they're so nice, or they won't be able to find someone else to help them, or I don't want to appear snooty. So pay attention, when are you saying yes when ultimately you want to say no? Or maybe even if you wish you could say yes but you know that you need to say no and need to honor that decision for yourself.

The second reason you might be over capacity is because of scarcity fueled thinking. And this is really believing that there might not be more work, or enough work, or not enough money. And that could be not enough work or money for you as the business owner, for hiring help, for investing in your business. It's the running thread of not enough or never enough.

When I think about scarcity fueled thinking, the image that always comes to my mind is squirrels and nuts. It's fall right now and the squirrels are out, trying to eat as many nuts as possible. And they are storing up for winter and you can see their little squirrel bodies getting all chubby. And they are hoarding those nuts because of scarcity around what is coming this winter, the lack of food.

And with the squirrels, yes, this is something that they actually need to do, there won't be food in the winter. But in our businesses we want to remember that we are the ultimate creator of our results. We are the power and the authority to go create clients as needed, or even just to put the clients on a waitlist and pull them in as necessary.

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Now, I saw this so clearly at the start of Covid and everyone was feeling freaked out about what might happen to the design industry. And I don't say this as a judgment or blame, it was such a clear example of the scarcity fueled thinking. And so many clients that I've worked with over the past few years have projects that they took on at the start of Covid because they were afraid that there would not be any work. But it actually created an issue on the back end.

Start to watch for these patterns and talk of never enough and decide if you want to believe that, if you want to essentially be trying to hoard the work, right? Now, hoarding the work, you're thinking, "Well, I could kind of stockpile it." But that, of course, creates an over capacity issue which is not very pleasant to work in. And it's ultimately going to hurt you in the long run.

And that's because you're not going to be serving your current clients at the level you want to be serving them at. And you're also not going to have time to be out marketing to your ideal clients, whether that is through networks you already have established or setting up relationships, building relationships with new people that are in touch with your ideal clients.

So instead of putting deliberate focus on marketing to who you want to work with, you start taking anything and anyone. And that actually crowds out the time to create what you want, which is balanced capacity with a set of ideal clients in the future.

The other way that this scarcity fuel thinking shows up is being afraid that someone else is going to get the work, mainly another competitor, another designer in your area. And it comes from that belief that if you turn it down, then someone else is going to get it and they're gaining and you're losing, whether it's your ideal client or not sometimes, right?

Or it might be the belief that if you have a waitlist and you put the client on the waitlist, that they're not going to actually wait. This might be true, but it also could equally not be true, they might wait. Or the person is really not a fit and they'd be better served by somebody else.

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It's so important to know your capacity so that way when the dream project does come in, you have the space for it. If you are taking on projects, putting yourself over capacity from this scarcity fueled thinking, when a project that you're dying to work on comes in, then you don't actually have space for it.

The third reason you might be over capacity is because of hopeful time management. This was really the opposite of what I talked about in the last episode, intentional time management. It might sound something like I'll squeeze it in, or I'll make it work, or I'll figure it out later. Designers, I know you're master problem solvers.

You can do a lot to be more effective with your time, streamline your systems, automate things in your business, hire help. But at a certain point, you can't manipulate the fact that there are 24 hours in a day. These types of thoughts, these problem solving thoughts of like I'll figure it out can be really useful, and they can get you into action. But I want you to do a gut check and ask, are these types of thoughts serving me? Or are they creating the result of being over capacity?

The other thing I want to invite you to consider here is, Are you ignoring your emotional capacity when planning your time? You are a human being, you are not a robot. The mindset work I do with clients helps them reduce the stress and anxiety so they can be more clear and focused and confident, and it works really well.

And you're also still working in a highly personal industry, where you're going to have emotions, your clients are going to have big emotions. You might have things going on in your personal life too that are affecting how you feel during the day. You have to consider what is that emotional capacity in addition to your time capacity. I don't want any of you using this as a way to expect robotic like behavior for yourself.

Now that I've given you an overview of some of the ways these mindset issues are creating an overcapacity issue, let's talk about some of the solutions and how you can start to really recalibrate your capacity.

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The number one way you can recalibrate your capacity is to review and collect data regarding time and money in your business. You need to have a clear understanding of how you're spending time. We're talking about how long things take, and this is in reality. Not wishful thinking, or how long you want them to take or wish they would take you. And it's also not what you think the client will pay for in terms of your time. It's how long things realistically take to produce.

Now, you can always work on increasing your efficiency and effectiveness and productivity. And there's also a point where you can't argue with the reality of what it takes to produce something. You're probably going to want to look at deciding how long things take as well. Now, we talked about reality of how long things take, but you can also decide how long things are going to take.

This is my tip for preventing rabbit holes. There are no right answers in design, so you can always be perfecting and tweaking. And you can just go on and on and on. And so we want to take a look at what is the space and time that I need to produce the work that I want to produce for my client? And also being cognizant of when it's going overboard, when you're heading into perfectionism, when you are using it as a way to avoid wrapping things up for whatever reason. At a certain point you have to decide what is enough.

A great way to look at how you're spending your time is just to do a simple time audit. You can do this in an app, you can do it on a piece of paper, but just write down everything you're doing and for how long for an entire week. Then I want you to go back and evaluate with curiosity what you find. What are the patterns? There's going to be so much valuable insight that you are going to glean from this time audit. It is a great way to get started with recalibration. It's one of the first things my clients do in Out of Overwhelm.

You're also going to want to be gathering data and setting financial goals. Capacity issues are often driven by money assumptions. So this is not having the data on your revenue and expenses. And the money assumptions are leading you to think you can't afford help, you can't afford to invest in your business. And that's all based on just a thought of there might not be enough money now or in the future, versus actual data and a budget.

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So you want to set a money goal so you know what you're working with and then what you're working toward. You might find you need to increase your fees. You might find that you actually can take on less projects than you're thinking you need to hit your goal. Every project scope is not going to fit into a neat little box, but you can definitely create parameters here.

If you need help with learning how to not only set, but achieve goals join me on December 1st for my goal setting workshop. It's going to be incredible. It's only \$27, I'm going to teach you my five step proven process for setting and achieving your goals. This is a great way to take a look at what these financial goals are in the coming year. It will, of course, be in the show notes, the link. But you can also just head to desiid.com/goal-setting-2022.

This goal setting workshop is going to be an incredible first stop for you to start to identify what some of your goals are in relation to capacity. And then you want to just start gathering data like you're a scientist. You can look at past projects, how long did things take? What were the fees? Did the fees make sense with how long the project took to bring to fruition?

And if you don't have any past data, don't use this as a chance to judge yourself. Just start collecting data now. You're going to have to allow this data to be imperfect. You might not have the exact information, and that is totally fine. Do not let perfection get in the way of you collecting useful information, whether that is reviewing past projects or going forward.

Another thing you're going to have to do is become very clear on what is a yes or a no. And often I teach clients to create a client filter. This makes it very clear for them what they're going to say yes to and what they're going to say no to when they get client inquiries.

You have to be clear on what you want in terms of the type of project, the scope, the budget, even location of where you work. And then you can put the pieces together to help filter out these potential clients before you ever talk to them, which is going to save you so much time. And it makes saying no when you're afraid to say no, much less of an issue.

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So you could do this in the form of a questionnaire or an investment guide, what types of projects you show on your website. You want to help clients self-select and that's just a little way to kind of skirt around the issue of saying no. Now, sometimes you're still going to have to say no and sometimes you're going to have to be uncomfortable. And that's really the last piece of this that I want to talk about, is learning to embrace emotions.

This is one of the five steps of the Out of Overwhelm process, and it's really tied to getting comfortable with discomfort. Taking a look at how you spend your time, taking a look at your financial goals. All of this can be a little uncomfortable and that's totally normal and I want to normalize that for you. So many designers feel that.

But being over capacity, especially when you're overcapacity is also related to being underpaid is very uncomfortable too. So just because you aren't looking at the way you spend your time or looking at your profit margins, doesn't mean those things don't exist. They just aren't in your awareness. They're like floating in the background dictating what's happening without you being in charge. So having the information can be incredibly empowering so that way you can look at the facts without judgment and make informed decisions.

You're also going to just need to embrace the fact that having some uncomfortable emotions, what we might call “negative” emotions are part of the human experience. I was recently coaching a client on this and she was just saying how she just wants to feel joy every day.

And while we definitely can create joy and have opportunities for feeling fulfilled, feeling accomplished, feeling proud, the positive emotions that we experience are always going to be balanced out with the negative emotions. We cannot have positive emotion without negative emotion, there has to be the contrast in order to really appreciate the range of emotions.

What are the emotions you're going to need to embrace if you're going to start saying no and being clear on what it is you want for your capacity and your profits? It might be guilt. It might be disappointment. Disappointment can be a huge one, right? It's not always we're just afraid of disappointing others,

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sometimes we feel disappointed because we really would like to help that person or we would really like to take on that project.

It could be feeling insecure in your abilities to navigate this recalibration process, or even uncertainty around how this is going to go. And we can, of course, talk about creating certainty for yourself and doing that on purpose. And I also want you to know that just because you feel uncertain, because you feel disappointed, doesn't mean that this isn't going to work for you. This means that you're a human, you're having a part of the spectrum of human emotions that we experience.

You're also going to need to allow others to have their opinions and emotions. Let them own them. And that doesn't mean you don't have regard for others, or that you show up in ways that you feel are disrespectful. You always get to decide how you show up, but you need to also recognize that no matter how much you please people, no matter what you do, there's going to be people who have opinions and emotions that are going to feel challenging for you.

And when you are really willing to let them feel any emotion and also willing to feel any emotion yourself, that is really the ultimate confident CEO move. When you know you have your own back and you're willing to keep moving forward.

As we've explored this from a variety of angles, what I really want you to take away is that we can definitely do the work to be more effective and efficient, but there's no amount of systems or planners that can help you outrun the capacity issues driven by these mindset thought errors.

The other piece is that I want you to start this now. You can start this now wherever you're at, with whatever data you have, or lack of data that you have right now. This is the way that you are going to recalibrate your capacity so that it feels good for you. So that you have a comfortable amount of clients, making the money you want to make.

Doing this work is going to help you inform your fees, make sure your billing is more accurate, make sure that you're taking on best fit clients and taking your business in the direction that you want it to go that really aligns with that vision

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that you have for your personal and professional life. And it also means you get to enjoy the day. You get to end the day when you want and have more time for things outside of work. And you're going to be enjoying your clients so much more when you aren't operating from this constant pressure.

Pick just one of these things to focus on for the week. Maybe notice when you're operating from people pleasing or scarcity. Maybe you decide to track your time, see how you're spending your days and get curious and look for those patterns. Or even just notice when you're feeling uncomfortable. What would it be like to just allow that discomfort to be there even for just a little bit and still honor the decisions you want to make in your business?

I want to be very clear that this is going to be a process. I work with so many type A, driven, perfectionist interior designers and I know how your brain works, and that's because it's my brain too. But recalibrating and sustaining capacity in a way that is really aligned with the way you want to run your business is going to be a process.

It's going to be a process of continually learning from what's working, what's not working, and checking in with yourself. And know that this can always evolve. Sometimes your capacity, you're going to want to increase it and sometimes you're going to want to decrease it based on your business and life evolution. When you let this be a process as opposed to an endpoint you arrive at or something you get right and wrong, you're going to gain so much more attraction.

That's what I've got for you today in terms of client capacity. In the next episode I'm going to be sharing a powerful principle that is going to further support you with the recalibration process. I can't wait to dive into that topic. Until then I'm wishing you a beautiful week and I'll talk to you in the next episode.

To celebrate the launch of the show I'm going to be giving away gift cards to Jayson Home, one of my favorite home decor sources. I'm going to be giving away \$50 gift cards to five lucky listeners who follow, rate and review the show.

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Now, it doesn't have to be a five star review, although I sure hope you love the show. I want your honest feedback so I can create an amazing show that provides tons of value. Visit [desicreswell.com/podcast launch](https://desicreswell.com/podcast-launch) to learn more about the contest and how to enter. I'll be announcing the winners on the show in an upcoming episode.

Thanks for joining me for this week's episode of *The Interior Design Business CEO*. If you want more tips, tools and strategies visit www.desicreswell.com. And if you're ready to take what you've learned on the podcast to the next level, I would love for you to check out my signature group coaching program, Out of Overwhelm.