

**Client:** Hamilton Bradshaw  
**Source:** Evening Standard (Main)  
**Date:** 22 July 2013  
**Page:** 36  
**Reach:** 702458  
**Size:** 124cm2  
**Value:** 8227.4



**HAMILTON BRADSHAW**  
Investing in people with passion

## How do I deal with a major client who is being a bully?

**Ask James**



James Caan

*Dear James,*

I run a small software company. A major client who we spend 90% of our resources on regularly fails to pay on time and also expect extras such as after-hours service for free. They also aggressively negotiate for lower prices. Can you offer some advice?

*Name withheld*

YOU are suffering from a common issue among small businesses in terms of getting payments. You have to be firm – you are offering a service and you have overheads and wages to pay and if you do not get paid on time, you cannot function properly.

You should always set terms out clearly long before a deal to ensure you get payment. For example, ask for a deposit on signing or placing an order, with the balance paid within seven days. There should also be a list of extra charges if payments are not on time.

If you're still not getting paid, have a conversation with the client. There may be something going on that you aren't aware of, which may call for special arrangements. If you still can't reach agreement, I would suggest a formal warning.

And don't rely on one client – if they were to disappear you would find yourself in a tricky situation. You are keen to win and retain big business but you have to be sensible.

Remember the size of your resources and how they can best be allocated.

I would also urge you to constantly research the prices other firms are charging. You have to be competitive, so knowing market rates is essential.

■ *For the full article and news of James Caan's free app, go to [standard.co.uk/askjames](http://standard.co.uk/askjames). His book, *Start Your Business in 7 Days*, is out now.*