

# Are your Consulting Practices Thriving?

*by Robert Kelly*

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## **In Brief**

Professional service providers, consultants and trainers, consulting engineers – all true consultants need to develop business. But when consultants and practice leaders think about sales and marketing, too often they think about traditional sales processes. But such methods are inappropriate for this line of work.

This article asks seven questions to help you assess your own business development approach and consider alternatives that may produce better results.

# Are your Consulting Practices Thriving?

## *Seven Questions to Assess your Practice Development Efforts*

By Robert B. Kelly, Principal, Client Dimensions

Are your consulting practices thriving, idling, or barely hanging on? Many consulting firm executives increasingly ask themselves this question. Many are certain that a market exists for their firm's services and generally view their firm's practice leaders as highly talented and hard working professionals. Unfortunately, executives are increasingly frustrated over their practice leaders' difficulty achieving revenue or profitability goals? Many firms exert considerable effort in acquiring new clients. Too often their efforts produce meager results and frustration mounts at all levels of the organization. Certainly the bad economy has had some effect, but if other firms in your industry are doing well, then that cannot be the explanation. Perhaps the problem is not the wrong service, the wrong practice leaders, or even the economy. Perhaps the problem is that efforts are focused on the wrong activities.

The following seven questions may help you identify some weaknesses in your business development activities. If so, this is the first step in turning things around:

1. Does your firm have a nice brochure and collateral material for each practice? \_\_\_ Yes \_\_\_ No
2. Is your web site every bit as nice as your brochure? \_\_\_ Yes \_\_\_ No
3. Do your Practice Leaders do a good job of describing their services? \_\_\_ Yes \_\_\_ No
4. Do your services match up well with competitive services? \_\_\_ Yes \_\_\_ No
5. Do your Practice Leaders present thought-leading papers at professional society meetings and industry events? \_\_\_ Yes \_\_\_ No
6. Do they participate in several networking events each month? \_\_\_ Yes \_\_\_ No
7. Do practice leaders cold call a number of new prospects each month and consistently follow up to seek an appointment? \_\_\_ Yes \_\_\_ No

So, how did you do? Did you have several yeses? Feeling pretty good? Okay, what I am about to say may surprise you. Answering yes to any of these questions could mean that your business development practices are focused on the wrong things!

"What's this guy talking about?" you may be asking yourself. "All of these marketing and sales practices are tried and true." But don't tear this article in half just yet. Consider the following to see whether or not all these activities are worth the effort.

### *Brochures and Brochureware (a.k.a. Web Sites)*

Do you really need that 4-color, 6 panel brochure? I personally liked the look and feel of the glossy brochures at my previous firms (and admittedly, helped produce). The brochure filled me with a sense of pride about my firm and made me think, “we’re pretty good, come and buy our services.” But here’s the rub. Nice brochures and collaterals are typically filled with beautiful graphics that say lots about the company and its services, but rarely convey a sufficient understanding of the client’s issues or concerns. Worse, they do little to build credibility with prospective clients. A nice, matching web site often suffers from the same deficiencies. Your site may be handsome and flashy but does it sufficiently speak to your clients’ issues and prove that you can solve their problems. Take another look at your collaterals. What percentage is spent on demonstrating your understanding of the client’s needs versus telling them about your history and services?

Describing your firm and its services isn't a bad thing, but it's relatively unimportant to the client and certainly not important at the beginning of the courtship. What's needed in marketing literature is more focus on the client's problem and establishing a mutual understanding of their situation before describing your services or your history. Even then, you

need to emphasize the benefits the client will receive should they solve the problem, not the details of your process.

### *It's not about Process and Knowledge*

Similar observations can be made about spoken presentations – too many practice leaders talk about me, my services and my firm rather than the client, her problems, and the benefits of solving those problems. An old saying suggests that people don't buy drills, they buy holes. Likewise, your clients don't buy services; they buy the benefits derived from consultants' solutions. Many consultants drone on about their process or technology, mistakenly believing that in doing so, they will build credibility? Consultants should instead explain how they have solved similar problems for other clients in order to build credibility. If the client is truly interested in process, she will ask.

Consultants should not shy away from sharing knowledge, even valuable knowledge, during their initial client conversations. Doing so builds both credibility and commitment. Some consultants react to this suggestion with the proverbial question, “why should they buy the cow if I'm giving the milk away for free.” But the milk in your case isn't information and knowledge (the “know-what”), it's knowing what to do with it to solve client

problems that's of real value (the “know-how”). I have found that the more knowledge I share in conversations with prospective clients, the more I seem to receive in return.

Turn away from the “me, my services and my firm” syndrome and focus more on client issues and sharing knowledge, and you will be close to turning the corner towards tremendous success.

### *Stacking up*

Question 4 asked whether your services matched up well to your competitors' services. A trick question perhaps because of the way I phrased it, but it was designed to get at an important consideration, “if your services are similar to your competitors, then why should clients buy from you?” You intuitively know that differentiation is important, but consultants need to do a much better job at defining what unique value they provide and what it is that makes them different from competitors. Many consultants consider differentiation once a year during the firm's planning cycle but pay scant attention to this in their marketing materials.

### *Thought Leadership and Networking*

Perhaps you agree with several of the prior points, but may be asking yourself, “What can this author possibly have against presenting papers and attending networking events

(questions 5 & 6). After all, these are tried and true methods for establishing credibility, getting known, and gaining warm leads. I couldn't agree more; these activities can be extremely valuable. But you need to ask yourself, if your consultants and Practice Leaders are presenting thought-leading papers at various events and participating in lots of networking events – then why don't they bring in more business?

Presenting papers and participating in networking events can be great, but if they aren't generating business then perhaps the message being communicated is not on target. High concept papers, for example, sometimes are extraneous to clients who might be listening. I once delivered an insightful analysis of a new law to managers of several Fortune 500 industrial companies. Several came up to me and complimented me in general, but also indicated that they were in the midst of several other issues and would not pay attention to the issues I raised for several years to come. Hopefully they would remember me, but my efforts that day were not going to help me achieve that year's revenue goals, nor even the next year's goals. The bottom line - clients generally respond less to conceptual issues than to solutions for their current problems.

When it comes to networking events, the concern is not about presenting abstract concepts. Indeed, at most events you only have a minute or two to chat

with each person you meet, leaving little time to discuss abstractions. But where most consultants go wrong at these events is in the first 60 seconds of the conversation. Consider this. You bump into a person and after a brief introduction, he might ask, "so what do you do?" The typical response is "I am a management consultant with Tier 1 Consultants" or "I am a Consulting Engineer." Shortly thereafter, the person is shaking your hand and wishing you a pleasant evening. At best, you may get a business card before he runs away.

Would it not be more beneficial to your new acquaintance if you were to describe the problems that you solve or the value that you deliver? For example, what if the management consultant said something like, "I help HR managers who suffer from excessive turnover identify the root cause of turnover, and on average, reduce turnover 35% within 12 months." Now if the person has a turnover issue, don't you think their interest in talking with you will rise considerably? Yes, and they will begin an earnest dialog that might lead to actual business. And if they are not interested, then you will quickly learn that he is not a qualified prospect and can move on to other people. Even if the person isn't interested, they might say, "well that's not in my area but my colleague Joe has a similar issue. I'll give him your card."

Some consultants pride themselves on how many people they meet and receive business cards from at networking events; but such

outcomes are of little value and rarely produce any meaningful follow-up. It's not about how good you are at striking up conversations with various strangers; it's about the quality of your conversation.

### *Cold Calling Gives Us the Chills*

The last question pertains to cold calling. While cold calling may or may not work in traditional industrial sales, cold calls generally don't yield much benefit when selling professional or consulting services. How often do such calls result in reaching a real person (vs. voice mail) or an appointment, let alone a qualified opportunity? Even worse than wasting time is the effect it has on consultants and practice leaders. Most dread cold calling, quickly become frustrated, and then lose energy as a result. Since other cost effective methods exist to attract qualified prospects to your services, stop the cold calling.

### *You can Change Things Starting Today*

Consultants don't usually view themselves as sales people, so why do practice leaders talk so much about selling their service, and why do managers bring in sales trainers to present sophisticated sales programs to consultants. Countless situations exist where such programs yield great dividends, but yours is likely not one of

them. True consulting services aren't sold, so stop trying to sell them! When I realized this and started employing alternative methods, my revenues went up ... and my enjoyment went up too, giving me energy to expand my own practice and help others in the firm as well.

None of the alternative methods are secret. You can infer a few of them simply from reading this article. Change the focus of your brochures and web site as well as your spoken word, do a better job differentiating your solution, improve listening and collaboration skills, provide demonstrable value, and employ tactics that draw qualified prospects to you. It's not rocket science, but it does take a purposeful, concerted effort to modify your approach. If you do make the effort, change can come quickly and produce both short term results and long term value.

### *About Client Dimensions*

We help Consulting Firm Practice Leaders who, despite working long, hard hours, struggle to attract new clients and develop a practice that consistently meets sales, revenue or profitability goals.

We help Consulting and Professional Service Firms generate passive revenues and enhance their marketplace credibility by leveraging their intellectual property.

We help companies generate business with the Federal Government and provide assistance in obtaining their own GSA Schedule.

Call Robert Kelly, at

866-291-5238 ext 705, or visit us at [www.clientdimensions.com](http://www.clientdimensions.com).

