

The Revolution of Professional Coaching

Kimberly Fulcher,
President and CEO, Compass

October 2008©



Every industry moves through varying stages of evolution; or change, as it matures. Precursors to change are often referred to as emerging trends. A trend is simply a general direction in which something is developing. At their essence, emerging trends are precursors to industry revolution. Happily, Compass, a personal development company I founded in 2002, is currently poised to revolutionize the industry of professional coaching. I'd like to share our story with you in the pages that follow.

[We Had To Start Somewhere](#)

For the past decade I have had the privilege of working in the industry of professional coaching. A fairly new industry, the first twenty years of our delivery model revolved around an individual coach charging for and delivering service on an hourly basis. In essence, the business model has been much like that of a family therapist or a psychotherapist. When a coach works, she bills. When she doesn't work, she doesn't bill.

This original business model has three problems.

- **Limited Earning Capacity:** First and foremost; right now a professional coach's earning capacity is limited to the number of hours per week he or she can show up, deliver service, and bill. Thus, because no one is capable of billing 24 x 7, until recently, the professional coach's earning potential has been limited.
- **Prohibitive Pricing Model:** Professional coaching services are typically priced between \$300 and \$700 per month for between two and three private sessions each month. While the tangible improvements an individual is able to create in their life, as a result of working with a professional coach, certainly warrants this

level of cost, the truth is that most people cannot afford to make this type of an investment in a service that is still viewed as an extra in most households.

- Client Acquisition: Until recently, the responsibility of marketing to and enrolling clients has been that of the professional coach as a sole practitioner. Not only is their earning potential limited to their ability to deliver services, it is further slowed by the requirement that the coach develop all of her own marketing materials, and source all of her own clients.

The unfortunate truth, in the industry of professional coaching, is that many a committed coach has had a very difficult time earning a living doing what they love. As a result, it is not uncommon for an aspiring coach to have a second job to support their practice. Even worse, many talented coaches have decided to leave the profession, seeing it as a beautiful methodology that does not have the capacity to support them.

[My Story](#)

I began coaching in 2002. Like many of my peers, I'd found the profession of coaching as a result of working with my own coach, and making much-needed changes in my own life. It was late 2001 when I realized I desperately needed to make these changes. I was the co-founder of a dot com company, happily married, with four beautiful children. At 28, I was already a millionaire. Anyone looking at my life would have determined that I was incredibly successful. I was also extraordinarily miserable...

Excerpted from Remodel Your Reality; Seven Steps to Rebalance Your Life and Reclaim Your Passion

I'd left my office late because our management team had called a meeting to discuss our dwindling monies and our lack of real prospects for future funding. It was November

2000, and we had been in business for a year and a half. We had taken more than \$20 million in venture capital funding, and we needed at least \$10 million more to survive. The economy was crumbling around us. The dot-com industry, which had been so hot and glamorous only a year earlier, had just been dubbed the dot-bomb industry, and we were about to become a statistic.

My partners and I had almost one hundred employees working diligently to support our business vision, and it was likely that none of them would have jobs in two short months.

But I had to leave our meeting in order to get my kids to soccer practice...

I made it through the afternoon, managed to get all of my kids to their respective destinations, and put a plausible, albeit take-out, dinner on the table. I'd just sent the girls up for their evening showers when my husband came home. When he asked how my day had been, all I could do was burst into tears.

And so it was, about twenty minutes later, that I found myself sitting on the floor of my laundry room, sobbing hysterically. Maybe I really was having a nervous breakdown, I thought. I took a deep breath and attempted to compose myself as I took in the condition of the room around me.

It looked as if a bomb had exploded in it. The marble floors, which I'd been so enthralled with when we built the house, were covered with dirty clothing. There was a half-finished science project sitting on the granite countertop. We'd need to make time to finish that over the weekend, I thought. Next to it were several unwrapped birthday gifts. I made a mental note to buy gift-wrap. I closed my eyes.

I felt empty inside, almost like a zombie. How had my life come to this? It was as if I were living one big to-do list, which by some cruel joke of the universe was destined to never be completed. I was so stretched that I wasn't sure I would ever regain my shape.

I wondered where the happy, passionate, joyful woman I'd once been had disappeared to. "She's buried under your life," my inner voice informed me. Oh no, now I was talking to myself! I frantically shook my head back and forth, further convinced that I was in the midst of an extreme meltdown. I put my head in my hands and took a deep, sustaining breath. That felt good, I thought, and took another.

I sat that way for what might have been hours, breathing deeply and thinking about my life. In that time, I considered where I'd come from, took stock of where I was, and decided I wasn't creating a future I wanted to live in. On that evening, sitting on my laundry room floor, dirty socks and towels surrounding me, I realized I'd reached the lowest point I was willing to accept, and I made a decision that changed my life.

Only a few short years have gone by since then, but that period in my life feels as if it belonged to another woman. And I suppose it did. The decision I made that evening was simple: I committed to getting control of my life. I wanted to feel balanced—I wanted the opportunity to enjoy my marriage, my children, my career, and my home. I decided I wanted to have friends again. And I was determined to bring more Calgon Moments into my life. I wasn't sure how I was going to do it or even whether it could be done, but I knew I had to give it my best shot.

Ultimately, it was my own coach who helped me figure out precisely what kind of changes I needed to make in my life. She helped me define precisely what they would look like,

and then supported me as I architected a plan and began to work it. It was in that period of time that I fell madly in love with the profession of coaching. In fact, I was so enchanted with the opportunity that I decided to become a professional coach.

I went to coach training school, and started my own practice. I began working with clients, and was excited to see the changes my clients were making in their lives. I was also frustrated. I hadn't realized how difficult it would be for me to fill my practice, let alone support that client base once it was in place. Having always made more than six figures throughout my professional career, I was dismayed to realize that even a full practice would not allow me to reach this goal. My earnings were limited, but I didn't know what to do about it.

In was in the fifth year of my practice, personally working with 20 clients, and still not earning what I aspired to when I decided there had to be a better way. I began to investigate the additional profit centers I could add to my business. There were options out there; professional speaking and affiliate programs captured my attention, and I evaluated each as a possible source of additional revenue. Ultimately, while they would allow me to earn additional income, they would not allow me to touch women's lives in the way I had become committed to.

After a great deal of research, I realized that no opportunity to earn income through coaching, outside of personally delivering services, was available. I was frustrated. In fact, I was frustrated enough that I considered leaving the profession – if only for a moment. Ultimately, I decided that if a business model didn't exist that would allow me to touch women's lives through coaching, while increasing my own earning potential, I would create one.

A New Model

I pulled together a diverse group of respected and experienced advisors. We decided we wanted to solve two problems with our approach.

- We wanted to make coaching affordable and readily available to women world-wide. We envisioned a world where every woman had a coach, and we knew that we would have to make coaching services available for less than \$100 per month to make that possible.
- We wanted to help coaches make a living. We didn't want them to survive. We wanted to create an opportunity that would allow them to thrive. We knew that we would have to create a business system, supported by marketing materials and incoming client prospects, to make this possible.

We determined that our client offering would involve group coaching, would be priced under \$100 per month, and would be supported by programs delivered using the latest technology. Once we had our client offering defined, we had to figure out how we were going to sell it. We needed a distribution system. We found the answer in a well established industry – that of direct selling.

Direct selling is a way of selling products or services that allows them to be marketed directly to clients through relationship referrals or a network of independent representatives. Essentially, direct selling is a distribution system.

Admittedly, when one of my advisors introduced the idea of selling our group coaching services through a direct selling model, I was skeptical. "Isn't that like Amway?" I'd asked. I'd heard negative stories about unethical business practices, pyramid schemes, and opportunity meetings where prospects would be locked in a room to ensure that they

stayed through the entire presentation. I didn't want anything to do with an industry that had that type of reputation.

However, once I took a close look at the business model I understood that, with integrity, this was the perfect model to use in distributing our services. In fact, direct selling is based on the power of relationships. At Compass, we believe in the power of personal connection.

When I looked closely, what I understood was that this model could help coaches become true entrepreneurs. In fact, our direct sales model allows anyone – not just coaches – to build a business based on the desire to empower women.

- In 2006, the industry generated more than \$32.18 billion dollars in the US and more than \$109 billion dollars in sales worldwide.
- An estimated 15.2 million people are involved in direct selling in the United States, and more than 59 million are involved in the industry worldwide.
- Most entrepreneurs in this industry are women. In fact, more than 12 million women are involved in direct selling in the United States.
- More than 74 percent of Americans have purchased goods or services through direct selling.
- All independent representatives in this industry are entrepreneurs. They own their own businesses, are not employees of the company they represent, and electively choose to represent that company because they believe in the business system and the products of the company.
- Approximately 90 percent of all direct sellers operate their businesses part-time.

For any entrepreneur, coach or non-coach, direct selling provides an accessible, low-cost business system that provides the opportunity to work for yourself; when you want, as much as you want, from the location you want, with the people you choose. Direct selling allows entrepreneurs to own their own business with little risk, and provides extreme flexibility, robust income potential, tax advantages, and exciting training and personal development offerings.

Thus, a revolutionary model of group coaching services for women, sold through a distribution system of independent representatives was born. We created our new home at www.mylifecompass.com. While I'm sure we won't be the only company ever to offer professional coaching services using a direct sales model, we are the first. We have created an opportunity, which allows professional coaches to add a profit center to their business, augmenting their personal practice (not replacing it). In addition, we have been gratified to see other wellness professionals such as personal trainers, professional organizers, and holistic practitioners sign up as independent representatives at Compass.

We believe every woman should have a coach, and every coach should make a great living coaching. We are in business to make that vision a reality. If you resonate with this vision, I encourage you to visit www.mylifecompass.com, and find out about joining our family.

About Compass:

Life and business coaching expert, Kim Fulcher, is as an entrepreneur, executive, author, speaker, and accomplished professional coach. She has attained national recognition as an expert in personal and professional development.

Kim is a highly sought after speaker and media personality. She has appeared on The Oprah and Friends Network, The View From the Bay, and numerous television and radio shows. Her expert advice has been featured in magazines such as Time, Fitness, Family Circle, Seventeen, and First for Women. Kim speaks to organizations around the world on subjects ranging from self-mastery and leadership to life balance. She is the author of ***Remodel Your Reality™***; ***Seven Steps to Rebalance Your Life and Reclaim Your Passion***, along with dozens of eBooks and advice columns.

She is the Founder and CEO of Compass, a personal development company committed to improving the lives of women. Founded in 2007, Compass is the parent company for MyLifeCompass.com, an online community and life coaching resource for women. Based in San Jose, CA, the privately-held company has assembled a network of independent professional coaches and business representatives throughout the United States and Canada. For more information about Compass independent business opportunities and membership options, visit www.mylifecompass.com.