

# Training Purchasers' Bulletin

Finding a new training provider just got easier.

## WELCOME

Welcome to Issue 2 of the Training Purchasers' Bulletin.

Many purchasers are aware that they would benefit from new and innovative approaches in the delivery of their training, but are daunted by the procurement/sourcing process. Finding a new training provider just got easier; TrainerBase is one of the most cost effective routes to finding your perfect trainer.

In this issue you will find:

- An outline how to use the TrainerBase Brokering Service
- Links to 6 TrainerBase member profiles
- An explanation of Freelance trainer rates

Please feel free to contact me if you are considering sourcing a new training provider, I would be happy to offer any advice I can that will benefit your organisation.

Peter  
AKA Ed  
Founder and Editor of TrainerBase

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## FUTURE FEATURES:

The Certified Professional Learning Practitioner.  
The Trade Association for the Learning Practitioner.  
Trainer Rates survey 2007.  
ROI: fact or fantasy.

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## MEMBERS' PROFILES

During 2007 we are sending out our Trainer Promotion Packs to purchasers that have requested information by post. Because these pack are somewhat different to the normal brochure that you will no doubt have drop into your in trays, we hope you will recall receiving it and remember where you have filed it. That said, it is always good to be reminded about possible training providers so in this and future Bulletins we will mention the trainers included in the Promotion Packs:



Ken  
Moore



Liz  
Edwards



Mark  
Norris



Mike  
Morrison



Peter  
Hammond



Ray  
Knox

Click on the photo of the trainer to visit their TrainerBase profile.

We will display a further 6 TrainerBase member profiles in the next issue of the TPB.

If you would like further information about these or any other trainers please contact us.



## But how many actual fee earning days are there in a year????

### FREELANCE TRAINER RATES

The cost of contracting a freelance/independent trainer can be a mystery for some training purchasers within organisation. These purchasers see a daily rate and extrapolate that freelance trainers are earning a fortune. Sadly, from my own research (Trainer Rates Survey 2006), freelance/independent trainers are feeling the pinch with purchasers negotiating rates down to an unsustainable level.



Now within a negotiating round, it would be inappropriate for a freelance/independent trainer go into detail about how they formulate their charges. So with this in mind and to give you as a training purchaser a greater understanding of the business dynamics, here is a scenario:

Ed is an experienced freelance management trainer running a Ltd company. He has a mortgage, a wife (who works) and 2 teenage daughters. He needs to bring home £25,000 per year (equivalent of around £35,000 annual salary).

Running a business including:

- Office expenses (£10,000)
- Car (£6,000)
- CPD and training (£8,000)
- Subscriptions and membership (£2,000)
- Professional, legal, financial and other services (£2,500)
- Marketing (£5,000)
- Sundry expenditure (£1,500)

costs around £35,000.

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The above costs do not include any expenditure in running any training programmes, which may be charged as expenses to the client on an as needs basis.

So Ed needs to generate £60,000 in revenue to survive. That immediately puts Ed into the VAT bracket and yet another drawn on his time and money.

This £60,000 turnover is achieved through his fee earning days. But how many actual fee earning days are there in a year???? Not as many as both purchasers and some trainers think.

So in order to work out a daily rate Ed has to calculate the number of fee earning days; he needs to look at what is available during the year:

- There are 365 days in the year
- There are 104 days that are weekends (he wants to see his family)
- There are also about 15 days that are bank holidays
- And of course Ed would like to have a couple of holidays a year

That leaves Ed with around 220 potential fee earning days.





And of course Ed would like to have a couple of holidays a year.

Ask yourself  
“Do they have a sustainable business model?”



Ed now has at best; 160 potential fee earning days. But of these he will have to write material and/or do preparation work prior to running a workshop or programme. And there will be the occasions where he has to travel. Again talking conservatively this reduces by one third, the number of potential fee earning days left. The result is that at best, Ed needs to generate £60,000 worth of revenue in 100 or so fee earning days.

So, when you are discussing rates with a freelance trainer and they suggest a rate of less than £500 per day. Ask yourself “Do they have a sustainable business model?”

Within those 220 days, Ed needs to administer his business: make phone calls, meet people, do his accounts, write letters, update his web site and do general unproductive, boring office ‘stuff’. This takes on average 2 days per month. And then there is his CPD, this can easily take up another day per month. So after all this and not doing anything to do with training, Ed has no more than 190 potential fee earning days. So down to the business of training.

Unfortunately, some trainers believe in the premise “build it and they will come”. As in the film “Fields of Dreams”, this is fantasy, and active marketing needs to take place. Going to networking events, conferences, exhibitions etc, all take up the days.

Then there is the meetings with purchasers to present and negotiate contracts. Talking conservatively this is going to use up another 30 days per year, potentially more.



And a final point of note: the above is based on a basic business principle. This does not take into consideration the value of the trainer’s knowledge and expertise or the benefits the trainer can bring to your organisation. When that is calculate into the negotiations don’t be surprised to see a day rate of £1,000 or more. Of course your organisation needs to see a return on this investment; but that is another story.



## And the cost to you the purchaser? Nothing.

### BROKERING SERVICE

Over the past 5 or more years, TrainerBase Opportunities page has been used by purchasers to source freelance and independent training providers.

Requirements have included:

- Management development programmes
- Performance systems
- Induction training
- IOSH
- Leadership, Sales, Excel, Coaching, to name but a few of the 1,000+ opportunities that have been posted on the site.

A point of note that has become more apparent over the past couple of years is the pressure on training officers to source providers whilst not being buried in less than helpful applications for contracts.

TrainerBase acknowledges this situation and has recently introduced its Brokering Service.

In simple terms, this service relieves the training officer within an organisation of sifting through the initial response to a contract advert and presents them with a filtered list of potential providers or with a set of full proposals for a training need.

So how can you benefit from this service? Very easily; given us a call to discuss your need. The following is likely to happen:

- Initial discussion between you and TrainerBase to define the training requirement and selection criteria and refine if necessary.
- TrainerBase posts the Opportunity on the web site and alerts the membership.
- Applications are made to TrainerBase (not you).
- TrainerBase reviews the applications against the requirements and either:
  - › submits the details of potential providers to you or
  - › requests full proposals from the most appropriate applicants.
- TrainerBase notifies all applicants forwarded to you of your Company name (not you the individual) but does not disclose any details to applicants that have been dismissed.

- You then select the most appropriate provider from the list, make contact, negotiate and engage at your discretion.
- TrainerBase keep in touch with both you and the successful provider to ensure that the relationship we have brokered between the two of you is working well.

And the cost to you the purchaser? Nothing. This is a commission based service where TrainerBase is acting on behalf of its members and it is the successful provider that will pay a percentage of the resulting contracts from our involvement in brokering the introduction.

I have created a document that explains the processes involved in using TrainerBase. Please feel free to download this Purchaser User Guide, or email me [ed@trainerbase.co.uk](mailto:ed@trainerbase.co.uk) for a copy. And if you just want to talk over the process of finding a new training provider, please give me a call on 01239 711544.



### ANYTHING ELSE

Whilst I acknowledge there are a variety of Training and HR notice boards, digests and other networks, sometimes it can be beneficial to ask a specific question of a particular group. If you have a question about freelance and independent trainers and their activities, do ask and I can research an answer for you.

I will also publish articles that may be of benefit to you in further understanding the relationship that you might have with an independent trainer.