

How to Politely Dump a Problematic Client

POSTED ON JULY 23, 2020 CATEGORY: **UNCATEGORIZED**,



95% of your clients will be fantastic!

They will provide interesting and dynamic projects, they will learn and adapt based on your recommendations, they will teach you interesting new things and allow you to grow and challenge yourself and possibly become acquaintances or even friends.

However, throughout the life of your business, you will come across some clients who possess personality traits that are less than favourable. Especially in a business setting. Some clients may question everything you do, argue incessantly based on a lack of understanding, refuse to provide information in a timely manner, refuse to pay on time, constantly haggle prices, or just present in an irrational manner.

When a client becomes problematic and a bigger hassle than the money they generate it is worth considering dumping them.

It is Not Us, It's You!

However, how do you dump a client without the negativity coming back to bite you?

Difficult clients are costing you money!

Often it is felt amongst the business community that we need to just deal with problem clients because they are a part of business endeavours.

This is untrue. A difficult client can end up costing your business more money than they generate. If they consistently pay late or haggle over fees, that means they are interrupting your cash flow. If they are constantly requesting changes or calling with questions, they eat into the limited time you have to devote to other clients or to grow your business.

Difficult clients can also damage your reputation. Many difficult clients refuse to listen to your advice, and then complain when they do not get the results they expected. If that client has a large audience, their complaints may reach others in your industry and cause them to reconsider partnerships with you. However, this can be countered with advice from legal entities and implementing said advice.

Difficult clients hurt your team, stress out colleagues, impede business culture, prevent business growth, create less productivity, inhibit engagement, etc.

How to identify a problem client:

There are several different types of difficult clients. Have you come across any of these?

Client one, believes that just discussing an idea means the work will get done immediately. Client one does not appreciate that you have other clients to manage and as a result, every project Client One has is extremely urgent.

Despite the urgency of the project Client, one will often be late in submitting information.

Client two appears to be professional. However, Client two is extremely demanding. Not only is this type of client demanding they constantly request multiple minor revisions and attention from your team. When payments are due this client claims they have cashflow issues. This type of client may even take it a step further and argue about your company prices.

Client three, is not a great communicator and constantly interrupts and blames other people when things go wrong. Client three admonishes those that try to help and delights in making others feel inferior. Your colleagues are terrified of Client three and disappear when they are due to visit your business premises.

Client four has difficulty with regards to making a definitive decision. Client four, therefore, has difficulty in deciding what package or service they require. Client four is in a constant state of procrastination and for this reason, deadlines are missed.

Client five is the perfect, dream client dangling the most amazing opportunities in front of your face. However, none of these opportunities materialise. Client five will have you jumping through hoops and going above and beyond the initial agreed-upon service just to disappear without a trace.

Client six initially seems like a great client they are charming, inquisitive, and excited about the project. However, they then take the work you have completed and add to it significantly so much so that it has no resemblance to the project that was initially conceived and reduces the value of the project as none of the changes can be deemed positive.

Client seven presents as passive-aggressive. However, what lies beneath is much more sinister. Client seven may be jealous of your success in business and attempts to befriend you so they can have insight into your business practices and gain free business advice. Client seven may even attempt to gather personal information about your business and become obsessed with your business endeavours. With this type of client, the only option may be to

seek advice from legal entities and implement said advice as there may be more than meets the eye to this type of insidious client.

Client eight lacks a basic understanding of personal boundaries and may make sexual advances or comments that can be considered unprofessional in the realm of business. Client eight may even take their lack of understanding boundaries further by touching your colleagues or yourself inappropriately. With this type of client, the best approach is to terminate any further face-to-face interactions, and if that is not possible due to the nature of the work required we suggest terminating the account as you as an employer have a duty of care to your employees and yourself.

Client nine, much like client eight does not appreciate boundaries and they confuse an admiration of your professionalism for a crush or infatuation or they may genuinely find you physically attractive. They may want to talk with you endlessly on the phone and book unnecessary consultations in person and generally exhibit inappropriate behaviour. This kind of client impedes your time and causes a distraction and as a result, reduces productivity.

In whatever form your difficult client takes, the key things to watch out for are clients who:

Do not respect your time or the fact that you have other clients who also require your services and advice.

- Constantly check up on you.
- Disrespect you or your team.
- Have unrealistic expectations.
- Act irrationally and unprofessionally.
- Believe they can do your job better than you can.
- Are envious of your or another client's success.
- Regularly pay late, haggle over bills, or refuse to pay at all.

How to dump a client: the approach

Depending on the problem you have with your client, there are several different ways you can approach dumping them.

When dumping a client, always:

- Maintain your integrity. Stay calm, rational, concise, and polite. Provide reasons for terminating the relationship and keep emotion out of the equation.
- Always make sure to call. You can start the process with an email, but you should always call to talk your client through the process and answer any questions.
- Resist the urge to engage in an argument with your client. If your client tries to bait you into getting angry, do not give them the satisfaction. Maintain your cool and keep to the business at hand. Do not resort to personal attacks.
- Provide the client with a referral. If possible, refer the client to another firm that may be a better fit.
- Ensure where possible the project is finished. It is best practice not to leave a project in the middle of completion. If it is however impossible to complete the project find a service partner and refer the said client.

Here are some samples for dumping a client below, complete with some sample email templates to start the process.

The straight talk

Communicate with your client and in frank and diplomatic language explain that you are unable to deliver on their expectations and that you are not the right fit for each other.

To start the conversation, you might say something like:

Dear Client two,

Unfortunately, we are going to need to terminate our contract effective from the close of this month.

It has come to our attention that we are not a good fit for each other. Your requirements are outside of the scope of what we agreed to. However, we would like to recommend you utilise Insert another companies name here. If you would like to discuss this further, I would be happy to discuss the situation over the phone or in person. Thank you very much for your business, and I wish you all the best for the future.

Kind Regards,
Insert Your Company Name

This letter shows that the reason for the breakdown of the relationship is due to the issues, but without casting blame and emphasising that you both are not a good fit for each other. Giving a referral shows that you do not bear a grudge.

The excuse

Even if you want to give the client some information about the difficulties you are facing with them in the hopes they change. In most situations that may not be appropriate. Instead, a convenient excuse will enable you to exit the relationship without a confrontation.

Try:

We are moving in a new strategic direction.

We have a conflict of interest with another client.

We are increasing our fees.

Here is a sample email you could use:

Dear Client four,

I just wanted to let you know that as of next month, I will no longer be able to offer you accounting services.

Our company is moving in a new strategic direction, and unfortunately, this means closing off some of our current accounts, including yours.

I apologise for any inconvenience this may cause. We are recommending our clients utilise another service provider, who may have packages that should meet your needs.

Thank you so much for your business over the years. We wish you all the best for the future.

Kind Regards,

Insert Your Company Name

The fee increase

If you are dumping a client purely because of the numbers, increasing fees or adding additional charges for excessive support or administration requests could actually solve the problem. The client may even agree to the increased charges and become profitable again.

Here is a sample of a fee-increase email:

Dear Client one,

I am writing to you to let you know that as of next month, our fees for some of our food products will be increasing. You can see the new fee structure on our website [HERE](#).

As this includes the food products you purchase, I am letting you know to give you an opportunity to decide if you would like to continue using our company. Feel free to contact me if you would like to discuss further.

Kind Regards

Insert Your Company Name

Preventing more nightmare clients in the future

Now that you have finally dumped that client, a weight has been lifted off your shoulders, no more uncomfortable conversations where you laugh at their offensive jokes and pretend to find them interesting. The sun is brighter, the

water tastes fresher and the air is clearer.

We at CAE Business Solutions are proud of you for taking this daunting step. Now you need to reflect on what caused the breakdown in your relationship with this client and whether there are any steps you can take to prevent it from happening in the future. Here comes the difficult part accepting some responsibility for the breakdown between yourself and your client.

Consider:

Improving your qualification and onboarding process: Most client problems occur because the client has expectations that do not match the service you are providing them. Look at ways you can disqualify clients who do not match your ideal profile before they sign up for your services and create a more thorough client onboarding process to demonstrate the results they should expect.

Changing your pricing structure: You may have gated yourself into a fee structure with clients that means you do not have a lot of room for change when clients demand more of your time. We at CAE Business Solutions recommend implementing a consultation charge.

Prioritise your client list into useful categories so it is easy to identify the kind of work you are attracting and to identify difficult clients early which enables you to take the necessary steps to eliminate them before they become problematic.

Other factors to consider: Where are you finding your clients? Are you getting too many of these difficult clients from certain sources?

Look for new strategies to source the kind of clients you actually WANT to work with.

We all deal with problematic clients. The key is to identify them early and escape with your dignity and integrity intact. If 95% of your clients are amazing, then they deserve to have 100% of your energy directed towards helping them!

We at CAE Business Solutions do not believe any client is difficult. We strongly believe each situation can be managed so that the ideal outcome can be reached.

Visit Us

Address: 4th floor 18 St. Cross Street, London, EC1N 8UN.

Call Us

Telephone: 0203-907-6868

Write Us

Email: info@caebusinesssolutions.co.uk