

Dental Consultant Master Academy

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Transcript - Week 29 Strategies To Grow Your Consulting Business

Hello this is Debbie and welcome to week # 29!

This week I will talk more about strategies to grow your consulting business.

In this week's video training I will talk about unlearning, your client relationships are intangible, and how to develop breakthrough relationships.

So let's get started on this weeks training!

One step to grow your business is to unlearn. We have all been conditioned to automatically believe certain tenets and take certain axioms on faith. I call these deceptive pieces of advice rubrics and bromides and lump them together as conventional wisdom.

Maybe you feel I am being contrarian: I am trying to be different by being unconventional.

Well, you are correct! If the conventional wisdom about consulting were accurate, virtually everyone could make it as a consultant, and most consultants would be wealthy. This is not what really happens and the reason why is because conventional beliefs about our profession are wrong.

Let me explain what I mean here. One of our fellow paradigm busters is a man by the name of Joel Barker. I call him a paradigm buster. Paradigms are thought patterns that we take for granted and then allow these thought patterns to limit us.

Barker cites the discomfort of most bicycle seats, which have survived for centuries in their current form. He invented a radically different seat. The seat he designed consisted of two separate padded supports. These are intended to be much more comfortable for one's derriere.

Barker maintains that this was hardly a conceptual breakthrough in design, but it was a paradigm breakthrough. You see, bicycle seats are still called saddles because they take their form and function from horse saddles.

Barker claims that such a genesis restricts innovation in design until someone consciously breaks the paradigm, which in this case means that there is no earthly reason today to continue to pattern bike seats after horse saddles.

This is what I call self-limiting mental restrictions or thinking blinders.

For example what is the reason for the logical sequence of these numbers?

8 5 4 9 7 6 3 2 0

Pause the video and just think about this for a moment.

Did you come up with a reason for why these numbers are in this order?

If you are like most people you are stumped!

I have gone through this exercise in other programs and rarely do most people come up with a logical reason for a logical sequence of these numbers.

It's ok if you didn't have an answer.

Only about 1 in 20 people can come up with an answer within five minutes that is logical. The sequence of these numbers is not someone's phone number, nor is it part of a social security number or any id. The only logical reason for this sequence of numbers is that they are numbers between 1 and 10.

The point here is that you want to find your unique niche and then narrowly market within it. Differentiate your services is the key to success for consultants.

I received this message when I first began my consulting business and I am still learning it. It may be that this advice is wrong. I was also told to never add my credentials to my business card or any materials. I quickly learned that this was not true. My point is to be careful who you take advice from.

Be able to think outside the box with your business. Don't follow exactly what you think others are doing. If you want to learn to ski make sure that your ski instructor is not in the ski chalet by 3pm sipping brandy while giving advice about skiing tomorrow.

Let's talk about growth strategies some more. Your growth strategies hinge on relationships that you are able to forge, nurture and expand. Average consultants attempt to market a repeatable product, which may take the form of a training program, a canned speech or workshop, etc. Such predefined products seeking their niche are nothing more than commodities, and buyers view commodities almost exclusively from a cost-sensitive position as well as they should.

A gallon of unleaded premium gas is a gallon of premium gas and I will go to the gas station that has the least expensive gas. I will also make sure I don't spend a lot of money on the gas to drive to that gas station.

The difficulty with such commodity consulting approaches is that the greater the consulting resources, the greater the economics of the sale. Many seminar companies use mass marketed products with razor-thin margins and are turning out \$70.00 per person one-day courses all over the world.

Independent consultants may be successful in implementing workshops in limited areas for clients, but high costs and low margins prohibit geometric expansion. You don't make a million dollars doing this kind of work.

Better than average consultants differentiate their services so that they convey some distinction to the buyer. For example, providing needs based analysis prior to the actual proposal, providing no-fee follow ups at periodic intervals are all methods that tend to set one consultant apart from the others.

The best consultants strive to establish special relationships with their clients, irrespective of their products, services, techniques and other offerings. Relationships differ from products and services in many ways but the most fundamental differences lie in the simple method of payment.

Clients perceive products such as manuals, reports, newsletters, etc. as aids which they pay a fee.

However, clients perceive relationships as intangibles, the value of which transcends commodity calculations. Relationships represent an incalculable, intrinsic worth that clients don't even put a price on.

I previously owned a Lexus and the dealership was 30 minutes from my home. I took my business there, rather than a dealer closer to my home. I did this because of the relationship I had with the mechanics and salesmen at that particular dealership.

The strategies available for growth are legion so long as they focus on developing unique relationships with clients. Let's examine a method for selecting them now.

There are three basic interactions you can engage in with your clients. You may sell them a product, which is a paid for tangible. You may provide them with a service, which is also a paid for tangible. And you may establish a relationship with them, which is a free tangible.

In any of these areas you may be competitive, distinctive or perceived as special—which is what I call breakthrough positioning.

It is possible that you may not sell any products at all, or they may be peripheral to your major business. For example, I provide eBooks and some audio recording in MP3 format and I have a few online learning programs for my clients. These tangible products are not my leading edge; they are the results of my relationships and services but not the primary selection of my long-term clients. You can be competitive by providing professional, high-quality materials when requested, but to be unique or breakthrough in this dimension requires a substantial investment to compete in a margin-thin business or exceptional branding which in itself is a form of a special relationship.

I try to keep my products that I sell online to a minimum. I do my best to keep them high-quality and I do not use them as my distinguishing feature for my work.

It is also difficult to be in the breakthrough category of service because there is a limit to what you can do in terms of resources and availability, especially when compared to larger consulting businesses.

Breakthrough service can also be overkill so the important point here is to have a valuable relationship with your client.

Ideal relationships with clients are based on total trust and candor. As opposed to the traditional client-consultant dynamic, in which the client asks the consultant to prove that the latter can meet the former's needs, the breakthrough relationship is one in which the client asks the consultant to collaborate to meet a need.

You are without saying this verbally but a silent message to a client would be something like this: "Work with me so we can be successful."

The client trusts that the consultant will make the assessment of whether achieving the goals is within the consultant's capabilities. In this act of trust, the critical judgment passes from client to consultant because the client knows that the consultant is the far better judge of her own capabilities and has no reason to believe the consultant will do anything other than act in the client's best interests.

This is the breakthrough stuff!

There is no growth mechanism in our profession as dramatic as a trusting client who wants to use your services, believing that you will provide a reason not to if you can't accommodate the request. In effect, the selection responsibility moves from the client to the consultant. This is not a responsibility to be abused or taken lightly, of course.

Taking on a project you can't handle can, in two weeks, sour a relationship that it took you two years to establish.

I will now share specific ways that you can create breakthrough relationships.

Number 1 is to provide valuable information. You cannot over communicate with clients if you are providing information that enhances performance and improves the working environment. Keep a set of files on all important issues facing your clients and key prospects, irrespective of whether you are personally working on those topics or even being considered for them.

Number 2 is make essential phone numbers available to your clients. These numbers include your regular office number, your toll-free number, your fax number and your cell phone number.

About two times a year a client will call me on a weekend with a critical request or question that simply can't wait. Two at home, weekend phone calls a year is a small price to pay to cement your client relationships. This privilege is never abused, is a sign of trust, and goes beyond mere service. One sign that I have established in relationships I seek occurs when clients offer me their cell phone numbers.

Number 3 is Raise crucial issues.

In as responsible and professional a way as possible, and within the best timing of the consultation process, raise issues that demand the client's attention, even if they are not a part of the project on which you are working on.

Make it very clear—and live by this pledge—that you are not raising the issues because you want to expand your project to include them. If the client does insist that you take on these issues, request that the client consider other alternatives before making the decision. This sounds crazy to the short-term thinkers I know, but nine times out of ten the client will ask you for help any way, and fee is no issue at all.

Number 4 is don't hesitate to suggest other services or products from other colleagues or companies. Keep a list of these resources to fulfill assignments that you can not handle.

I also don't allow my clients to even think that I am collecting a fee from these other referrals I will make to them!

Also recommend them at the correct time during your project—don't suggest on day 1 with your client and don't wait until the contract is almost complete. Timing is important.

Number 5 is to go the extra mile. Fulfill even tangible requests with grace and timelessness.

Possibly a friend of your client needs a favor and I recommend that you at the very least explore if you can be of help to their friend. Recently my client knew a lady who was going through a terrible divorce and needed some extra work. Although I knew I probably couldn't offer this woman a job, I did however, respond that I would see what I could do. After talking to the woman in need I was able to make a recommendation to help her through this difficult time in her life.

All of us involved left the situation feeling good about the outcome.

Number 6 is facilitate client publicity. Recommend clients for publicity opportunities that may have nothing to do with your work for their business. Since I am active in my community I have often set up interviews with magazines and newspapers for clients who are located in my community.

Number 7 is to make charitable donations. Each year I contribute to a charity to support children's oral health. I have donated money to Give Kids a Smile Foundation for many years. Such generosity is appreciated and doesn't tread on sensitive ethical concerns about giving gifts. I really enjoy doing this and I know it means a lot to the people I serve—my clients.

Number 8 is to help subordinates unstintingly. Go out of your way to help lower-level people, whether or not they are directly involved in your project and irrespective of whether they have any direct influence on future business. They always have an indirect influence.

While conducting focus groups with field managers--For example the company Orasoptic—a manager asked if I would be willing to do something similar for his representatives, even though it wasn't part of my charter and was "only" for his personal assistance in managing his people. I told him that if his boss agreed, I would gladly do it for expenses only. We had a wonderful time, he was able to provide something special for his people and his feedback to senior management on my help was something that only my mother could write.

Number 9 is Don't be afraid to take a stand. Never back away from controversy and don't hesitate to tell your client that he is wrong. Being a sycophant is not being a consultant, and the chances are that the client has more "yes" people than any business needs. Your worth, your integrity, and your value added to the organization will be illuminated by your stand on important matters.

Here is a quote I found by Thomas Jefferson “In matters of style, swim with the current; in matters of principle, stand like a rock.”

You gain a lot more respect and even trust when you stand firm on your principles.

Number 10 is Treat clients as partners.

Always view your client as a partner. The client is not just a buyer whose decision puts breakfast on your table, and you are by no means the almighty expert without whom the client cannot even open the mail. The two, three or even seven of you are a team; each relies on the other to provide talent and resources to meet mutually agreed-upon goals. I do nothing for you, and you do nothing for me; we do things jointly for a common purpose. We don't seek blame we seek cause. We don't relish activities; we rejoice in outcomes.

After a highly successful year with a client, during which his business beat their annual goals for the first time in five years, I met with the doctor to review their goals and all the numbers. The doctor said with excitement in his voice “You must be excited about the results we had this year! You were an essential part of the process.” I can think of no greater accolade.

This is the net result of client relationships.

I have gone to great lengths to explain that at the core of your business success is the relationships you form with clients. The yardstick of the success of those relationships will be the growth you enjoy, and I have stipulated that such growth must go beyond short-term economics and embrace your learning, reputation, expertise, and experience. The sum total of this broadening is multi-dimensional growth.

Such comprehensive, across-the-board growth establishes a clear, targeted position in dental consulting for your business.

Many consultants measure their growth in terms of numbers of new clients—a single quantitative measure that can ignore the qualitative considerations that all new clients require the exact same treatment, providing growth in expertise or diverse experience. Financial growth must accompany the other growth factors; it is not independent of them.

Obviously, financial growth is essential for our businesses and our lives. My intent is not to downplay it but far from it.

I want to dramatize the fact that real wealth in this business is a function of longer-term thinking and avoidance of complacency in shorter-term revenues. Here is a very simple equation to try and prove this point.

Establishing high-level, high-quality relationships takes more time than does a quick sale to a lower-level buyer based on such single factors as fee, deliverables, timing and so on. The fact, it often means passing up some short-term business. However, the patience this requires is always worth it in the long run because of the fee dynamic.

The higher the commitment of your potential client, the less resistance there is to the fees. The time it takes to develop solid, high-level relationships will always be rewarded by higher fees. Of course you will still have to ask for them. I will cover the tactics for asking for higher fees later.

When low buyer commitment is faced with a high fee there is no sale. Period. However, when buyer commitment is low, a low fee isn't the answer to create the sale you need because the result is indifference. On the other hand, the buyer feels that the outcome isn't very important because not too much has been invested; on the other, you don't feel that the outcome is very important because you aren't earning the type of fee you think you deserve.

When your buyer commitment is high and the fee is low, you have placed yourself in a self-defeating position. No matter how pleased the buyer is or will be, you are working "cheap" and perhaps losing money.

Your alternative is forced: you feel you must use this sale as a springboard to a larger, more lucrative one. This can be dangerous because once you have placed yourself in this position of using a current project to justify another you are likely to skew the results to justify further work; begin thinking of the next project at the expense of the current one; work uphill, since the client now has a mindset concerning your fee structure, and they view the client relationship as one-dimensional, based on finances.

I advocate never take a client for a reduced fee just to get in the door. That door can lead you straight into a relationship you will soon need a window to escape from. The whole point of establishing relationships is the result in higher buyer commitment and then being able to establish a higher fee structure.

The only desirable win/win dynamic is the high commitment and high fees from the client. This sounds mercenary when stated boldly, but it is the logical outcome of forging relationships that I have been expounding. It's amazing how frequently consultants ignore these very simple dynamics through ignorance of the process, undue focus on short-term goals, and lack of appreciation for the relationship aspects of our business field and or the success trap.

This video training is about the need to escape traditional thought patterns and eschew traditional wisdom---how to break the paradigms as a consultant.

If you can embrace the notion of relationship building as the core value of your consulting success, you have gone a long way toward getting ahead of the pack. It's time to turn the corner!

This is Debbie signing off. I hope all of you have a great week and I will see you on next week's video!

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