

Dental Consultant Master Academy

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Transcript - Week 28

Growing Your Consulting Business

Hello this is Debbie and welcome to week # 28! This week I will talk to you about Growing or as you may like to say going to your next level in your consulting business. I will talk about having a Successful Consulting Practice. Next I will talk about the pro's and con's of having employees. I will also talk about business planning and using your other products that by now you may have completed, for passive income.

So let's get started on this week!

As I have said before most consultants only make about fifty thousand dollars annually. Not a lot of money for the effort and time you put in to your business. With a business plan you can give yourself a more comfortable lifestyle. What I consider comfortable may be different than your definition but I mean in excess of one hundred and fifty thousand dollars.

Most people who enter into this program tell me that they want to be a consultant. Never have I heard someone say that they want to be a business person.

Some of the larger consulting businesses have many employees and some will only contract out the work they believe their clients need. There are a few consultants I know who hire a few employees to free them up from both professional accountabilities that would mean they are sacrificing their personal time which is considered a sacrifice if they were to lose this important time in their life.

These consultants have chosen these employees very carefully. Which side of the employee debate are you on? Do you want to hire many employees to support your business or do you desire to only hire very few? No matter which side of the debate you are on, there are some unequivocal rules for hiring people, which can serve as an objective template when you are ready to make that decision.

One category you may choose is to hire people that you pay by the project. They are paid as a subcontractor. This category includes training, interviewing surveys, assessments, coaching, etc.

Anytime you need to hire another pair of hands, so to speak, you should be able to rely on your network of professionals. Last week I gave you a few organizations where you can go to find professional colleagues to collaborate with on work that needs to be completed for your clients.

Anyone that you do hire or collaborate with must provide a synergy that creates an exponential degree of business.

In other words, if you or the other party can generate one hundred thousand dollars or more together, it is going to be beneficial to work with this professional colleague. If you are not able to generate substantial income through this collaboration, then it may not be worth doing so.

The reason I tell you this is because the relationship is going to require energy and time to develop on your part so you want to make this a good return on your time spent.

Here is one example of who I would hire. Many years ago when hiring a bookkeeper, I found that the person had manually posted all entries they made and then charged me by the hour. So I was not happy about this and had a chat with them that went something like this: “let me get this straight, you refuse to use a computer, which means you are entering the numbers much slower than if you used a computer and now you are charging me by the hour when you are working so slowly?!!”

She told me, “Yes, no one has ever questioned this before.” I told her that her streak had just ended, and that she needed to find another type of work somewhere else. I suggested that maybe she gets into doing calligraphy.

I now ask that my tax estimates be done far in advance of the end of the year so that I can make adjustments in my favor before it is too late. I want my design work completed in a week for my review, and my printer to give me top priority when I have an infrequent emergency request. I treat my own clients with great care and responsiveness; and I expect people that I pay to see me as that kind of client.

I want to provide you with this tip. If you are in your first year of business try not to hire, collaborate, or otherwise entangle yourself with staff and external help. After this period of time, you will have an accurate assessment of where you need help and to what degree, and what it would be worth to you.

Many consultants are embarrassed to tell a client that they have a home office, that they have no employees, no staff, that they don't have a doctorate or any type of degree. I want to say “Get over it!” Most of the time, the poorly prepared consultant is busy spilling all of his or her irrelevant information all over the carpet. Second, most prospects don't care. They want to know what you can do for them now how many phone lines you have and how many assistants are standing by to answer them.

Having an office, employees, a payroll, and accountability to employees does not make you a professional. It simply makes you a labor supporter. If you need skills and resources beyond your personal abilities then subcontract for them, and hire only when you will need them. Some final thoughts about this:

I immediately built a five and six figure business without any of these listed. Managing people is not a sign of expertise or maturity. Any employees that you do hire must be able to help your business grow dramatically not cause hardship through gobbling up your precious resources. Think about those people sitting there, with a secure salary, mandatory benefits, and commuting to their homes, while you are on an airplane missing your family and also about to miss your connecting flight on a dark, blustery February evening.

You also have to be able to fire any employees that you do hire. Under many benefit plans, you can't take certain advantages unless you extend them equally to every employee. NO matter how careful you are, there will be attempts at threat, forming competitive companies with your material, personal issues and intrude into the business and a lot of whining.

Now I will talk about your business plan. Plans have an invidious aspect about them, in that sometimes you hit them, which is horrible. Let me explain. I have had a lot of colleagues who are consultants have created elaborate business plans. They plan to grow by ten or fifteen percent in the next year. The problem is that their business should have grown by at least twenty five percent that year given the robust economy, poor competition in their niche, etc. I had a conversation with one of the largest dental consulting businesses I know and he said that his business has grown twenty percent every year for the past five years. That is almost unprecedented. A lot of people will kill to have this kind of growth. But my point is this, how do you know that growth should not have been thirty five percent? And my colleague had a little twinkle in his eye when I broached the question. He agreed that he doesn't know.

My point is don't make business growth plans, no matter how grand, because they are inherently delimiting. I know that this sounds counterintuitive. Nevertheless, you are not Apple or General Electric, where they have shareholders. You don't have Wall Street analysts, budgeting requests, and governmental regulators staring you in the face.

What you should do is put the marketing tactics in place, and try to maximize your business development as the year progresses.

As a consultant you want to have a pipeline that is always active and, preferably filled, beginning with leads and prospects, and ending with signed contracts and enduring business. The major mistake of consultants who are initially successful in this profession make is that they separate and compartmentalize delivery and marketing, thinking they can't do both. This is a crazy hand-to-mouth strategy that is always feast or famine.

It is far better to have marketing devices always in place and active to be on the lookout for continued marketing opportunities even while implementing and to constantly bring on board new business, rather than fitfully starting and stopping.

The long-term goal is to develop a viable business not to generate individual consulting contracts. A business plan tends to reward the latter and ignore the former. Don't waste your time with one.

Never stop marketing. The creation of a long-term successful practice depends on marketing not delivery. You are better off effectively marketing for a month without delivering a project than you are without marketing at all. This is a tough, counterintuitive lesson for most consultants.

Now I want to talk about passive income because this is where you won't have to work so hard and we all want to work smarter not so hard right?

If value-based fees enable you to deliver consulting expertise without having to depend on labor-intensive practices, products and certain services can create income without the need to show up anywhere at all. When you reach a certain point in your career, and it may be much earlier than you would suspect, you can and should create products and services that can create income while you sleep or vacation.

I have shown you how to develop products and programs earlier in this course. In moving to your next level and further developing your consulting business, there are products that can give you credibility and also substantial revenue.

Here is a list of what I believe you should have to develop passive income: manuals and guides, templates and checklists. Audios, videos, self-published and electronic books. You can also have remote coaching where you use SKYPE or Google Hangout, very easy these days to have podcasts that you sell on iTunes and you can offer a combination of these. Having a newsletter with subscribers will help you to have a following who then become your raving fans and the people who buy these products and services.

Keep in mind that you can earn in excess of five hundred dollars a week selling all of these mentioned. This amount alone can pay a mortgage, a car payment, add to your retirement and pay off significant indebtedness.

I will add more ways to do this in your action plan for this week so take a look there for more information on this.

If you have the attitude, means and determination, there are a variety of things you can do to build your business to the next level in a more aggressive manner. Some consultants prefer to wait until they have some money in the bank from early business success; others feel that life is short and they want to accelerate the process. In either case, it's never too soon to at least contemplate the more dramatic ways to grow your business so that you are always creating some stretch goals for yourself.

One profit center we have not talked about to date is developing your speaking business. This is something we will talk about in about one month because I wanted to get you started with knowledge about actually consulting with clients.

Once you do get your speaking career to a professional level you will be invited as a keynote speaker where you will earn in excess of five thousand dollars a day up to maybe twenty thousand dollars depending upon how big the event is.

Many times after you present at a conference you will have handful of prospective clients.

I still keep in touch with prospective clients that I met years ago from speaking at a dental conference. Not every one of those contacts you will meet as a speaker becomes a client quickly but it doesn't add to your marketing and growing your list.

Every speaker can be motivational so do plan to be pragmatic when you are speaking at a conference. Focus on clear methods that people can use to improve their business immediately. Deliver your programs in an enthusiastic and interactive manner.

When you are delivering a message to a group of professionals at an event, you can deliver the results you have received from another project and client. Of course if you are to use that clients name along with their information, do have that client sign and acknowledge that you are permitted to use their name and information.

Professional speaking can create another source of income. It can generate incredible visibility; provide additional products, meaning audio and or video products that are easily created from these.

We have now covered the creation and growth of your business along with how to raise it to ensuring a higher level of success.

So what do you do once you get to that next level of success?

Let me start by saying that your success is never relative to someone else's because there is always someone who will be making more money than you. There is always someone who can run faster and drive harder. Your success is a function of exceeding your life goals, which are uniquely yours. Consulting is a wonderful profession, but it is a means to another end.

Remember what I told you in last week's video: TIAABB. There is always a bigger boat. Just worry about keeping yours ship shape.

This is Debbie signing off until next week. Everyone has a great week and see you on the next video. Bye for now!

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