FULLY REVISED 6TH EDITION
OF THE CLASSIC BESTSELLER

MILLION DOLLAR CONSULTING

THE PROFESSIONAL'S GUIDE TO GROWING A PRACTICE

ALAN WEISS

Other Works by Alan Weiss

Alan Weiss on Consulting (interviewed by Linda Henman, Aviv Shahar)
Best Laid Plans (originally *Making It Work*)
Getting Started in Consulting (also in Chinese)
Fearless Leadership
Good Enough Isn't Enough (also in Spanish)
Great Consulting Challenges
How to Acquire Clients
How to Establish a Unique Brand in the Consulting Profession
How to Market, Brand, and Sell Professional Services
How to Sell New Business and Expand Existing Business
How to Write a Proposal That's Accepted Every Time
Life Balance
Lifestorming (with Marshall Goldsmith) (also in Korean, Indonesian, Turkish)
Managing for Peak Performance (also in German)
Masterful Marketing (with Lisa Larter)
Million Dollar Coaching (also in Portuguese)
Million Dollar Consulting (also in Portuguese, Russian, Polish, Chinese, Korean, Arabic)
Million Dollar Consulting Proposals
Million Dollar Consulting® Toolkit
Million Dollar Launch
Million Dollar Maverick
Million Dollar Referrals
Million Dollar Speaking (also in Chinese, Portuguese)
Million Dollar Web Presence
Money Talks (also in Chinese)
Organizational Consulting
Our Emperors Have No Clothes
Process Consulting
The Business Wealth Builders (with Phil Symchych)
The Consulting Bible (also in Portuguese)
The DNA of Leadership (with Myron Beard)

The Global Consultant
The Great Big Book of Process Visuals
The Innovation Formula (with Mike Robert) (also in German, Italian)
The Language of Success (with Kim Wilkerson)
The Resilience Advantage (with Richard Citrin)
The Modern Trusted Advisor (with Nancy MacKay)
The Son of the Great Big Book of Process Visuals
The Talent Advantage (with Nancy MacKay)
The Ultimate Consultant
The Unofficial Guide to Power Management
The Power of Strategic Commitment (with Josh Leibner and Gershon Mader)
Threescore and More
Thrive!
Value-Based Fees
Who's Got Your Back?
Your Legacy Is Now

MILLION DOLLAR CONSULTING

SIXTH EDITION

THE PROFESSIONAL'S GUIDE TO GROWING A PRACTICE

ALAN WEISS

Mc Graw Hill

NEW YORK CHICAGO SAN FRANCISCO ATHENS LONDON
MADRID MEXICO CITY MILAN NEW DELHI
SINGAPORE SYDNEY TORONTO

Copyright © 2022, 2016, 2009, 2003, 1997, 1992 by Alan Weiss. All rights reserved. Except as permitted under the United States Copyright Act of 1976, no part of this publication may be reproduced or distributed in any form or by any means, or stored in a database or retrieval system, without the prior written permission of the publisher.

ISBN: 978-1-26-426492-6
MHID: 1-26-426492-5

The material in this eBook also appears in the print version of this title: ISBN: 978-1-26-426491-9, MHID: 1-26-426491-7.

eBook conversion by codeMantra
Version 1.0

All trademarks are trademarks of their respective owners. Rather than put a trademark symbol after every occurrence of a trademarked name, we use names in an editorial fashion only, and to the benefit of the trademark owner, with no intention of infringement of the trademark. Where such designations appear in this book, they have been printed with initial caps.

McGraw-Hill Education eBooks are available at special quantity discounts to use as premiums and sales promotions or for use in corporate training programs. To contact a representative, please visit the Contact Us page at www.mhprofessional.com.

This publication is designed to provide accurate and authoritative information in regard to the subject matter covered. It is sold with the understanding that neither the author nor the publisher is engaged in rendering legal, accounting, securities trading, or other professional services. If legal advice or other expert assistance is required, the services of a competent professional person should be sought.

—From a Declaration of Principles Jointly Adopted by a Committee of the American Bar Association and a Committee of Publishers and Associations

TERMS OF USE

This is a copyrighted work and McGraw-Hill Education and its licensors reserve all rights in and to the work. Use of this work is subject to these terms. Except as permitted under the Copyright Act of 1976 and the right to store and retrieve one

copy of the work, you may not decompile, disassemble, reverse engineer, reproduce, modify, create derivative works based upon, transmit, distribute, disseminate, sell, publish or sublicense the work or any part of it without McGraw-Hill Education's prior consent. You may use the work for your own noncommercial and personal use; any other use of the work is strictly prohibited. Your right to use the work may be terminated if you fail to comply with these terms.

THE WORK IS PROVIDED "AS IS." McGRAW-HILL EDUCATION AND ITS LICENSORS MAKE NO GUARANTEES OR WARRANTIES AS TO THE ACCURACY, ADEQUACY OR COMPLETENESS OF OR RESULTS TO BE OBTAINED FROM USING THE WORK, INCLUDING ANY INFORMATION THAT CAN BE ACCESSED THROUGH THE WORK VIA HYPERLINK OR OTHERWISE, AND EXPRESSLY DISCLAIM ANY WARRANTY, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. McGraw-Hill Education and its licensors do not warrant or guarantee that the functions contained in the work will meet your requirements or that its operation will be uninterrupted or error free. Neither McGraw-Hill Education nor its licensors shall be liable to you or anyone else for any inaccuracy, error or omission, regardless of cause, in the work or for any damages resulting therefrom. McGraw-Hill Education has no responsibility for the content of any information accessed through the work. Under no circumstances shall McGraw-Hill Education and/or its licensors be liable for any indirect, incidental, special, punitive, consequential or similar damages that result from the use of or inability to use the work, even if any of them has been advised of the possibility of such damages. This limitation of liability shall apply to any claim or cause whatsoever whether such claim or cause arises in contract, tort or otherwise.

For all of you who, since 1992,
have read my books, attended
my events, participated in my
experiences, and been coached
or mentored in my communities.
I always learn more than
anyone else. Thank you.

Contents

PART 1

PHILOSOPHY

CHAPTER 1

The Twenty-First Century Expert

Consulting is now about expertise and the varying ways to provide it to clients. And that expertise has to be around *processes* and not content.

- Expertise Is a State of Being
- Providing Direction Depends on the Destination
- The Process/Content Chasm
- The Thought Leader Continuum

CHAPTER 2

Build It and Tell Them You've Built It, and THEN They Will Come

This is the marketing business, and expertise without clients makes the tree falling with no one to hear it louder by comparison.

- Selling Is Dead
- What Brands Are Really About
- When They Do Come, What Then?
- Unified Field Theory of Marketing

CHAPTER 3

The Power of the Assertive Expert

Humility is misunderstood. No one yells for a “humble heart surgeon.” Good enough isn’t enough.

- Providing Free Value Continually
- Why Being Plagiarized Pays
- Copyright
- Making Predictions
- Peter Drucker Wasn’t Amiable

INTERLUDE I

The Yin and Yang of Clients and Prospects

PART 2

VALUE

CHAPTER 4

Maximizing Fees

Equitable compensation means just that. You should be paid based on your value, not your time, not your presence. The value mindset trumps the money mindset.

- Why Base Fees on Value
- Fee Formulas
- Collaborative, Referral, and Subcontractor Formulas
- Seventy Ways to Increase Fees

CHAPTER 5

How to Write a Proposal That's Accepted Every Time

A proposal is neither a negotiation nor an exploration. It is a summation of conceptual agreement. The sale is made prior to the proposal.

- The Role of Conceptual Agreement
- The Nine Components of a Proposal
- Total Days to Cash (TDTC)

INTERLUDE II

The Concept of Value

PART 3

EXECUTION

CHAPTER 6

The Attack of the Esteem Monsters

Success is undermined by low esteem, which is caused by fear. And the fear is entirely removable if we have the courage of our talent.

- No One Is Shooting at You
- Esteem and Efficacy
- The Power of Questions over Answers
- Maybe There Was Something Under the Bed

CHAPTER 7

The Reality of Technology

You don't need a drill. You need a hole. No one gets wealthy by having four

backups.

- The Utter Fallacy of Social Media
- The Retail Market
- How to Hire IT Help Without Becoming Helpless
- Standing in the Public Square

CHAPTER 8

The Trusted Advisor

How to provide maximum value with minimum labor and build the life of your dreams.

- Coaching Isn't Consulting, and Advising Isn't Coaching
- The Art of the Retainer
- How to Position the Advisor Role: An Example Letter of Agreement
- The Concierge Consultant

INTERLUDE III

What's Your Worth?

PART 4

MEANING

CHAPTER 9

The Ethics of the Expert

What you shouldn't do even if you can, and what you should do even if you think you can't. The law is not about morality.

- Time-Based Fees Are *All* Unethical
- When to Hold 'em and When to Fold 'em

• Just Because It’s Legal Doesn’t Mean It’s Right
• The Power of Pro Bono

CHAPTER 10

Options for Growth

Building a company, forming alliances, strategies for increasing impact, if you want them.

• *Boutique* Is Such a Strange Word
• Feeding Chicks
• Valuation: Can You Sell What You’ve Created?
• The Power of Solo

CHAPTER 11

Leverage: More Output for Less Input

You can build a solo practice with arm’s-length relationships if you’re careful about your arm.

• *Leverage:* Using Something to Maximum Advantage
• Alliances
• Subcontracting
• Outsourcing

CHAPTER 12

Crisis Consulting

Pandemics, natural disasters, local wars, economic roller coasters: your talent and value are needed. Walt Disney started operations during the Great Depression.

• Thriving in Ambiguity
• Offering Help

- Remote Marketing
- Remote Delivery

CHAPTER 13

Legacy

Your legacy is daily, and it's the creation of meaning, not a search for meaning. Are you writing a new page, or is it blank, or the same one over and over? Or is someone else writing it?

- Who's Pushing Your Buttons?
- Creating Evergreen Intellectual Property
- Who Do You Want to Be?

EPILOGUE

The Best Practices for Creating and Sustaining Your Endeavor

Cathedrals last for hundreds of years.

- Logistical, Financial, Legal, Unusual
- Advisory Board
- Destinies and Eventualities
- Threats and Responses

APPENDIX A

Tips from the Million Dollar Consulting Community

APPENDIX B

101 Questions for Any Sales Situation You'll Ever Face

Index

PART I

PHILOSOPHY

You can't create a business or success or a life without a belief system, values, and understanding and communicating how you can improve others' lives.

CHAPTER 1

The Twenty-First Century Expert

EXPERTISE IS A STATE OF BEING

The future of consulting is bright and full of opportunity. The future of consultants: not so much.

The profession of consulting is generally thought to have begun with Frederick Winslow Taylor and "Taylorism" embodied in *The Principles of Scientific Management* in 1911. Taylor was a "time and motion" expert who theorized that one could break a job, whether a furnace stoker or bicycle builder, into components and make the components far more efficient.

In other words, there was an effort to pick up coal in a shovel, move the shovel to the furnace, and throw the coal onto the flames. If the shovel were of the proper size, the shoveler stood correctly, and the coal were positioned appropriately, the work could be done faster, saving time and money.*

This theory was the rage for a while, until it was discovered that Taylor was "fudging the figures," probably creating the first in a long history of consulting errors. He never accommodated fatigue, assuming the shoveler to be an automaton, not slowing down a whit between 7 a.m. and 7 p.m. Hence, his figures were wildly optimistic. Hell, they were just wrong.

These time and motion studies gave way to a long line of consulting methodologies, some quite helpful, some just silly, over the ensuing century.* As I write this, people still talk about the late Tony Hsieh's "holacracy," which he instituted at Zappos and that is a focus on "people and not work." It basically does away with traditional supervision and management. When fully introduced, Zappos suffered huge employee attrition, and no one else now claims to be using the technique—basically because it's an idiosyncrasy and not a management philosophy. (We saw this years ago when Harvey Mackay, the founder of an

envelope company, went on to make a fortune on the speakers' circuit and with books such as *Swim with the Sharks Without Being Eaten Alive*.[†])

Essentially, Tony Hsieh knew a lot about selling shoes. Management? Not so much.

We find that people often mistake correlation for causation. Perhaps your product or service is outstanding, not your management style. When I worked for the multimillionaire W. Clement Stone, as president of a consulting firm he owned, I told him that he wasn't a fabulously wealthy man because he had what he called a "positive mental attitude" but that he had a positive mental attitude because he was fabulously wealthy (from his insurance business). His etiology was reversed.

That fact was at odds with his errant belief system. He fired me. And here I am, today, 35 years later. Thank God.

"Expertise" represents supreme knowledge in a given field. If that field is narrow—say, implanting heart stents—then you would be an ideal expert witness at a trial or you would be an expert consultant for stent manufacturers. I call this *content expertise*. You can't help me if I'm not involved with heart stents in one way or another.

If your expertise, however, is *process oriented*, then things change considerably. For example, if your expertise is in decision-making and its components to ensure success, then you can consult with anyone making decisions—including heart stent manufacturers.

CASE STUDY: Mercedes North America

I was asked to meet with the vice president of Mercedes North America to discuss the possibility of my help with improving service in the dealerships, which was receiving horrible survey results. He was a gruff, native German, who embodied a tough Teutonic approach.

"Why should we use you?" he demanded. "You have no background in the auto business, no experience with manufacturing our product!"

"I had to step over auto experts to get to your office," I pointed out. "They seem to be coming out of the woodwork, but they don't seem to be the answer to your lousy service performance, do they? Well, I'm an expert in the process of customer service excellence."

We became quite collegial, I worked for Mercedes for almost two

years, and its service improved dramatically.

Alanism: The phrase "specialize or die" is among the worst advice in the world. You need to "generalize and thrive."

Consulting is now about expertise and the varying ways to provide it to clients. And that expertise has to be around *processes*, not content.

PROVIDING DIRECTION DEPENDS ON THE DESTINATION

There is an old saying attributed to Seneca that advises:

> If one does not know to what port one is sailing, no wind is favorable.

Life is often a journey without a particular destination. No one ever told me or predicted I would be where I am today, and I'm not all that sure where I'll be tomorrow. But businesses and careers do have destinations, as do "callings."

There is the old aphorism that one mason was asked what he was engaged in and he replied, "Laying bricks." But the next mason said, "I'm building a cathedral." Supposedly, the latter had a destination in mind and would be more productive and motivated. However, I posit a third mason who, when asked the same question, said, "I'm bringing people closer to God."

The first person has a job, the second a career, and the third a calling.

Destinations can be short term or long term, safe or hazardous, at the end of well-traversed paths or situated in unknown territory. And we are no longer reliant on wind and tides, but Seneca is still correct:

Don't accept an arbitrary destination from your client, or your own biases, or the flavor of the month.

Alanism: "Good to great" isn't useful advice if you don't know whether you're good or great now or what "great" looks like.

Decisions come in chains, and you seldom enter at the top or bottom, left or right. Consider the simple decision: to buy a new car (Figure 1.1). That

statement contains four prior decisions:

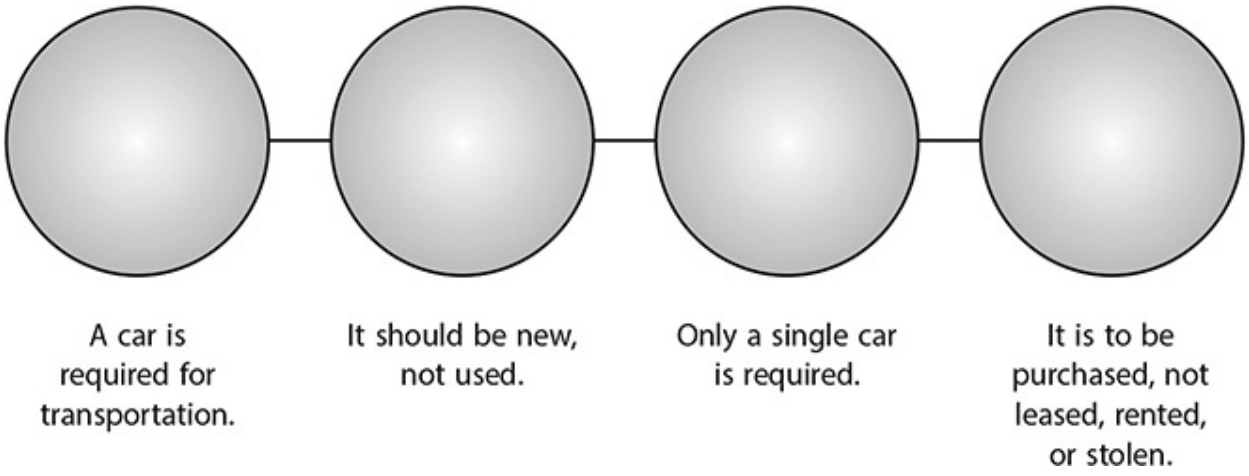


FIGURE 1.1 DECISION CHAINS

When you ask *how* something is to be done, you move toward the right. But when you ask *why*, you go toward the left.

- A car is required for transportation.
- It should be new, not used.
- Only a single car is required.
- It is to be purchased, not leased, rented, or stolen.

When you ask *how* something is to be done, you move toward the right: "How will we get transportation?" "How will we acquire a car?" But when you ask *why*, you go toward the left: "Why do we want a car?" "Why do we need transportation?"

If the answer to the last question is, "We need transportation because we have to visit clients," and we change that statement to, "What's the best way to interact with clients?" we may find that remote technology is superior to any transportation.

Hence, consulting is about moving *upstream*, to the left in my sequence or toward the top if it were vertical, so that we can find what the real needs and expectations are. *This process is moving toward the real objective, the strategic need, not the tactical implementation.* When a prospective buyer asks for "a two-day leadership retreat" or "a month of coaching for a vice president," we should immediately ask why—*and not jump to a how, an intervention, and a consulting fee.* The answer to the why is very probably a much larger and appropriate intervention.

“We want a leadership retreat because our current strategy isn’t being implemented quickly enough.” Well, maybe what you need is a new strategy. You’re looking for favorable winds, but the destination no longer makes sense.

I call this difference between what buyers claim they want and what you determine they really need the *value distance*, as seen in Figure 1.2. The greater that distance, the more your value. Most of us never knew we needed an automatic garage door opener, or a phone in our pockets, or a TV remote control, until someone demonstrated the utility of those gadgets.

Alanism: A luxury is only a luxury until the second use. After that, it’s a necessity.

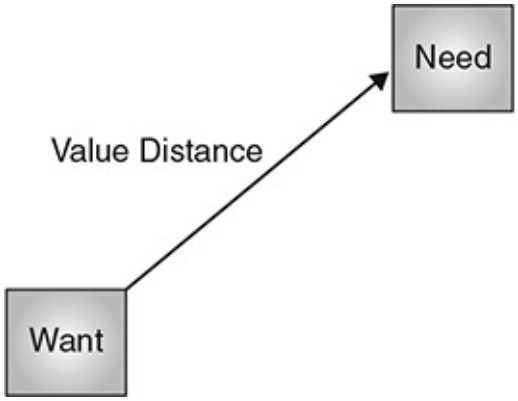


FIGURE 1.2 THE VALUE DISTANCE

The destination should be guided by the consultant. Clients may be vociferous about what they want, but that doesn’t mean they know what they need. It turned out that practically no one needed a Segway, despite the hype and perceptions of individual mobility. But they do need motorized, easily accessed scooters in large cities.

I wanted an office when I went out on my own. Turned out, I didn’t need one then and haven’t needed one since. Over 30 years I’ve probably saved over $600,000 on rent or mortgage payments, utilities, insurance, repairs, cleaning, and upkeep. That more than paid for both my kids to go to private schools for 13 years each.

Wants are often based on the prevailing winds. Needs, however, are based on intelligent destinations.

THE PROCESS/CONTENT CHASM

Content refers to the subject matter at issue. The content of an insurance company is insurance. The content of an auto manufacturer includes designing, selling, and servicing cars. The content of Netflix is streaming entertainment services.

Content can change. "IBM" originally stood for "International Business Machines," and its content included punch cards. Today, IBM makes most of its profit from consulting services. Disney's content was originally entertainment in theaters. That entertainment evolved into theme parks and television.

Process refers to the way in which things are done and goals are accomplished. Hence, *content* is about what, and *process* is about how. Disney's content hasn't changed very much, but the processes with which it's delivered have changed radically.

CASE STUDY: Working on the Railroad

It's hard not to notice how many "Penn Stations" there are in the railroad world. The name was derived from the old Pennsylvania Railroad that built so many of these stations.

In more modern times, the Penn Central Railroad was in the financial problems that most railroads were experiencing from air travel competition. When these firms built the rail systems, the government provided them with the "right of way" for miles on either side of the tracks, more in the country and less in the cities.

It dawned on Penn Central executives that the land was worth more than the railroad, and they sold the latter to manage the former. If you think that's farfetched, one could easily make a case that McDonald's is really in the real estate business today.*

Penn Central's content had changed. Disney's process had changed. If you consider older firms such as Playboy Enterprises or Sears, Roebuck and Co., or Kodak, both their content and processes required changing. (Right up until electronics took over the photo market once dominated globally by Kodak, that company was still hiring chemists for their film immersion, not technologists for digital photography.)

I call this difference of process and content a *chasm* because content is very localized and specific. It fits in with the shibboleths such as “specialize or die.” But processes are consistent, and they cross industrial, cultural, and content boundaries. For example, these processes (as well as scores of others) occur in every enterprise despite the content:

- Decision-making
- Planning
- Strategy formulation
- Conflict resolution
- Problem solving
- Innovation
- Negotiating
- Succession planning

You get the idea. The more you are a process expert, the more you can generalize.

Alanism: New Hampshire has a phrase on its license plates that states, “Live free or die!” I feel there are less radical solutions in consulting.

The more you focus on processes, the larger your net and the more fish you will catch. You can throw back the ones you don’t want or that are illegal to keep. But you have your choice of the rest.

Why doesn’t it make sense to specialize? Among other reasons are these:

- Others, with more resources (larger firms), may specialize in your area and simply have far more visibility and promotional might.
- If the sector changes due to new technology or foreign competition, the rug could be pulled out from under you and you would have nowhere to turn. Picture being a consultant in manual gearshifts for cars these days, or in the work of farriers, or in building huge aircraft like the 747 or A380.
- You will have limited growth, not only in revenues but in excitement and interest and personal achievement. Is there anyone so boring as someone who just wants to talk about their specialty all day?

The “chasm” is a metaphor. Jump it, leap over it, throw a bridge across it. My advice throughout all of my work is that your value is almost always far more needed and applicable than you probably believe.

Don’t deny it to all those who need it!

THE THOUGHT LEADER CONTINUUM

We hear a lot these days about “thought leaders,” as though there are people in the forefront of our travels dispensing thoughts like breadcrumbs so we don’t lose our way. Like all memes, it loses its impact when used so much.

However, let’s try to put it into context, especially insofar as this profession is concerned. I believe this is the sequence:

> *Consultant:* Someone who is highly knowledgeable in a given field of content (pharmaceutical manufacturing) or business process (decision-making).
>
> *Expert:* Someone who is viewed as being among the leaders in such fields, often evidenced by publications, speeches, and citations.
>
> *THE expert:* That person who is viewed as preeminent even among experts, as evidenced by multiple books, high-fee speaking assignments, and citations.*
>
> *The thought leader:* The expert who dominates the field, who originates new approaches and introduces new intellectual property on a regular basis, who is frequently interviewed and sought after for speaking, endorsement of others’ approaches, and so forth.
>
> *The icon:* The thought leader who has reached near-legendary status, who is known globally, who can attract people to come to him or her for very large fees, and who “wrote the book.” What they create, say, and/or do becomes iconic (virtually worth veneration). Peter Drucker, Steve Jobs, and Mother Teresa are iconic figures, as are Billie Jean King, Frank Sinatra, and Warren Buffett.

Thus, there is a “continuum” of progress in esteem and fame. However, the higher your rise, the more you are a target because many people seek a shortcut to fame by taking shots at those who are well above them on the continuum of contribution and impact.

Here is what you can expect from a twenty-first-century expert among the

roles described above:

Predictions: Experts make predictions not with the expectation of being 100 percent accurate but rather with the intent of provoking people to think differently.

Publishing: A profusion of books—today's thought leaders are publishing almost annually. I once told people to publish every 18 months to two years, and now I tell them to publish yearly.

Alanism: The higher you go, the more of a target you become. But what they're "shooting" can't hurt you.

CASE STUDY: The Path to Thought Leader

Marshall Goldsmith is a buddy and colleague of mine. We wrote *Lifestorming* together a few years ago (Wiley, 2019). He appeared at my very first Thought Leadership Conference and at one of my Million Dollar Consulting® Conventions.

For my money, Marshall is the preeminent executive coach, globally. He fills all the criteria of the icon.

One of my participants asked him, "How do we become thought leaders? How did you become a thought leader?"

Marshall said, "I hung out with them. I literally carried Peter Drucker's briefcase for a couple of years, and he introduced me to people who were invaluable contacts and future clients."*

Marshall is my "connection," if you will, to Drucker, although I did hear Drucker speak in the early 1970s in Las Vegas of all places. In my Thought Leadership Conferences, my participants have been able to hang out with, among others, Dan Pink, Bob Cialdini, Dan Gilbert, James Carville, Chip Heath, Jonah Berger, Marty Seligman, and … me.

You don't become a thought leader in a vacuum. And while you can't become one from osmosis either, you can emulate what you see and adjust your behaviors and habits accordingly by, for example, writing books, speaking,

hosting events, and doing interviews.

If the goal is to become a twentieth-century expert, let’s move on to how you pragmatically make the most progress to get there.

* Don’t laugh. UPS specifies details today such as how the driver should leave and enter the truck, carry packages, and so forth.

* For an excellent treatment of the genesis of consulting, see Andrea Gabor, *The Capitalist Philosophers*, Crown Business, 2000.

† Harper Business, 2005.

* The company didn’t do all that much better in the real estate business over the long term! Poor management is poor management.

* Don’t laugh. One of my most successful coaching clients told me that when she stopped referring to herself as “an expert” and began using “THE expert,” her access to buyers multiplied, as did her number of projects and fee level increases.

* For those of you living under a rock, Peter Drucker “invented” strategy with Alfred Sloan, then CEO of GM. His books from the 1960s are still highly relevant and applicable. He lived well into his nineties.

CHAPTER 2

Build It and Tell Them You've Built It, and THEN They Will Come

This is the marketing business, and expertise without clients makes the tree falling with no one to hear it louder by comparison.

SELLING IS DEAD

The first viral marketer was St. Paul. After his epiphany on the road to Damascus, he visited Antioch, Rome, Corinth, Thessalonica, and on and on, preaching the gospel and telling everyone to spread the word to others.

If you think that wasn't effective, consider this demographic fact. At the time of Christ's death, there were 12 Christians—the Apostles. About 300 years later there were 16 million, in a world of perhaps 90 million, which staggers the statisticians.

What does this have to do with our profession? As opposed to the very first edition of this book published about 30 years ago, "selling" has changed more dramatically than almost any other professional endeavor. Once upon time, producers of products and services would dole information out to the public as needed, always trying to make a sale without revealing more than required. Or they tried to convince us of the "good deal"—that car salesperson who told you that the sales manager's approval was needed because the price was "lower than allowed." After a few minutes, without seeing anyone, the salesperson returned with the good deal approved.

Today, all of us are highly educated. We can find out the car dealership's invoice price from the manufacturer, walk in and offer $500 of profit over the

actual cost, and ride out in a new car. We can compare and contrast prices sitting at home, whether for insurance, refrigerators, accounting help, or massages. Word-of-mouth publicity has trumped advertising and sales pitches.*

Alanism: We trust our peers, and they trust us. Those are the radar screens on which we need to be seen.

The internet is the least of it, however, for our profession. The predominant sales promotion for us is peer referral. Think about it. Others ask you for a good orthopedic surgeon, or ice cream store, or insurance broker, or movie, and you happily give advice. Others reciprocate for you. We trust our peers, and I estimate that, *at the executive level, over 90 percent of professional services decisions are based on peer influence*. One of my colleagues, Jonah Berger at the Wharton School, has researched this phenomenon and demonstrates that *only about 4 percent of that influence is web based*. That is, almost all of that influence occurs through individual conversations either directly or remotely, not through interactions on social media.†

CASE STUDY: The Architects

I received a call one day from the American Institute of Architects, which, at the time, had about 50,000 members, or roughly half of all architects in America. The profession was in tough shape; during a period of economic growth over a decade, architects were alone in seeing a net decline in income.

The board president asked if I could help them with improving governance and value to members. I said I could, and I asked what brought him to me.

"I was talking to my counterpart at the American Life Insurance Council," he said, "and he recommended you."

That's called "zero cost of acquisition."

Traditional selling is dead as a dodo, which means, for us, the following:

• Abandon all thoughts of an "elevator pitch." In fact, stop using the word

pitch altogether.

- Focus on these marketing fundamentals:
  - Publish in sources that your buyers read.
  - Speak at events they attend.
  - Network in places they hang out (for example, charity fundraisers, arts groups, community events).
- Understand that your website isn't a sales tool but rather a credibility statement, and it is often completely unnecessary. The most successful person I've ever coached in the manufacturing sector makes about $10 million annually with no website at all.
- Never spend any more than a minimum of time with "gatekeepers"—people who can say no but can't say yes.
- Strong marketing will generate solicited referrals. Strong results in your projects will generate unsolicited referrals.
- Your entire marketing plan is about what your value proposition is (how you improve the client's condition), who your ideal buyers are (who is best suited to your value and can pay for it), and how to reach them and allow them to reach you.

This last issue is very important. Because if sales are dead, then the real question becomes how to enable the buyer to buy.

WHAT BRANDS ARE REALLY ABOUT

The classic definition of a brand is "a uniform representation of quality." Quality is in the eye of the beholder. No matter where you go in the world, McDonald's is the same. You may not get beef in India, of course, but the experience is consistent. *No one goes into McDonald's to browse*. The buying decision is made on the basis of the brand before entering the establishment.

However, an informal definition of a brand is "how people think about you when you're not around." Since this is a relationship business we're in, but we can't always be "around" (and in a remote world, don't choose to be), then how people think about us is vital.

***Alanism:* The ultimate brand is your name.**

It's nice to have your name "in the hat" when someone says, "Get me a strategy expert." But it is lightyears better when they say, "Get me Alan Weiss" (at least, it is for me!). There is an emotional connection to strong brands, which is why people buy Bentleys for more than merely transportation or Breitlings for more than merely time keeping. (I love it when my kids say, "Why wear a watch when you can see the time on your phone?")

Brands, which draw people to you, are consciously created.

In Figure 2.1 you can see that, first, brand *creation* is based on your positioning. Do you choose to create how people think of you when you're not around as a change management expert, as a strategist, as a trusted advisor? What is the impact for your value proposition in that regard, and will you reach your ideal buyers?

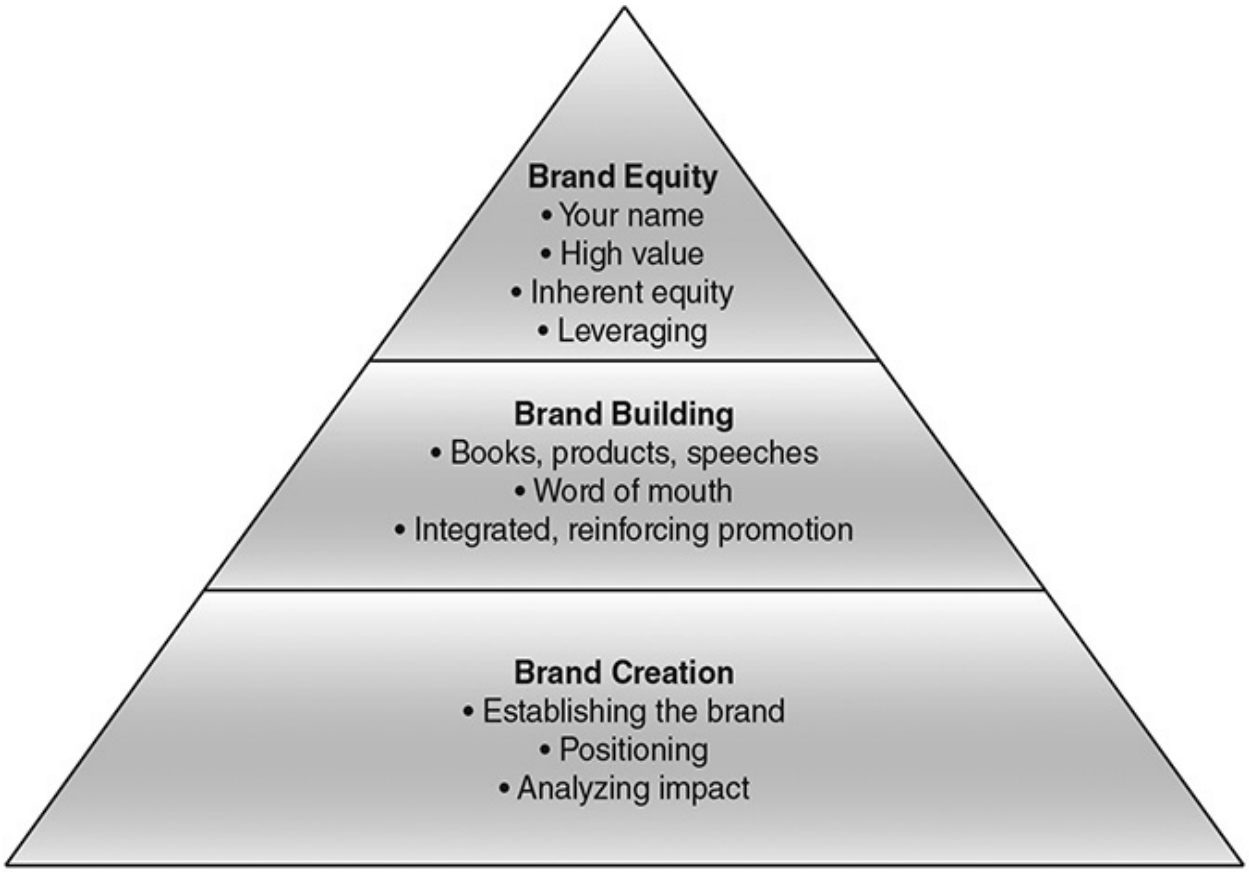


FIGURE 2.1 THE BRAND PYRAMID

Second, in brand *building*, you create an image in the "public square" of

your expertise: writing, speaking, hosting events, networking, and so forth. This creates the peer-level referral potential we've talked about. This places you on the "radar screens."

Third, you cash in on brand *equity*. This is where your name is important, and people want to brag that they've hired you or worked with you. It's the age-old but true story that an executive needing strategy help says to the assistant, "Get me McKinsey!" knowing that no board of directors is going to veto such a respected name.

While the ultimate brand is your name, you can have brands prior to that or even while that's the case.

CASE STUDY: The Contrarian

When I was fired and thrust out on my own with about 250,000 independent consultants around me in the United States, I asked myself how I could stand out. I decided to write and speak, since those are my strengths and you build on your strengths. But write and speak on what?

I decided to take on the bandwagon that was the quality movement: quality circles, lean, black belts in quality, fishbone charts—the entire cult. I submitted an article to a Boston magazine with the title "Quality Circles Are Dead."

Picture the old Frankenstein movies where the villagers march up the hill with pitchforks and torches to kill the mad scientist and his monster. The quality movement adherents besieged the magazine. I was so stunned, I called the editor to apologize.

"Kid," he said, "I want you to write an article like this for us every month, and I'll pay you $50 for each one."

"But they hated it," I pointed out.

"*They read it!*" he pointed out back.

I wrote for 72 months, opposing every flavor of the month and program *du jour* extant. I became known as "The Contrarian." And that name has stuck to this very day.

Brands can be trademarked and protected (just try calling your company "McDonald's" even if your name is McDonald—a moat with some alligators in

it wouldn't be enough to keep the lawyers off your property). They become part of the equity of your business.

Think of the book you're reading. "Million Dollar Consulting" may be the second most powerful brand in solo consulting after my name itself. Thus we have the Million Dollar Consulting® College, the Million Dollar Consulting® Convention, the Million Dollar Consulting® Mentor Hall of Fame, and so forth.

Alanism: Build it and they will come, but only if you tell them you've built it!

WHEN THEY DO COME, WHAT THEN?

The great movie *Field of Dreams* had the romantic proposition that if you built something (in this case, an old-time ballpark), people would come to see the game (in the movie, emerging from cornfields!). That's why movies constitute "escapism" entertainment.

In all pragmatic reality, they omitted a phrase:

Build it, ***and then tell them you've built it****, and they will come.*

There are a great many consultants who are superb at what they do, but they cannot market or create a brand. They struggle and barely survive. And there is a large number of consultants who are only average at what they do, but they are brilliant marketers. They tend to do pretty well.

Then there are the consultants who are great at what they do and are also highly proficient marketers. They thrive.

Alanism: Make no mistake, this is the marketing business, first and foremost.

If your *marketing gravity* has attracted your ideal buyers, then what next? The next step is *conversion*. This is the act of transforming a prospect into a client. This isn't alchemy; there is no Philosopher's Stone that turns base metals into gold and silver. This is a process that you can accelerate in the following ways:

- Ensuring that you're dealing with an economic buyer
- Engaging in a conversation—never a "presentation"—between two peers

who are evaluating a business partnership

- Providing value and professionalism throughout
- Seeking conceptual agreement on objectives, metrics of success, and the impact of success (value) to establish an ROI
- Providing an “ease of entry” so that it’s easy to engage you and to access your value, leading to more and better business relationships

I’ve demonstrated this last point in the *accelerant curve* you see in Figure 2.2. As you move from left to right, you increase fees and (perhaps, counterintuitively) decrease labor intensity. The vertical access represents decreasing barrier to entry.

Thus, as you move from left to right, your offerings—the vertical *slices*—become more expensive because they are of increasingly higher value, evolving from competitive, to distinct, to breakthrough. The curve culminates in your *vault*, which consists of the offerings that are unique to you.

Moving down the curve is a function of trust and the power of your brand, but there are also *bounce factors* that can accelerate the movement. Finally, *parachute business* results from being such a strong brand that prospects actually seek out your vault items from the outset.

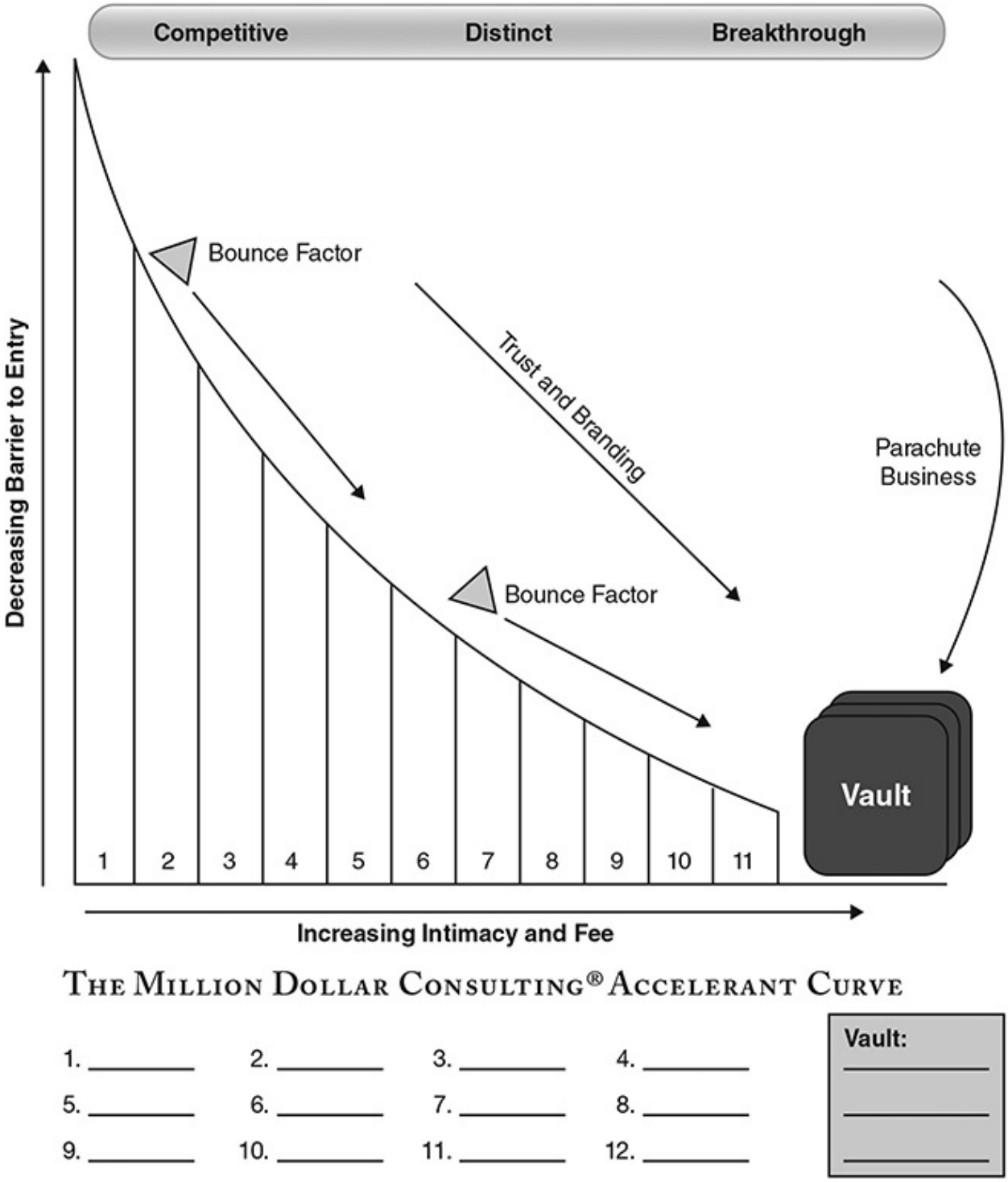


FIGURE 2.2 THE ACCELERANT CURVE

CASE STUDY: Book to Participant

My "bounce factors" include my books. It's not unusual for someone to buy this book you're reading, which might cost $16 or so, and next enter my Million Dollar Consulting® College, where the fee is $16,000.

There is no need for the intermediary steps. And when they tell others of their experience, some of the others will approach me to immediately enter the college—parachute business.

You see the 12 spaces to be filled in. They are there to help you start on the elements of your accelerant curve. Assume you've told them about the ballpark and they've come, and the question now is, where they should be seated, in the bleachers or in the private boxes?

Advisory work is an example of a vault item. Even though others engage in it, *your advisory work* will always be unique, based on your talents.

The accelerant curve is an important part of my *unified field theory* for consultants and their marketing.

UNIFIED FIELD THEORY OF MARKETING

Einstein was a pretty cool guy. He discovered relativity, and most people have probably seen somewhere in their education $E = MC^2$, the most famous equation in the world.* He showed that gravity bends light.

He attempted to form a unified field theory, meaning a demonstration of how all the laws of the universe interacted. He failed at that. (Einstein was once asked why he kept investigating, since he had found the universal laws. "Right," he replied, "but who created the laws?")

Subsequently, the brilliant Stephen Hawking pursued the same goal, and he failed. I'm one of the few people who read his book, *A Brief History of Time*,† which I admit I could barely comprehend. But I did read it!

Well, I have a unified field theory for marketing in consulting based on what you've been reading thus far and what will follow. It's not up there with the likes of the work by Einstein and Hawking, but it's probably top shelf in our profession.

The Unified Field Theory

1. *Your value proposition:* This is the manner in which you improve the client's condition.
2. *Your ideal client:* This is the buyer who has significant need for your value and who has the ability to pay for it, whether a corporate executive (wholesale business) or a consumer (retail business).

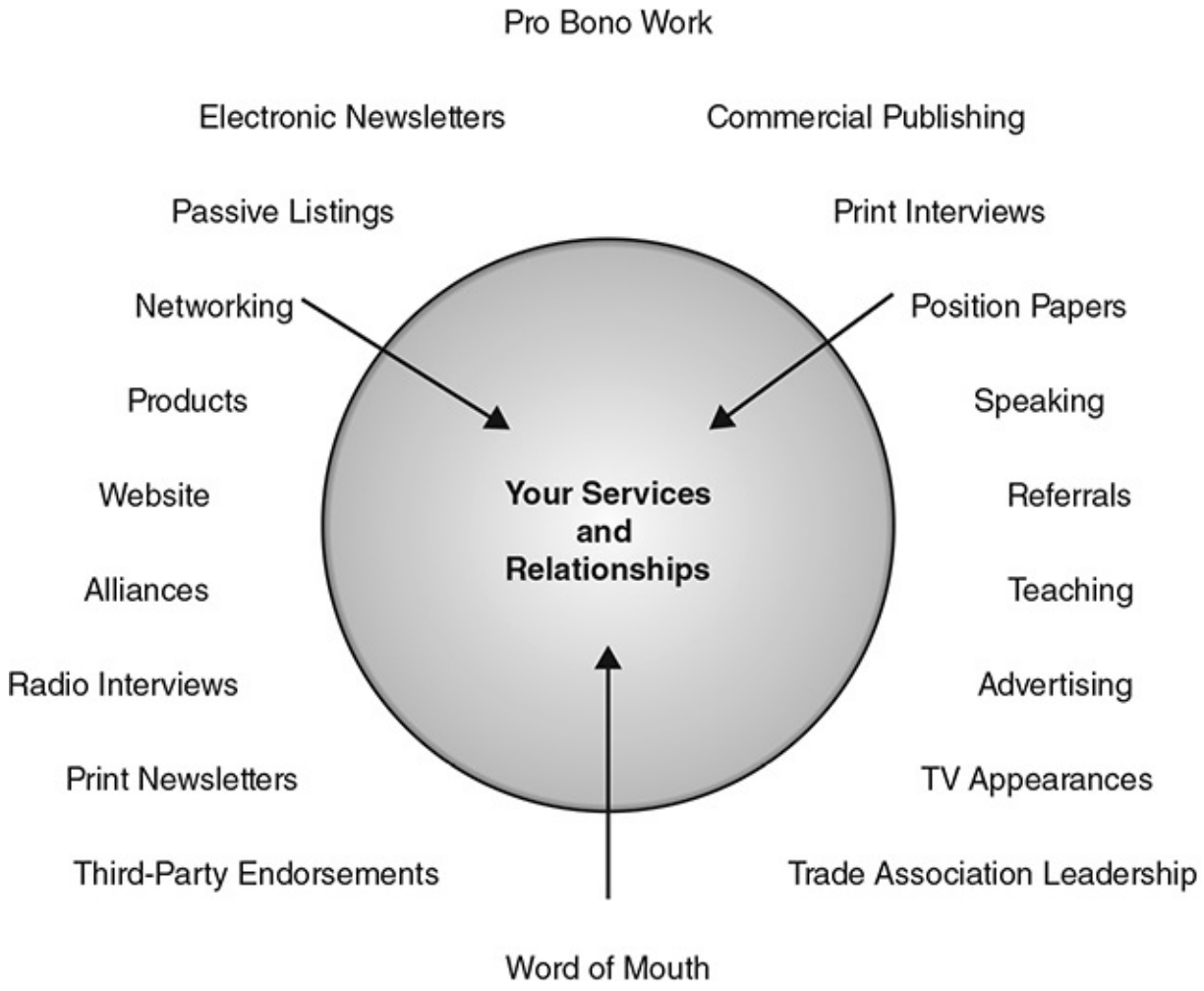


FIGURE 2.3 MARKETING GRAVITY ALTERNATIVES

3. *Marketing gravity (Figure 2.3):* This is the attraction you use in multiple media and interactions to attract your ideal buyer. This includes the development of a strong brand, which is how such buyers think of you when you're not present.

   Note that referrals, networking, publishing, and speaking are probably the strongest *gravitational elements* to gain the attention of buyers, and these elements are the largest contributors to a strong brand.

What do they read? Publish there.

What do they attend? Speak there.

Where do they hang out? Network there.

Whom do they trust? Elevate your brand presence.

4. *The accelerant curve (Figure 2.2):* Your marketing gravity attracts people to some point on your accelerant curve, from “getting to know you easily” to “parachute business” into your vault.
5. *Closing business:* You’re now in a position for a formal proposal, a signup, a subscription, a letter of intent, and so forth, depending on the offering on the curve. Sometimes, a handshake will do.

Before we move on to implementation in Part 2, let’s spend some time understanding the nature and value of expertise, especially as it builds a brand and increases the contents of that vault.

* Newspapers have suffered because of the decline in advertising from traditional sources, such as auto, retail, travel, and so forth.

† See his books *Contagious* and *Invisible Influence*.

* For those of you long out of school or who went through school recently with more propaganda than education, this stands for energy being equal to mass times the speed of light, squared. In other words, energy and mass are different forms of the same thing.

† Bantam Dell, 1988.

CHAPTER 3

The Power of the Assertive Expert

Humility is misunderstood. No one yells out for a “humble heart surgeon.” The best attorneys aren’t the humble ones. Good enough isn’t enough.

PROVIDING FREE VALUE CONTINUALLY

The expert to whom I’m referring is not the guru on the mountaintop, nor the reclusive Bobby Fischer of chess championships (Figure 3.1). Nor is it the expert witness who appears in a trial to testify on the implementation procedures for ceramic brakes.

I’m talking about the expert who is accessible, bold, provocative, and generous. “Generous” might surprise you, but everyone I’ve met at the top of their profession has exhibited great generosity. They share and they provide value—continually.

When you are considered an expert by others—and, especially, THE expert—because such accolades are bestowed by others and not self-bestowed, you have the benefit of the doubt. People will examine your pronouncements and ideas with a sympathetic ear, not primarily a critical one. People will try to make your ideas work rather than try to prove they won’t work.



FIGURE 3.1 THE GURU

CASE STUDY: Bill Clinton

One of my conference guests at one point was James Carville, the Democratic strategist and advisor. I asked him why Bill Clinton was such a charismatic politician, one who could attract independents as well as people from the opposing party.

He told me that when Clinton entered a room, he looked for the

people who were most uncomfortable in that environment, who thought they probably shouldn't be there, who felt intimidated. And he made a beeline to them to start chatting, making them feel worthy and comfortable.

I've never forgotten that, and I try to practice it whenever I can.

The hallmarks of an expert are these:

- *A continuing flow of intellectual property addressing contemporary issues.*
- *Predictions:* The predictions may not always be correct, but they will be food for thought.*
- *Omnipresence:* Experts appear in a wide variety of media and are "in the public square."
- *Frequency:* They write a new book every year or two and have weekly or monthly columns.
- *Citations:* Others cite these experts and use their work to validate their own opinions and approaches.
- *Critiques:* People love to "take shots" at the experts to try to advance their own standing, their own visibility. (This is, perhaps, an exception to my admonishment to be bold because "no one is shooting at you"!)

Free value is free value. It's not an inducement or "bait and switch," like so many of the offers on the internet where you can watch three free videos and then receive the "ask" in the fourth, to buy instruction on how to produce the same videos for other people. That type of offer is simply a variation of a Ponzi scheme.

If you go to alanweiss.com, you'll find the following, for free:

- Weekly newsletters
- Weekly podcasts
- Daily postings on Twitter
- Daily postings on LinkedIn
- Weekly cartoons
- Monthly columns

- Monthly videos
- Daily public blog posts
- Daily private blog posts (for my community)

I do all that without a staff of any kind, and I write every word myself. I do use a technical firm to assist with the administration on the internet and to maintain my site.

My belief is that you best attract people by providing value that is immediately useful and applicable, not concepts and theories. I don't believe in banal platitudes and aphorisms.

Alanism: The more you give, the more you get.

People respond quite well to these offerings. If you visit my site you'll find a pop-up menu after about 10 seconds, offering 11 fundamental issues that challenge most clients. It's a single sheet. Yet I receive "thank you" notes from people for having made it available. It's that easy to provide value.

You have to remember that no one can do anything as well without your actual help. That's why plagiarism no longer bothers me. I see it as additional marketing help!

Alanism: No one learns to ski by reading a book.

WHY BEING PLAGIARIZED PAYS

I've been ripped off big time! A fellow from Australia who took his mother on one of the trips to my conferences here, and who would have cigars with me in Sydney, simply took my approaches and repackaged them as his. A guy who came to my birthday party and was in the same professional chapter I was—and who participated in my mentor program—did the same, almost copying verbatim one of my books. Another in a professional chapter who asked me continually for free advice copied a dozen of my web pages merely substituting his own name, which my lawyer called "the most egregious case of plagiarism I've ever seen since I began practicing law."

This is what happens at the top, and I've learned to live with it. Just as I've learned to live with these global websites (in Croatia, or Uganda, or Russia) where they simply put my entire books and visuals on their sites for free download. (What I'd like to know is who the unethical lowlifes are who provide them to the sites, just so I can let them know that I know.)

But it's all a matter of publicity. People *know* the sources because these sites use my name to draw people for the illegal downloads. When the plagiarizers are using the material "live," almost everyone realizes that it's not theirs. I liken this to people who write books with famous people's quotations beginning each chapter, as if to validate the writers' positions.

If that's the case, why not go to the source?

We should copyright and trademark our materials, as needed. However, we shouldn't go crazy because others steal our work.

CASE STUDY: The Indonesian Question

I received an email once from a meeting coordinator for a conference in Kuala Lumpur. I've been there, and at first I thought they wanted me to speak, especially since he had included a broad spectrum of my work.

However, he asked me if I had given permission for someone else to use my work in his conference presentation! I recognized my erstwhile Australian buddy on the agenda. I told the coordinator that I had given no permission and that he should be aware if he allowed it to be used, he'd be abetting plagiarism.

But I didn't pursue it beyond that because the cost and time of legal intervention isn't justified by the cheats.

One of the great ironies I've found is that the lesser known the person, the less the material they have created, the more they are outraged by someone they perceive to be using their materials! I recall one person telling me that their brand would be damaged. But they had no brand!

In the following section are some guidelines for proper protection lest you think I'm recommending not to worry about it at all.

COPYRIGHT

Anything you produce that is original to you—written, spoken, depicted, and so forth—is automatically copyrighted at that moment. You may choose to place on the bottom one of these notices:

Copyright Alan Weiss 2021
© Alan Weiss 2021

You may also print "all rights reserved," but it's not necessary.

You can record your copyrighted material with the US Copyright Office (in the United States) in Washington, DC, but doing so costs money, and it only enables you to sue for punitive damages if your copyright is violated. I've never done it and find it unnecessary.

I do find it useful to print your copyright on your documents, mention it in podcasts and teleconferences, and put it on videos to prevent these materials from being too easily disseminated illegally.

Trademarks are highly valuable because they become part of the equity of your business. You can copyright concepts, models, names, and so forth. As soon as you apply, you can place ™ or ^{SM} (trademark or service mark) after the name. If approved, you can then use ®, which is the highest form of protection.

Don't attempt to use web services to obtain trademarks. Use a trademark attorney. The attorney will do a preliminary search for previous use of your intended mark, and if there is none, he or she will file with the Commissioner of Trademarks and Patents in Washington. Approval often takes six to nine months, and there may be delays for inspectors' questions. Trademarks are allowed in "classes" (for example, education, entertainment), and the attorney will help determine which to use for your purposes.

The attorney will ask for examples of your intended trademark in commercial use (meaning you are earning money with it). The cost will probably be from $600 to $1,500 for the entire process, depending on the cost of your attorney. The costs for submission are standard.

CASE STUDY: The Odd Couple

My good friend and colleague Patricia Fripp joined me to form "The Odd Couple," a workshop we ran annually for a dozen years, so named

because we had such different approaches to the speaking profession, for whom it was intended.

I called my attorney to make sure we wouldn't be sued because of *The Odd Couple* fame as a theatrical performance and movie. To my shock, he told me that not only wouldn't we be sued but we could trademark the term that, while trademarked for entertainment, had never been trademarked for "education, workshops, and training."

Hence, a plaque for The Odd Couple® now hangs on my wall—with 22 other trademarks.

MAKING PREDICTIONS

Experts make predictions.

They don't fret about whether they'll be right, they don't keep score, and they have no regrets. If you're afraid to make a prediction because you may be wrong, then you're no expert.

Why are predictions so important? Because people look to the assertive expert for guidance. "Sounding boards" are nice, sort of like arugula on your plate—you don't mind the greens, but it's not what makes the dish. Predictions are assertive, not passive. And if you're truly an expert, you'll be right more than you're wrong.

That last statement is borne out by the financial and sports industries. If financial experts were really adept at predictions, they wouldn't have to ask us to invest with them because they'd all be wealthy by now. (I once met a woman who told me she was a psychic and owned the fortune telling shop next to the restaurant. My wife came down the street, late to meet with me. "Is this your wife?" asked the psychic. "Wouldn't you already know that?" I asked.)

There are some people who have understood, predicted, and capitalized on market trends better than others—Peter Lynch while at Fidelity Investments, and Warren Buffett at Berkshire Hathaway come to mind quickly. But most are mediocre and some are just lucky. When it's too good to be true, you have Bernie Madoff.

As I write this, last evening no less than six members of the professional sports broadcasting team on the pregame show uniformly predicted the Tampa Bay Buccaneers would defeat the New Orleans Saints. The Saints won the game 38–3 in a rout. A sportscaster named Jim Rome does no better than a dartboard

—the last year the Patriots won the Super Bowl, he predicted that they wouldn't make the playoffs. Just two weeks ago he said there was no way that the aforementioned Tampa Bay team with Tom Brady could defeat the Green Bay Packers with Aaron Rodgers—which they promptly did in another rout.

Rome has had his job for years as have those folks on the pregame show. And they all make in the millions. There are even people who predict winning lottery numbers and who tout horse races. They can do that because there are obviously buyers for their services. I'm sure that psychic is paying the rent and probably sending kids through college.

Thus, people look to and appreciate experts, so you had better get in the game and stop worrying about your batting average. You can't hit the ball from the dugout.

People read business and self-help books to learn about what might happen in the future. If they merely wanted to know what happened in the past, they could read the history books.

Long before the pandemic hit, I was predicting in my community and in my books, audio, and video the following:

- A movement toward remote meetings and conferences, and away from the expense of moving people to one spot (and instead moving the spot to the people)
- A movement away from problem solving, which has become a commodity that many people are good at, aided by technology, and toward innovation and raising standards
- A movement away from projects toward remote advisory work; providing value based on advice and not "presence"
- The globalization of consulting and the increasing reliance on expertise across borders, without nationalistic bias
- The emergence of Africa as a primary economic area of potential

This last prediction is still in process, and the jury may be out. But the others were and are accurate. I also have predicted that the human resources function was going to disappear, just like a vestigial organ, but I've been wrong about that, unfortunately.

CASE STUDY: American Press Institute

I worked with the American Press Institute (API) for 20 years, until its dissolution in a digital age.* One year, when I was dealing with innovation at a workshop for editors, another presenter had with him a primitive tablet. He showed how a news story could be "clicked" and it showed up elsewhere in its entirety, or how a name in the story could lead to a biography and more background information.

He was mobbed at the end of his session. All of us thought it was magic, some trick.

"This," he told us, "is the wave of the future. If you don't embrace digital news, you'll be as extinct as the dinosaurs."

As I noted, the API suffered that exact fate, as did many of its members.

Don't be afraid to make predictions that may be wrong. Be afraid not to make predictions that might have been right.

PETER DRUCKER WASN'T AMIABLE

Peter Drucker, who "invented" modern strategy at GM with the CEO Alfred Sloan, is one of my heroes. His scores of books are still quite relevant today (he wrote *The Age of Discontinuity* in the 1960s, and here we are today in a world of disruption a half century later). I heard him speak in person once at a conference in Las Vegas. He had to be about 80 at the time.

He spoke authoritatively, with a German accent and in an assertive manner. He took no prisoners. He was not interested in debating or taking questions. He told us what he thought and what justified his thinking.

That was that.

CASE STUDY: Getting Drucker's Approval

I wrote my first book, *The Innovation Formula*, in 1988 with a coauthor, Mike Robert. We noticed in our ideation for the book that a few of our ideas (for example, looking at high growth or demographic change for innovation sources) were also mentioned in a prior book by

Drucker, *Innovation*.

We decided to call him and ask if it would be OK with him for us to use such phrases. We didn't want any claims of copying from Peter Drucker! When my partner called, Drucker picked up his own phone at Claremont University in California.

Mike explained the situation and was bluntly and quickly told by Drucker, "I don't care what the hell you do!"

I told Mike we should accept that as approval. Our book has subsequently been on the curricula at Wharton and four other universities and can still be ordered on Amazon today, over three decades later.

Drucker was not an amiable guy. He was tough. And he was usually right, and he was invigorating and fascinating. He faced his executivelevel clients the same way. You could take it or leave it, but he knew the right way.

I tell both my corporate and entrepreneurial buyers the same thing today: Feel free to ignore me. I don't care. My ego isn't involved, and you've already paid. All I can do is give you my best advice and then move on.

The key point here is that this *also obtains in your marketing efforts*. You must come across as a peer-level partner and an expert, not a supplicant.

Alanism: You cannot succeed by constantly trying not to lose business. You will only succeed by assertively pursuing business.

One of the underlying issues here is our need to be liked. Social media exacerbate this need. We accumulate "likes" and "followers" and "links." But it's all meaningless, since people tend to like only what they've previously agreed with or come up with themselves.

We need to seek respect, not affection.

The power of the assertive expert is in the ability to independently and objectively provide ideas, insights, and interest to buyers who are otherwise surrounded by "yes-people," fawners, and filters. I've always preferred provoking people, even enraging them with new ideas, to simply being part of a mutually agreeing team with vanilla standards.

You need to be bold, to stand firm and tall in the strong winds that buyers will understandably create when they are challenged. After all, if you can

challenge them, they should be able to challenge you, right? But if you accept this as part of the "contest," as being in the "arena," it becomes a wonderful exercise of fighting to help people. If you see it as a commentary on your self-worth, or likeability, then this is the wrong profession for you.

Some quick examples of language I've confronted:

Buyer: **We've never hired an outside consultant here, and I have no intention of changing that practice.**
Me: **You'd be surprised at how many of my best clients today started the conversation in the exact same way.**
Buyer: **During my watch, we've achieved annual compound growth of 22 percent over the past five years. Why would we need you?**
Me: **How do you know it shouldn't have been 34 percent?**
Buyer, in Boston: **You're from New York? How do you survive in that cesspool?**
Me: **Why are you so insecure about being here in Boston?**

I closed all three pieces of business.

If you want to be loved unconditionally, get a dog.

I have two dogs.

* And the expert will undoubtedly be more accurate than most financial and sports prognosticators.
* In fact, I’m the only nonjournalist in history to receive one of its eight Lifetime Achievement Awards.

INTERLUDE I

The Yin and Yang of Clients and Prospects

We tend to use *client* generically. When I ask people who their ideal buyer is, they tell me “General Electric” or “the utilities” or “the defense contractors.” Those aren’t buyers. They are buildings.

An *economic buyer* is a person who has the ability to write a check (have a check issued) for your value without the approval of anyone else. When a prospective buyer says to you, “I think we can go forward once I run this by my boss,” you’re not talking to an economic buyer, just a person lower in the food chain. Almost everyone in human resources or training and development is a *feasibility person*—they have no budgets of their own. They are merely the middlemen* and the gatekeepers.

Thus, your ideal buyer may be someone in a large company with P&L responsibility, or the executive director of a nonprofit, or the owner of a small business. Those are people whose needs can be discovered, created, and addressed.

There is also a profound difference between your existing buyers (“clients”) and potential buyers (“prospects”). The former know you and love you, and the latter usually have little or no idea of who you are. And even if they do, and your brand and repute impress them, they still have no emotional bond with you. This is a critical distinction *because logic helps people to think, but emotion urges them to act*.

TWO DIFFERENT CAMPS

We often make the mistake of transference: believing that our interactions with clients carry over to our interactions with prospects.

They do not.

Figure I1.1 shows that we have three dynamics between ourselves and buyers. We may have a *product* (tangible purchase, such as a computer or book), a *service* (intangible purchase, such as insurance or advice), and a *relationship* (feeling of trust, such as reliance, confidentiality, safety, and ego needs). Apple produces great products, provides excellent service (via the Genius Bar and online help), and generates a relationship of being hip and having the cachet of the best technology in the field. No one needs a Bentley for transportation, but one does need it for ego, to proclaim one's place in the world, and for a guarantee of the best in safety and engineering.

A strong product relationship (*breakthrough* in the chart) is insufficient in tough times. *It's the breakthrough relationship that creates the benefit of the doubt.* Thus, most US airlines never receive the benefit of the doubt because they are mistrusted and have not established strong relationships with customers.* In tough economic times, such as we've seen with the Covid-19 pandemic, people readily abandon normal alternatives and brands unless there is a strong relationship creating adherence to their offerings. When your Bentley has a flat, you shrug and call Bentley's roadside assistance, knowing it will be fixed with minimum inconvenience. When an American airline cancels a flight, the passengers believe it's a conspiracy because of a light load. The cable company, insurance companies, banks, and others often spend great amounts on their products and services while allowing their relationships to go to hell.

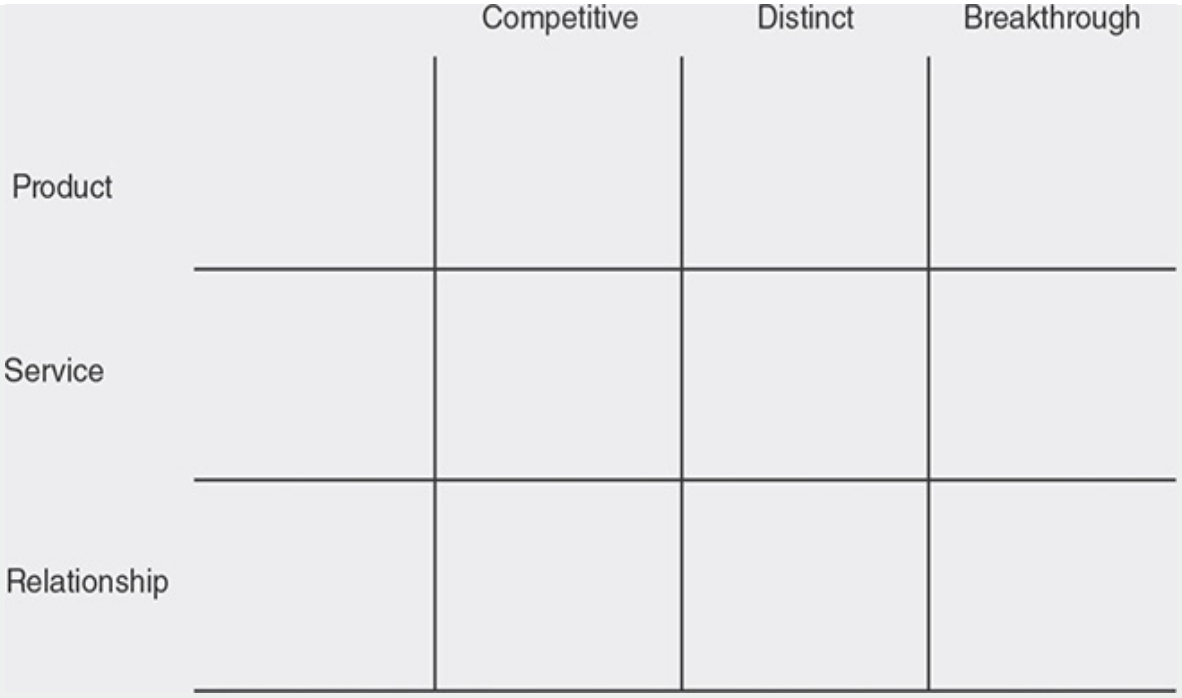


FIGURE I1.1 CLIENT RELATIONSHIP DYNAMICS

With your existing economic buyers, you should always be striving for the breakthrough relationship. This is characterized by the following:

- You and the buyer immediately disclosing information that has a material bearing on the success of the project (for example, learning that a key person is being courted by a rival, or that the board is considering a divestiture)
- The buyer asking your opinion on key decisions and following your advice
- The rejection and overcoming of complaints about the project (and, often, you) from those threatened by it
- Mutual flexibility in deviating from a prescribed course to take advantage of opportunity and/or make better use of time and expertise

Now the question becomes, how do we transfer this great relationship dynamic to *prospective buyers*?

CREATING CROSSOVER

How do we share the love? How do we create the same levels of trusting relationship that exist with longtime clients in brand-new prospects? Osmosis doesn't work, but, fortunately, some techniques do:

- *Create evangelists.* Encourage clients (buyers and nonbuyers alike) to spread the word. Find and befriend those people who have most supported your projects, initiated new ones, and been credited with success. Keep a special list of such people.
- *Provide opportunity.* Invite evangelists to events you host. Ask them to coauthor publications. Cite them in your books. Invite them to participate in a speech you're making. Create access to them for your prospects.
- *Use testimonials, references, and case studies shamelessly.* Video testimonials are extremely impressive and can be recorded on a smartphone. They needn't be professionally done. Obtain permission to use names with case studies, and have a list of *platinum references* that you don't use often (so as not to annoy those on the list) but do use with discretion for very high potential prospects. These testimonials should be on your website, in your blog, in your newsletter, in your email signature file, in your conversation, in your speeches, and so forth. *People are much more readily and speedily impressed by their peers' commentary than by your own.* You need to be the choreographer who brings the dancers into harmony.

CASE STUDY: A Relationship Has Begun

I was in my first few weeks of working for a consulting firm in Princeton, New Jersey. As part of my orientation, I was sent to one of the firm's clients, Florida Power & Light, to take part in its training and graduation ceremony.

At the event, several company employees spoke to the group of assembled senior managers about the consulting firm's great approaches, results gained on the job while still in a training mode, and dramatic plans for expansion of the effort. Several managers present asked the consulting team members that night if they could discuss their own departments' participation in the near future.

“It’s like being paid to be paid further,” said one of the consulting team leaders.

THE RAPID TRANSFORMATION

When you are meeting with a true economic buyer for the first time, here’s how to accelerate the positive, trusting relationship that existing buyers already have with you:

- *Create a peer-to-peer dynamic.* Don’t appear as a supplicant of the buyer, and don’t be obsequious.
- *Always keep in mind that you are there to offer value.* You are not there to “take” anything. You are not “selling” in the sense of seeking money but, rather, “offering” in the sense of an equal transaction, dramatic improvement, and equitable compensation.
- *Gauge the other person’s sense of speed.* I’m not talking about personality profiles, which are notoriously ineffective (we are far too complex to be branded a “green” or “low Z” or “NING3X”). If the buyer wants to go fast (“What can you do for me?”), go fast. If the buyer wants to move slowly (“Tell me about yourself”), move slowly.
- *Guide the conversation.* Remember the boat rides for children in the amusement parks? The boats seemed steerable, but they were actually guided by the current and kept oriented by the nearby walls. They would always arrive at the intended destination. Your conversation should be the same with the buyers, allowing for twists and turns but always directed by your “current and walls” toward your destination of trust, conceptual agreement, and a proposal.
- *Show confidence.* You must exhibit the confidence in yourself and conviction needed to convince the other party that you’re strong and competent. You can’t be afraid to make statements such as these:

  “I know I can help you.”

  “You and I are meeting at precisely the right time.”

  “I have better means of approaching this than what you’ve

tried in the past."

"Let me suggest how we can best work together."

- *Push back when appropriate.* You can't seem to be "chasing money" or too readily agreeing. There is a reason the buyer is taking the time to talk to you, and it's because he or she has a need (or at least a "want") that is unmet, and there is a suspicion that you may have the answer. However, the buyer's doubts will seldom be met by your blanket agreement (or else the issue would long ago have been resolved). Thus, logically, what's required is someone suggesting that the buyer's alternative is not the best, his or her evaluation is not valid, his or her suppositions are not based on empirical evidence.

These are the conversational ways in which you begin to bring the buyer into your frame of reality and normative behavior. You begin to create the trust that those you've already worked with find to be absolutely an asset and important, yet despite their accolades, testimonials, and endorsements, you still have to convince the person in front of you!

THE CLIENT AS PROSPECT

In most cases, it's important to regard your existing buyer as a prospect as well. The credibility challenge here is not in convincing the buyer you can be of help—presumably, you've already demonstrated that—but in convincing the buyer *that you can be of help in additional areas and dimensions*.

CASE STUDY: Expanding the Client's Perception of Your Work

I'm in the National Speakers Association Hall of Fame, which is an honor accorded to fewer than 1 percent of all professional speakers. I'm well known and, considering my fees, well regarded. I am also, obviously, a very successful consultant, which is why you're reading this book.*

I had been working for the CEO of a major life insurance

company for about six months when he approached me and asked me to find him a good speaker. He told me he was on the program committee of the American Council of Life Insurance, and it needed a keynoter for its annual conference of 250 insurance CEOs and COOs.

"Mike," I said, "I'm your guy!"

"Alan," he replied, "this is serious. I need someone who does this for a living."

The problem, of course, was that Mike knew me solely as an organizational development consultant, and he really had no reason to explore my background beyond that. I actually had to resell him on my merits. The result was obtaining that keynote and a lot of new business.

As I've mentioned, I tell people in my coaching community that they need to see two buyers a week on average. It's just an average, but it's required if you wish to pursue great results and wealth. That means that if you're speaking to a dozen buyers at an event, you've covered six weeks.

Now tell me this: who is more likely to proceed to next steps in high ratios—new buyers or existing buyers? That's a no-brainer.

So what I'm telling you here is that if you see your existing buyers also as prospective buyers, and if you include them to the maximum degree in your two-buyers-a-week drill, you will significantly improve the percentage of new business that results. It's all in the numbers.

Yet we often miss this clear, noncomplex, direct route to improving our businesses *because we don't see existing buyers as prospective buyers, only as "past" buyers*. This is both ludicrous and dangerous. If Mike hadn't approached me, I never would have had that new business. But if I had made my capabilities more apparent at the outset, I would have guaranteed his coming to me for the assignment. I shouldn't have depended on him to know I had this skill, and you shouldn't depend on luck or the fates or your charm.

Include all of your buyers in your "prospects" category and treat them accordingly, knowing that you don't have to re-create the trust and belief that you would with a true prospect because that's a line you don't have to cross again with them.

THE BUYER LIFE CYCLE

No matter what markets you favor or buyers you find ideal, three sales are made when you successfully conclude an agreement. The first occurs when the proposal is signed and you receive your check to begin. The second occurs when you expand business within that client. And the third is when you derive referral business from that buyer.

Too often, consultants ignore or forget that third sale, thereby denying themselves a third or more of the business potential.

All client relationships come to an end. I worked with Merck for 12 years and Hewlett-Packard for 10. I thought that was extraordinary. But I'm still working to this day with companies and people I first met through those early corporate relationships. These are the scenarios for which you must be prepared, especially considering that your current buyers are also your current prospects:

1. The buyer leaves through retirement, a new job offer, promotion, disability, and so forth. You should have been meeting the buyer's peers, subordinates, and relevant others during your tenure. Only if the replacement comes from outside the organization would you be at a disadvantage. (Which is why you should also have a strong relationship with the buyer's assistant or secretary.)
2. Follow your buyers to new positions within the same organization or in new ones. I've worked with some buyers through four organization changes and several career alterations. Why wouldn't your "smarts" transcend organizational boundaries?
3. Assiduously create referral business. Ask for referrals, inside and outside the organization, at least every two months. Ask by name if possible ("I'd love to be introduced to Jane Jones") or by title ("Can I meet your counterpart for Asia?").*
4. Elicit contemporary testimonials, case studies, and war stories as your tenure progresses. Video is especially important, as I've noted earlier.
5. If your buyer is replaced by someone from outside the organization, offer to "debrief" and bring the new person up to speed on the project and its trajectory.

6. Never cease marketing to new prospects. In any one year, a ratio of about 80 percent repeat business and 20 percent new business is quite good. It represents great continuity but also the infusion of “new blood.” (And if you want to grow, drop the bottom 15 percent (in terms of profit and potential) of your customers every 18 months or so.)
7. Create and nurture your “evangelist” group. These may not all be buyers, but they are people who sing your praises in public, helping your “brand.” Remember: A brand represents what people think about you when you aren’t present. It eliminates the necessity of you being present to be considered.

Figure I1.2 shows a simple schematic for tracking many of the people you should be in touch with and developing as prospective sources of business. You can see how “existing” and “new” business tend to blur because organizations are diverse and can accommodate your talents in many ways.

In summary, your clients and your prospects can be entirely different, or they may be largely the same. Just as a prospect can become a client, a client is also a prospect. Once you can accept that blend, you’ll find yourself in a far more powerful position to build and sustain your business.

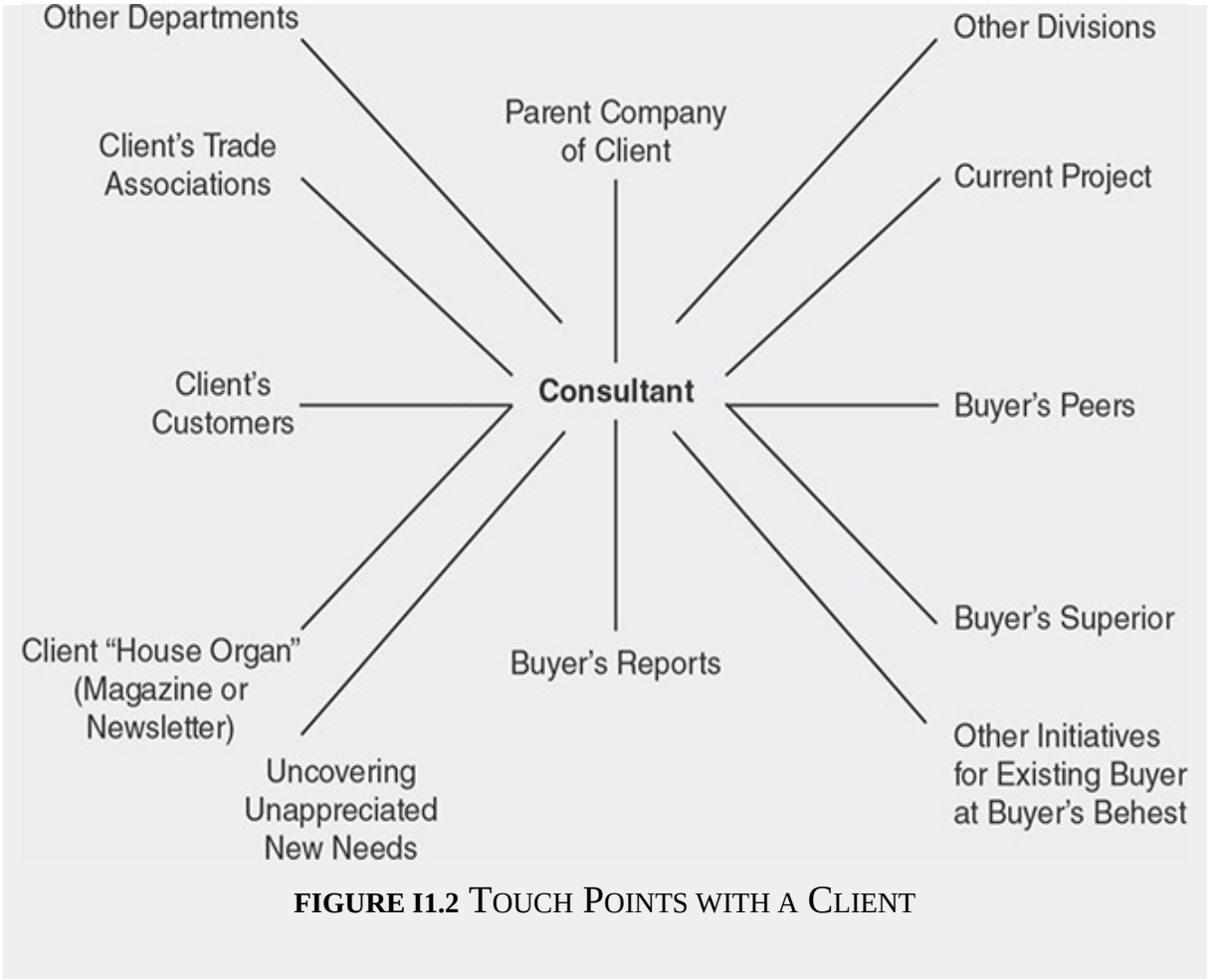


FIGURE I1.2 TOUCH POINTS WITH A CLIENT

* While I try to remain sensitive to gender in all that I do, *middleperson* sounds to me like “Middle-earth” and some kind of hobbit.

* Frequent flyer status and air clubs have become commodities. In the old days, carriers such as Pan Am made these amenities by invitation only. Then, they were a privilege. Today, they are considered a right.

* But don’t let that stop you from also reading my *Million Dollar Speaking* (McGraw Hill, 2011).

* For a detailed examination of the methodology of successful referral business, see my book *Million Dollar Referrals* (McGraw Hill, 2012).

PART II

VALUE

There is no more powerful branding and trust dynamic than consistently producing superb work that delights the buyer.

CHAPTER 4

Maximizing Fees

Equitable compensation means just that. You should be paid based on your value, not your time, not your presence. The value mindset trumps the money mindset.

WHY BASE FEES ON VALUE

For those of you who have turned immediately to this page, welcome! When you get a chance, take a look at the preceding chapters.

Consulting, along with professional services such as accounting, legal, design, and for forth, have traditionally been based on time units—hours or days. Many lawyers still bill in six-minute increments. If you ask them a question about their bill, they begin the clock again! They'll also submit an invoice for $10,000.50. the 0.50 being reimbursement for a stamp.

I am not making this up.

Aside from the fact that you can't possibly make all that much money billing this way because there are caps to hourly fee expectations and, the last time I looked, only so many hours in a week, it's unethical. After all, your clients deserve their condition improved as rapidly as possible, so as to maximize the benefits. Why wait two months if we can improve this week? But the consultant makes more money the longer that the assignment lasts when billing by time units.

Hence, we have a very basic ethical transgression when a consultant seeks to maximize income by extending projects needlessly. If you are, however, great at solving client problems in one hour, you're going to need a hell of a lot of clients with problems.

Alanism: Real wealth is discretionary time.

A second major issue is that most of us are refugees from corporate life or small businesses, we've gone out on our own, and now we have a worse boss! "Wealth," as I define it, is the ability to go where you want, when you want, and how you want. Therefore, money is simply fuel for your lifestyle and your legacy.

Too many professionals run around in pursuit of money to the point that they erode their wealth.

It's important to understand—to adopt this mindset—that your "presence" is worth nothing (especially in this remote and virtual age). Your value is in your results. To put it another way: *It's not what you do that's important. It's what you create*.

Here are some basic reasons why you should only charge by value:

1. There is a cap on the client investment. Clients know exactly what is to be spent, and there are no surprises.
2. There is never a "meter running." They do not have to worry each time your help is requested that you might be there for an hour, a day, or a week.
3. It is unfair to the client to be in the position of making an investment decision every time the client may need my help. Otherwise, they're trying to determine the impossible: is this an issue that justifies a $2,000 visit or a $500 phone call? No client should ever be in that position.
4. The client's people should feel free to use your assistance and to ask for your help without feeling they have to go to someone for budgetary approval. Having to get approval only makes them more resistant to sharing their views, and at best it delays the flow of important information.
5. If you find additional work that was unanticipated but must be performed, you can do it without having to go to the client for additional funds. If you did have to go to the client for those funds, legitimate additional work could be viewed as self-aggrandizing and an attempt to generate additional hours or days.
6. If the client finds additional related work that must be done, he or she can

freely request it without worry about increased costs.

7. The overall, set fee, in relation to the project outcomes to be delivered, is inevitably less of a proportional investment than hourly billing.
8. If conditions change in the client organization, the client won't be in the difficult situation of having to request that the project be completed in less time. The quality approach is assured because the fee is set and paid.
9. If the client decides that additional resources are necessary, there is no cost to the client, and you can employ additional help as you see fit (since your margins are so high).
10. This is the most uncomplicated way to work together. There will never be a debate about what is billable time (for example, travel, report writing) or what should be done on-site or off-site.

Picasso's work is not valued by how long he took to paint *Guernica*. It is valued by the impact of his work on those who appreciate art.

FEE FORMULAS

Formula 4.1 is a basic construct for how you can maximize your fees:

FORMULA 4.1

$$\frac{\text{tangible outcomes} \times \text{annualization} + \text{intangible outcomes} \times \text{emotional impact} + \text{peripheral benefits}}{\text{fees}} = \text{value (ROI)}$$

Tangible outcomes: Those quantitative improvements that include revenue, profit, market share, expenses, attrition, and so on
Intangible outcomes: Those qualitative improvements that include safety, aesthetics, comfort, stress, repute, and so on
Peripheral benefits: Those outcomes that aren't part of the project but are nonetheless improved, such as a reduction in executive search fees if

attrition is reduced

Thus, the tangible benefits are almost always annualized, the emotional impact has great worth, and the peripheral benefits are also easily monetized. When you arrive at those numbers and meaning, and divide by your fee, you arrive at the value (return on investment) of the project. My advice is to show at least a 10:1 return. Most firms are happy with a 3:1 return.

You need to lead the client through this sequence once the objectives for the project are known (which are, of course, business outcomes). When a buyer tells you that improved teamwork is important, it's likely that the buyer also wants to stop having to spend time serving as a referee among warring teams. When you're told that attrition is a problem, it's also likely your buyer is weary of doing interviews.

Alanism: Behind every corporate objective is a personal objective.

So the preparation of identifying the value to be achieved from the objectives is now manifest in the qualitative and quantitative improvements, allowing you to show a huge ROI for your fee. As a rule, if the client says the range of improvement is 5 to 10 percent, use 5 percent. If the client says $4 million, cut it in half. Demonstrate *that you're always using conservative numbers*.

To achieve these numbers, your relationship with the buyer is key, which is why you build trust at the outset—so that the buyer is comfortable being candid and answering these questions.

As you can see in Figure 4.1, when you achieve high buyer commitment to a project and also demand high fees, you have a reciprocal value, the ultimate "good deal." When commitment is high but fees are low, you're wasting opportunity. (Which most of you are doing, daily.) When fees and commitment are low, there is apathy, and if your fees are high while commitment is low, there will be no sale.

This isn't exactly rocket science.

CASE STUDY: The First Buyer

I had been referred to a senior executive who had been pleasant and had agreed to consider a proposal. Working on it for a day, I decided I

could "get away" with $14,000 for the approximately 30 days of work.

The next morning, I sat in sweat as the buyer sat reading the proposal. I began to see shooting lights and had trouble breathing. I thought I was having a heart attack and realized this might not be the profession for me.

But what had happened was that I was holding my breath for over a minute, and nearly asphyxiating myself.

Finally, the buyer (in a multibillion-dollar business) said, "This is great. Let's do it!"

And I realized immediately. I should have charged $35,000!

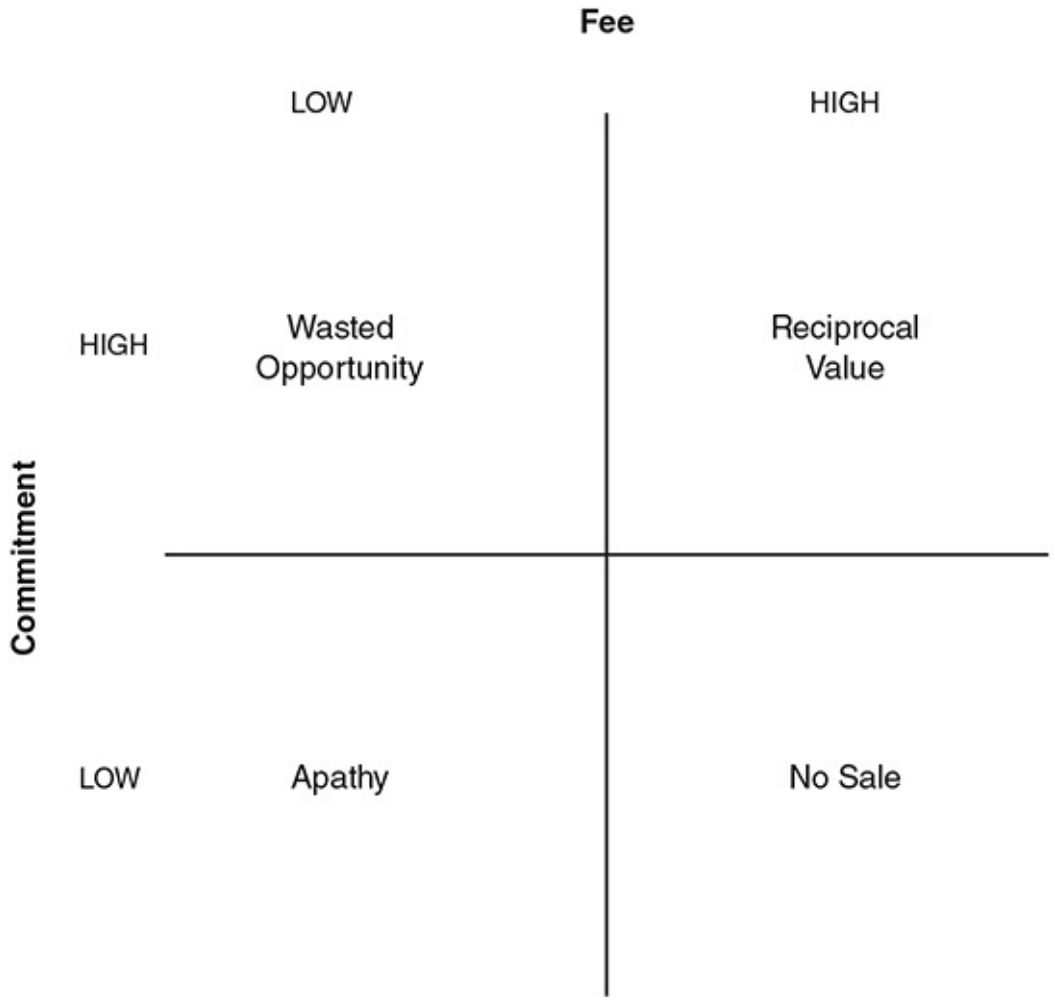


FIGURE 4.1 THE RELATIONSHIP BETWEEN COMMITMENT AND FEES

This will sound odd, but $100,000 ain't what is used to be. Your clients and prospects are often spending more than that to tend to the office plants annually,

or to cover ruined products or employee theft, or to clean up the parking lots.*

Let's summarize: Fees are based on value. Value is a function of meeting the objectives, which are business outcomes, accompanied by metrics that indicate progress. Your fees reflect a 10:1 or better return on the investment to achieve that value.

As an example, "profit" is an obvious objective that you may assume is also the value—higher profit. But higher profit reflects itself in the following ways:

- Higher salaries and bonuses
- Higher dividends for investors
- Expanding facilities
- Investment in R&D
- Paying off debt
- Better media coverage

Thus, "higher profits" have a huge amount of value.

COLLABORATIVE, REFERRAL, AND SUBCONTRACTOR FEES

There are three conditions within which you may choose to (or be forced to) share fees. They are starkly different.

Collaborating

When you collaborate with someone, you are literally sharing responsibility and accountability for a client project. It's critical to put the revenue sharing and cost sharing agreements in writing every time because they will differ from client to client.

Alanism: Legal partnerships are worse than bad marriages, and the divorces are far more painful.

Don't allow yourself to be "wooed" into a legal partnership just because

you're going to collaborate on a client project—or even several. Keep the relationship at arm's length.

Here is my formula for collaboration and revenue sharing:

Acquisition: 50%	Methodology: 30%	Delivery: 20%
You:		
Me:		

Acquisition is the hardest dynamic of all—rainmaking—so I assign it 50 percent of the total sale. Methodology (for example, coaching, strategy, change management, and facilitations) gets 30 percent, and delivery, 20 percent. (I'll say more about delivery under subcontracting below.)

Hence, if you sell the business, we use my methodology, and we split the delivery, you would receive 60 percent and I would receive 40 percent of the total for that particular project. It's important to create this *objective apportionment* beforehand, before the sale is consummated. You may wish to change the percentages—but I wouldn't!

Note that if someone is solely delivering, they are not a collaboration partner but a subcontractor.

You can also decide at this point how expenses should be apportioned, but I would say anything not reimbursed by the client would be 50/50 unless there are extenuating circumstances, such as the methodology partner choosing to hire subcontractors.

Referrals

These fees are provided for third parties who supply names and introductions. These are my recommendations for such fees:

1. A name is given who is a buyer, with some background on how to best reach that person: 5 to 10 percent of the first project fee.
2. An introduction is made by a person who has great credibility with that buyer: 10 to 15 percent of the first sale.
3. An introduction is made of such high impact that the sale is already made and the buyer chooses you immediately: 15 to 20 percent of the first sale.

These fees apply to the first sale only, and they would be paid at the time you are paid. Keep careful records. These are legitimate business expenses and are taxable to the recipient.

Never provide referral fees to a person inside of the organization where the referral is made. It's unethical and can be seen as a bribe. My habit is never to pay referral fees to anyone employed in a client corporation at all, even if the referral is to another organization.

The distinction of the three fees above is very important because a lot of people will offer you names that are useless or require a great deal of work to pursue. Make your position clear.

Subcontractors

These are people who merely deliver your methodology. Contrary to their own opinions (!), delivery is *not* the most important aspect of the relationship, and there is no delivery without a sale.

These resources are plentiful because they are primarily people who are good at implementation but cannot market. Hence, they require the successful rainmaking of someone else in order to work. Seek people whom you use over and over so as not to break in new people and to gain loyalty from those you employ.

My suggested fees are between $1,000 and $2,500 a day, depending on the complexity and the nature of the audience. (A workshop for supervisors is far easier and less important than a strategy retreat for senior management.)

Be aware that in the United States, if someone derives more than 80 percent of their income from one source, they may be considered an employee, and withholding taxes and company benefits would be required.*

SEVENTY WAYS TO INCREASE FEES

And now, on to the techniques.† You might want to read a batch at a time and think about them, or highlight or take notes as you go through them. Overlaps and partial duplications are deliberate because I don't want to miss a nuance that might apply to some consultants and not to others, depending on how I present them and in what context.

1. **Establish value collaboratively with the client.** It's imperative to reach

agreement with the buyer as to the real worth to the organization of achieving the business outcomes specified in the objectives. This should be done in person (not by email or letter) and result in the buyer's literally nodding in agreement as you summarize the quantitative (retention improvement) and qualitative (less stress) worth, which you can then reiterate in your proposal.

2. **If value differs, fees can differ.** Just because you're doing the exact same thing for two different clients doesn't mean the fee must be the same. Coaching a vice president running a $200 million division and coaching a manager running a $350,000 sales center have two vastly different outcomes, even if the coaching regimen is the same in each case.
3. **Base fees on the value, not on the task.** Never base a fee on your doing something. Always base it on the client's achieving something. Tasks (surveys) are commodities. Value (market share) is a unique client improvement. Also, never calculate fees on a per capita (number of people in a workshop or survey) basis, which tends to drive the client to limit participation.
4. **Forget about what's happened before.** It doesn't matter if the client has always paid by the day for a certain type of help or if the client places limits on fees for consultants. No one needed a fat pen until Mont Blanc produced one. If you allow yourself to be guided by the client's history, you're helping neither the client nor yourself.
5. **Never use time as the basis of your value.** The toughest obstacle for consultants to overcome is to disregard their time. They tend to believe that the client will abuse their time or that the time a client demands is time lost elsewhere. In truth, clients don't abuse time if there are clear, delimiting objectives, and the time you would be spending with your feet propped up watching a *Seinfeld* rerun doesn't count. Conversely, you can't feel guilty just because you had to show up only four times to complete a $74,000 project (which I've done frequently). You must shake the "time ghost." Your value is in your talent, not in your showing up.
6. **Practice stating high fees.** That's right, practice saying, "It will be between $150,000 and $225,000" out loud. When you say these things matter-of-factly, the client assumes that he or she is out of step if the amount sounds high.

CASE STUDY: Ben and the Cigar

I worked for a guy named Ben Tregoe, who cofounded Kepner-Tregoe, a training firm in Princeton. Ben was as close to a genius as I've ever stood. He would drag me, a 26-year-old kid, to strategy calls with CEOs in Manhattan. The strategy program way back then was $15,000.

Ben smoked a cigar, which was allowed but rather repellant. One day, going down in the elevator, I screwed up the courage to ask about the cigar.

"I need the cigar," he told me.

"Why do you need a cigar during the meeting?"

"Because when they ask the fee and I say '$15,000,' if I don't stick the cigar in my mouth I'll begin to giggle."

This was a guy with a $40 million global firm.

7. **Think of the fourth sale first.** Fees are cumulative, not situational. Don't be greedy. Even on a value basis, the goal is to develop a relationship and implement successful projects that will lead to years of work. View your larger clients strategically, and anticipate how you can be of help over years on a variety of projects, not just for the present on a single project. Over 80 percent of my business has been repeat business, and most of the rest has been by referral. *The cost of acquiring new business from scratch seriously decreases margins.*
8. **Don't use round numbers, but don't be ridiculous.** It's probably best not to position options at $100,000, $125,000, and $150,000, but it's also ridiculous to cite $123,687.90. The client is going to want to see the worksheet that generated that kind of precision. Remember, if the client walks away thinking that the value was a bargain and you walk away feeling that you were paid well, there is no third consideration. (Everyone knows that an item selling for $19.99 costs $20.00.)
9. **Engage the client in the diagnosis; don't be prescriptive.** The client perceives much greater value when you and the buyer are jointly diagnosing the issues, instead of you prescribing some off-the-shelf medicine. Internists make much more money than pharmacists because they are so much more valuable in diagnosing illness. And when the

patient is involved in the diagnosis and the ensuing course of treatment, the quality and success of the treatment are greatly enhanced. One simple way to do this quickly is to provide a *process visual* and let the buyer decide where the organization belongs. Ask the buyer to profile the organization for each factor.

10. **Never voluntarily offer options to reduce fees.** In a frenzied attempt to close business rapidly, many consultants build in automatic fee reductions, based on numbers, multiple assignments, and other factors. The only option I ever recommend is a small discount if the client pays the entire fee up front, at the time of project acceptance, and that's mainly for two reasons: you have use of your money from the outset, and the client cannot cancel the project.

Alanism: There are three parts of a sale: initial project, expansion business, and referral business. If you don't "mine" all three, you're sacrificing revenue.

---

11. **Never deal with a purchasing manager or accounts payable.** If the buyer suggests that "finance will take it from here," insist that you and the buyer absolutely agree on the fees and the payment terms. Emphasize that the handoff is fine if "finance" merely implements the paperwork and generates the checks but that in your experience, such people often try to show their worth by pressuring for a "better deal." Obtain firm agreement on your agreement while you and the buyer are *together*.
12. **Add a premium if you personally "do it all.**" Often a contract will have a provision that says the consultant will do everything required, but if subcontractors are used, the fee will increase to accommodate the extra expense. Presumably, the extra help will speed project completion. I do just the opposite. I tell the client that the fee is for the entire project and I'll decide whether subcontracted help is needed. However, if the client wants me to do all of the work myself in order to keep a single "filter" in place or guarantee a single qualitative source, there is a 10 percent premium on the fee. In other words, it costs more if I'm the only one to work on the project, not less. I'm the talent; the subcontractors are not.
13. **Remove fees from all printed materials.** Purge any reference to fees in your printed, web, and other promotional materials. Make sure that old testimonials do not inadvertently provide a fee schedule (for example,

"Joan was expensive at $10,000 per day but a bargain in the long run!").

14. **If forced to consider fee reduction, reduce value first.** Sometimes reduction of fees is a reasonable request. On those occasions, never reduce fees without making a commensurate decrease in value. Take out the international part of the study, or remove the postsurvey discussions with management, or eliminate the written reports. Sometimes a client will say, "We can't afford to lose that" and will concede the fee, but in any case, you don't want to be seen as someone who has a padded fee awaiting reduction.
15. **Always make it clear that expenses are extra.** Except in cases where you are deliberately including expenses in the fee, state orally and in writing that the quote is "plus expenses." Many clients will claim that they thought the fee included everything, whether they did or they didn't, and you might be salivating sufficiently on the edge of a yes that you agree. Don't. It could cost you thousands on the bottom line.

Alanism: Never reduce your fees because you're doing something virtually. Value is value, and the delivery mechanism is a minor consideration. Sometimes remote is even a better option than "live."

---

16. **Always provide an option that exceeds the budget.** Sometimes you'll be told the budget and it will be reasonable, so always provide one option that is above the limit. There will still be two or more options within the budget limitation, so you're not risking anything but just may be laying the groundwork for higher profits. I lost a piece of business once to a competitor who came in over budget but offered far more than the buyer had specified. I didn't have to learn that lesson twice.
17. **As early as possible, ask the question guaranteed to result in higher fees (QGTRIHF): "What are your objectives?"** Always begin with objectives because they focus the buyer on results (not on costs) and give you the opportunity to pursue real needs (not wants). There is nothing easier, or more valuable, than starting the process by asking, "Can we begin with what you'd like to accomplish as a result of this project?"
18. **Broaden objectives as appropriate to increase value.** If a buyer says, "We need better market share in the Northeast," I always ask, "Wouldn't you want greater market share everywhere?" If the buyer says, "My team

needs better delegation skills," I inquire, "What about the skills of their reports in accepting delegation and the culture of the organization in supporting empowerment?" It's relatively easy to broaden the objectives —and, consequently, raise the fees—by asking a few innocent questions.

19. **Ensure that the client is aware of the full range of your services.** Prospects will sometimes jump to a conclusion about your "specialty," or they may have been misinformed by a reference source. If you're talking about a customer survey, for example, don't be reluctant to drop into the conversation that "one survey we conducted took place immediately before we ran a strategy retreat, which provided contemporary feedback for the strategy process."

20. **If something is not on your playing field, subcontract.** A good rule of thumb is this: if the predominant aspects of the project are not within your competencies, refer it elsewhere. But if the predominant parts are within your competencies, subcontract what you can't handle. It's the overall relationship that counts, not the individual mastery of every implementation element.

21. **Always ask yourself, "Why me? Why now? Why in this manner?"** If the buyer has a raft of choices, you're less valuable, but if you're one of the few with the expertise or reputation, you're much more valuable; if the client can wait without a problem, that's one thing, but if the window of opportunity is closing, that's quite another; if the client can do this internally, that's easy, but if an external consultant is mandatory, that's different. By asking these questions, you'll know your intrinsic value in setting the appropriate fee.

22. **Use proposals as confirmations, not as explorations or negotiations.** Don't submit a proposal until you have conceptual agreement on objectives, measures of success, and value to the organization. Otherwise, the proposal becomes a negotiating document, and the options you have listed will be the point of departure to negotiate downward. I hit over 80 percent of my proposals, but I send out far fewer than most consultants because of my method of using them.

23. **When asked prematurely about fees, reply, "I don't know.**" Don't be cornered. Simply tell the buyer that you can't quote a fee until you have more information—in fact, it would be unfair to the prospect to do so—but you can have the options ready within 24 hours. When consultants

allow themselves to be forced into fee quotes prematurely, they almost always quote too low, and the prospect expects to negotiate down from there. Every prospect can easily wait 24 hours.

24. **If you must lower fees, seek a quid pro quo from the buyer.** In the real world, you'll sometimes want a piece of business and will accept a lower fee to get it. Even then, suggest an accommodation whereby the client guarantees to provide referrals or videotapes one of your presentations for your use or provides products and services free of charge or at cost or places you in front of a related trade association. There is usually some barter arrangement that is attractive to both parties. (Remember, bartered items are taxable.)

25. **Don't accept troublesome, unpleasant, or ugly business.** A prospect who is unethical, ornery, nasty, or otherwise unfriendly won't magically metamorphose as a client. Bad prospects are bad clients, and the only thing worse than no business is bad business. No matter what the fee, these clients will cost you more than you keep.

26. **When collaborating, use objective apportionment.** You may divide the client business into acquisition, methodology used, and delivery, for example. That means that if I sell the client, my technology is used, but you deliver; I get two-thirds and you get one-third. Use whatever formula you like (some people feel the acquisition aspect deserves more weight), but use one that's clear and objective so that everyone understands the ground rules for revenue sharing. That's why my suggestion is this:

    Acquisition = 50%
    Methodology = 30%
    Delivery = 20%

    If you're using people solely for delivery, simply pay them a daily rate. Delivery people are in huge supply because these are the people who can't sell new business themselves.

Alanism: It's very unusual to find people who can both successfully acquire business (make rain) and deliver it (implement). Welcome to a rare club.

---

27. **Any highly paid employee must bring in new business.** Whether on

salary, bonus, or commission, high pay is justified for new business acquisition. Delivery, research, and support are commodities for which you should subcontract. In fact, it's a buyer's market, since those abilities are in huge supply. Don't pay people for delivering your business acquisition unless it's on a pay-for-performance basis.

CASE STUDY: The Allocation

A prospect kept gently inquiring about costs during our initial two meetings, and I parried each time by pointing out that I didn't know enough yet (we hadn't reached conceptual agreement). Her continual gentle pressure was met by my continual but firm resistance.

Finally, I had gathered enough information and commitment to put together a proposal. The buyer again inquired about fees, and I said that she would have my proposal, options, and fees within 48 hours.

On a whim, I then said, "You've been very curious about the fees. Is there a budget you want me to stay within, so that I can formulate my proposal accordingly?"

"Well, yes," she admitted. "We've allocated only $150,000 for this project."

I had estimated that my options were going to range from $75,000 to about $110,000. "I'll do my best to stay within that allocation," I responded with all the calmness I could muster.

I provided improved and even more effective options at $128,000, $141,000, and $172,000. She chose the second one. She was relieved, and I was probably $31,000 to $66,000 wealthier for the commensurate increase in value.

28. **Seek out new economic buyers laterally during your projects.** This is part of the "springboard" from Chapter 1. The time to market is always now, so be on the lookout for opportunity as you are implementing. This is neither unethical nor illegal. It's simply smart business.
29. **Respond to "scope creep" with "I'll send a new proposal.**" Whenever the client requests work clearly outside the objectives of your original agreement, accept it graciously provided that you can send a new proposal —with new objectives and new fees—to cover the additional work.

Regard your original project objectives as “lines in the sand,” and don’t allow them to be blurred.

Alanism: Don’t allow for “scope seep” wherein you feel like you don’t deserve the business and keep doing more and more outside of the project, which is an ideal way to lose money quickly.

30. **It is better to do something pro bono than to do it for a low fee.** Don’t ever be pegged as a low-priced option. If there’s something you’re dying to do or there’s a cause you feel more than merits your attention, do it free of charge as part of your pro bono work. Don’t allow yourself to be pegged as a “cheap resource.” Rule of thumb: *Never* do pro bono work for a profit-making entity.
31. **If you do something pro bono, send an invoice.** Show the pro bono client what your actual fee would have been, and then waive it, showing a net of nothing due. That way you’ve established your fee for that particular project in the mind of that “buyer” and of anyone else on the board, on the committee, or in the room. (*Note:* This does not constitute a “donation” or a tax-deductible item under current IRS rules, so don’t attempt to use the invoice to justify a deduction.)
32. **Fees have nothing to do with supply and demand, only with value.** Don’t listen to the “experts” who tell you that you can raise fees when demand exceeds supply, which is a formula to work harder, not smarter. You want to work smarter, not harder. Every year, ask your trusted advisers and clients to help you assess the value you’re providing. You may be the worst judge and the biggest impediment to raising your own fees.
33. **Raise fees at least every two years.** Actively and aggressively increase your fees for the same kind of value you’ve provided in the past about every two years or so. Your customers, clients, and suppliers are doing the same. Even in times of low inflation, other expenses mount. If you use occasional base fees—for a keynote speech or a strategy retreat, for example—raise these by at least 10 percent every two years. *But raise them for new clients, and raise them for existing clients only if you’re providing demonstrably more value.*
34. **If you are unaware of the current range of market fees, you are**

undercharging. When you network and talk casually to clients, try to find out what the general ranges are for a variety of projects. This kind of market intelligence will help you implement your strategy, whether you choose to be the Mercedes of the market or the Volkswagen. Just don't choose to be the person with a pushcart selling knockoff goods.

35. **Stay acutely sensitive to margins.** It's not what you make but what you *keep* that's crucial. You may actually be increasing your fees while increasing your expenses at a faster clip. (This tends to happen as we become flush and invest more in marketing and client acquisition.) Analyze how much you are keeping, and adjust your fees or your expenses accordingly to maximize margins.
36. **Psychologically, higher fees create higher value in the buyer's perception.** Buyers believe they get what they pay for, which is why McKinsey, Emirates, Breitling, and Bentley don't enter into price negotiations. No one says, "This is the cheapest consultant I could find, and I'm proud of it!" Instead they say, "This person is costing us a fortune, and we were lucky to get her, so listen up!"
37. **Value can include subjective as well as objective measures.** When an executive says to me that a given result would be "priceless" or "invaluable," I move on. That's good enough. A high-level buyer's relief from stress, anxiety, unpleasant situations, poor image, safety concerns, and similar pressures is worth a great deal. Go with that.
38. **Use other people only when absolutely necessary.** Use subcontractors if (a) you don't have a requisite skill, (b) you need "legs" because you can't interview all over the country on the same day, or (c) you're bored with the nature of the work. But don't use them as a show of force or because you think doing so adds credibility. What it does is decrease profit, no matter how much you've boosted the revenue line.
39. **Introduce new value to existing clients to raise fees in these accounts.** To create a greater sense of accountability, suggest that a client consider using the traditional customer and employee surveys as a device to get customers together with employees who never otherwise see them. Offer to combine the annual performance evaluation process directly with the periodic succession planning system. Don't simply sit back and do the same thing every year.
40. **Do not accept referral business on the same basis as the referring**

source. If a colleague refers business to you from a client paying by the hour or the day, don't accept the same terms. Immediately educate the buyer that you work differently and so your arrangements will be somewhat different. This will protect your fee ranges, avoid your having to refuse the work, and prevent you from being branded as a per diem consultant.

41. **Ask the comparison question.** When a prospect says, "That's more than we intended to spend" or "We never imagined it would cost that much," point to a copy machine or computer and ask, "What's your annual cost for warranties on this equipment? It's more than the sum total of this project. Are you really so willing to invest more in preventive maintenance than you are in human development?" (Of course, you should make whatever case it is that benefits your project.) Do some homework, and work out these comparisons in advance—you can use ruined postage, cafeteria subsidies, carpet cleaning, all sorts of things. It works wonderfully for putting your fees into perspective.

42. **When forced into phases, offer partial rebates to guarantee future business.** When the client insists on a phased approach to a complex project (for example, needs analysis, design, pilot, implementation, or monitoring) that the client won't buy into all at once, offer a rebate from the fee for the prior phase on the succeeding one if the buyer commits before the prior phase is completed. This tends to dissuade buyers from looking for alternatives at every new phase, using your work from the prior phase.

43. **Cite a time frame for the proposal's acceptance.** Tell the buyer that the fees—and any discounts you may be offering for one-time payment, for example—can be honored for 30 days, after which a new proposal will be required. After all, you have the right to manage your business and your time investment, and the client can't suddenly determine, 90 days from now, that you should proceed full steam ahead. Force the client to make a decision within a reasonable time if his or her investment is to be protected.

44. **At least every two years, consider jettisoning the bottom 15 percent.** All of us are burdened by business that made sense at one time but no longer does, business that is accustomed to too much service for too little money, and business that is comfortable but unchallenging. We can't reach out unless we let go, and we must let go of nonproductive, low-potential

business. I've seen large firms dragged down by these anchors. Refer the business to someone who will appreciate it and handle it even better than you.

45. **At year-end, always emphasize early payment.** Clients will often have "money to burn" in the fourth quarter of their fiscal year, which is returned to the corporate coffers if unused. Make it clear that your accounting system allows for advance payments in the current fiscal year to be applied to future business. This is an ideal way for a client to tap the budget for next year's work, thereby improving next year's margins (a return at no expense). Remember that some clients operate on a fiscal year that differs from the calendar year, so you should find that out very early.
46. **Practice saying, "I can do that for you.**" When a buyer trusts you, the buyer will often remark about things that have to be accomplished outside of your project. For example, it might concern a facilitator for a strategy retreat, a mediator in an acquisition, or a presenter for an awards dinner. If the need matches your competencies, casually suggest that you could do it if needed. But don't do it for free. As always, provide the buyer with some options. Often the buyer won't realize that you are as multifaceted as you are.
47. **Start with payment terms maximally beneficial to you every time.** For example, explain that your policy is to receive the full fee paid in advance. If the client finds that unacceptable, offer 50 percent on acceptance and 50 percent in 45 days (no matter what the length of the project). If you start with nothing down and gradual payments, I can guarantee that you'll wind up searching for your fees well after the project is over, which means you've received much less money than someone else getting the same fee paid in advance. Terms beneficial to you equal higher profits.
48. **Suggest key objectives beyond the project.** One of my buyers began talking to his own staff about how to use my help in the next year, well beyond the current retainer. I realized that I had offered sufficient inducement to have him think long term. Don't be blatantly self-promotional. Simply suggest, "Here are three things to accomplish next year that would exploit current successes still more" or "You're now in a position to assign some resources against this new market in the months ahead."
49. **If payments are late, pursue the buyer.** Don't fool around in accounts

payable if a scheduled payment or expense reimbursement isn't received. Immediately go to the buyer and state, "We have a small problem." The buyer will always be in a better position to expedite things internally than will you be from the outside. Consider this a joint problem, not your personal misfortune.

CASE STUDY: The Schedule

A participant in my mentor program was having a very tough time raising fees for his sales skills workshops and training. We had practiced all of the right moves, all of the rebuttals, and all of the value propositions.

Then I noticed that he had in his briefcase a set of promotional materials that I had never seen. "Oh," he said, "I didn't want to bother you with this. It's just the stuff I send out to initial inquiries."

As I glanced through it, I found a fee schedule based on the type of workshop and days. He had forgotten that it was in there.

Check your materials, web pages, and all other promotional sources to ensure that you are not inadvertently providing a constricted payment schedule.

50. **Offer incentives for one-time full payments.** You never know until you ask. By offering a modest (5 to 10 percent) discount for payment on acceptance, you just may put a six-figure check in the bank tomorrow. (*Note:* Some organizations have rules in their accounts payable department that any accepted proposal or contract that offers a discount mechanism *must be accepted with the discount*.)
51. **Be clear on what the client owes for expenses.** Early in my career, I had created a $3,500 slide presentation for a sophisticated workshop based on my consulting results before it dawned on me that the client was responsible for that expense. I'm glad I had the breakthrough before the project ended! If you've created something unique that was required for that client and did not simply use your generic materials or equipment, chances are that it might be reimbursable.
52. **Send in expense reimbursement requests promptly.** I actually had to

counsel a consultant with dreadful cash flow problems *who had nearly $100,000 in outstanding expense reimbursements unsubmitted* going back over a year. Send these in every single month, and never agree to a period longer than a month. If you don't like detail, too bad—I don't like wasting time at the dentist, but I prefer that to my teeth rotting. Hire a bookkeeper by the hour if you must, but submit reimbursement requests zealously, with receipts, to avoid questions and delay.

53. **Read the fine print; then push back.** Many clients will send you a generic contract accompanying their approval to begin the project according to your proposal. The problem is that the contract will often supersede your proposal by demanding the right to cancel on short notice, pay expenses within 120 days, and set other conditions beneficial only to the client. Read the fine print, and respond to your buyer (not the purchasing people or the legal department, who may have actually sent the offensive document). Tell the client that you have just learned that the two of you have a few unexpected challenges to work out. At worst, you can probably compromise on the most odious parts.

54. **Never accept payment subject to conditions to be met on completion.** Conditions change. Buyers get hit by beer trucks. The project is never quite finished. If you allow yourself to fall into this trap, you deserve what you get (or what you don't get). You don't buy an oven with the agreement that you'll finish paying after it has cooked its last meal. Don't allow yourself to be fried in this dilemma.

55. **Focus on improvement, not on problem solving.** Everyone can solve problems, and problem solving is a commodity. But few people can systematically raise the bar and improve the performance of already stellar operations. Yet that's where the value is. It's a question of the all-stars improving still further. Orient yourself to innovation, not problem solving, and the worth of your project will be commensurately higher.

Alanism: In the United States at least, always bill in US dollars for overseas clients. Accept payment only in US dollars and, if paid by check, drawn on an account in a US bank. Exchange charges and translation charges for currency are not your problem.

---

56. **Have the client absorb expense billing.** Explore whether the client will

establish a master bill at a frequently used hotel, provide tickets through the client's travel agent, and provide limo service for local pickups. Many clients will, and an administrative assistant can take care of everything. Not only does this help cash flow by preventing payments and waits for reimbursement, but it also reduces the number of invoices a client sees and reduces the total costs associated with your project (since the expense amounts are usually absorbed within corporate accounts). Consequently, you improve your cash flow, and you look better as well.

57. **Provide proactive ideas, benchmarking, and best practices from experience.** Don't become "industry-bound." Demonstrate value to the buyer by bringing to bear experiences in other industries and under other conditions that can contribute to improving the current client's condition. Allow your "weaknesses" to become your actual strengths.

58. **Quote in US dollars drawn on US banks.** If you are an American based in the United States, whenever you propose any overseas business—even for a US company—stress that all funds are to be paid in US dollars drawn on US banks and that your fees are quoted in US dollars. If you don't, not only will the currency translation hurt you severely, but US banks often charge as much as 25 percent to convert foreign checks issued in non-US funds.

59. **Practice stating and explaining your fees.** Practice your responses so that you're neither sweating profusely nor losing eye contact. Like a basketball player who bounces the ball three times before every foul shot to get into a "routine" or a baseball batter who take five practice swings, you need to get into a "groove" that allows you to conversationally say, "It's $75,000. Can we proceed?" (You don't need Ben's cigar to prevent giggling.)

60. **Always be prepared to walk away from business.** Few tactics increase your fees as much as this one. Never be anxious. If you're at an impasse, simply say, "I've enjoyed meeting with you, but I don't think I can undertake the project, given what you're offering. Let's stay in touch." Often you'll be stopped before you're even out of your chair. But just as the client can say no, so can you. Don't be afraid to reject business that's not in the form most advantageous for you.

CASE STUDY: The Traveling Speaker

While playing hooky from a boring speakers' convention poolside at a Dallas hotel, I met a woman whose husband was a speaker. She said he travels constantly, having worked 220 days the prior year.

"If I may ask," I said, "what does he charge?"

"Oh, $1,100 a day."

"Well, if he doubled his rate, he would make the same amount but could work just half the time."

"Oh!" she said, worried. "He could never demand that high a fee!"

If that's what they both believe, then they're absolutely right.

61. **Make sure your fee increases exceed the inflation rate.** A great many consultants forget that even in periods of modest inflation, there *is* inflation. You are allowed to raise fees if you so desire, just as ExxonMobil or Siemens might.
62. **Push toward being the Bentley of your field.** At the beginning of your career, it's fine to be more competitively priced to draw business. But as your career trajectory continues, you should be building the contacts, referrals, and expertise to demonstrate that you are the class act in the field.
63. **Build strong brands and nurture them.** People are attracted to brands and pay far less attention to price. You've all heard, "If you have to ask how much it is, you can't afford the purchase." Brands draw clients who don't care about the fee, only the results and being associated with you. Never forget that the strongest brand is your own name.

Alanism: A brand is how people think about you when you're not around.

64. **If you are active globally, consider letting your domestic client with overseas operations know where you're going.** If you're going to be "in the neighborhood," many clients will agree to work at their overseas sites.
65. **Never allow local taxes to be deducted from your fees.** Consult your attorney and financial adviser, but in over 90 percent of the cases, there is no justification for the withholding of local taxes.

66. **Accept wire transfers from clients.** Credit cards carry interest charges, and cashing foreign checks takes time and often has a fee attached. If you accept fees via wire transfers, there is sometimes a small charge from the bank, but you will get the money faster and have use of it.
67. **Use multiple invoicing if a client's level of authority is surpassed by your proposal.** There is nothing unethical, illegal, or immoral about sending two $50,000 invoices instead of one $100,000 invoice.
68. **Keep boilerplate out of your proposals.** Once "the third party shall hold harmless in the original jurisdiction" appears, the proposal is going to the legal department, and your entire project and fee basis could be challenged. Use plain language, and rely on your relationship with the buyer for honorable behavior.
69. **Never allow accounts payable to do anything but send you the check.** Don't let yourself be relegated to the accounting staff to be "set up in our system." Never fight with them over terms. Their job is to enforce existing procedures, not to help exceptions. Have your buyer sign off on everything, and ask the buyer to expedite the payment.
70. **Look in the mirror and say, "The fee is $176,000.**" When you can do that without giggling, you just may be there.

Let's move to the proposal that will sum all this up.

* When I wrote the first edition of this book, there were probably about five production cars that cost $100,000 or more. As you read this, there are easily over 30.

* You can find the IRS criteria here: https://www.irs.gov/businesses/small-businesses-self-employed/independent-contractor-self-employed-or-employee.

† These are duplicated in my book *Value Based Fees*, Third Edition, Wiley, 2021. I think they're important enough tools to include in any fee discussion anywhere.

CHAPTER 5

How to Write a Proposal That's Accepted Every Time

A proposal is neither a negotiation nor an exploration. It is a summation of conceptual agreement. *The sale is made prior to the proposal.*

THE ROLE OF CONCEPTUAL AGREEMENT

Conceptual agreement occurs with an economic buyer in advance of creating a proposal. You might look at an hour's meeting with a buyer in this fashion:

10 to 15 minutes: Building the relationship, creating trust
10 to 15 minutes: Discussing important issues, further trust
10 to 15 minutes: Conceptual agreement
10 to 15 minutes: "Pouring cement" on the agreement

Yes, I'm suggesting that an hour, or perhaps even 40 minutes, is sufficient, *assuming you're meeting with an economic buyer*. The idea is to emerge from this meeting with sufficient trust and answers to create a proposal to be submitted within 24 hours. Since credibility and trust are established preproposal, there is no need for lengthy proposals, credentials, résumés, or references.

Alanism: You are not your résumé. You are the peer across the table.

A conceptual agreement consists of the following:

Objectives: These are the business outcomes to be achieved, always stated as such. “Aligning communications” or “clarifying accountabilities” is not a business outcome. You can clarify accountabilities until the cows come home and still lose money.
Metrics or measures of success: These indicate progress and completion. They can be “scientific” (weekly sales reports, monthly attrition rates) or “anecdotal” (the buyer reports spending less time refereeing among teams or working after 6 at the office).
Value: This is the impact of meeting the objectives. I’ve shown previously how something as obvious as “profit” can have a variety of valuable impacts.

You’ll find in Appendix B, “101 Questions for Any Sales Situation You’ll Ever Face,” which include these three areas of conceptual agreement. You need to have this conversation with the buyer even if the above time frame doesn’t work for you and you need a second meeting. (If you don’t gain conceptual agreement in two, hour-long meetings, even remotely, it’s probably not going to happen.)

The typical proposal should have a relatively few objectives (four to six) and at least one measurement device for each, although more are fine. *And you need at least three value statements for each of those objectives, tangible and/or intangible, with half of the total monetized:*

Objectives

- Increase cross-selling of products by 10 percent
- Increase number of buyers by 5 percent
- Reduce buyer’s direct oversight by half

Metrics

- Weekly sales report (1, 2)
- Project managers’ monthly report (1)
- Product production rates (1, 2)

- Buyer’s diary of time allocation (3)

Value

- Ten percent cross-selling increases revenues by $400,000.
- Increased buyers by 5 percent at average sale levels increases revenues by $700,000.
- Reduced inventory costs amount to $250,000.
- Buyer has more time to spend on strategy.
- Buyer’s subordinates are developed rapidly.
- Attrition is reduced because more commissions are paid, reducing attrition costs by $250,000.
- Better product forecasting will save about $100,000 in discarded products.
- We will stimulate faster commercialization time through sales and R&D collaboration and more accurate forecasting.
- Reduce selling costs by 15 percent.

Summary: Here we have three objectives, at least one metric for each, and nine value statements, with five of them monetized. A 10:1 return on the investment would easily justify a fee of $150,000 or more.

The buyer doesn’t learn of any fees at this stage and won’t until the actual proposal. But it is *agreement* on what’s to be attained and what that is worth that is essential. This isn’t a “checklist” where you simply ask the question, but rather, a qualitative discussion—for example, “What would be the likely impact of improving your cross-selling? Think of added revenues at no additional cost of sale, more accurate forecasting, and so forth.”

Now we can move on to the specific steps in the proposal that conceptual agreement allows you to create.

THE NINE COMPONENTS OF A PROPOSAL

These are the components of *any* proposal that should amount to about 2.5

pages. It's a template into which you insert the particulars for any given client.* The prerequisites, to confirm, are these:

- You're dealing with an economic buyer.
- You have a trusting relationship.
- You've gained conceptual agreement.

Situation Appraisal

This is a paragraph describing why the proposal is being written—what condition is to be improved. It should be *brief* and to the point:

> ***Bad example:*** **TD Bank is a commercial and retail bank headquartered in Canada doing business in the United States and featuring modern layouts and coffee bars with large-scale media advertising to attract customers.**

TD Bank *knows this!* It's history, an "obviousity."

> ***Good example:*** **TD Bank is struggling to overcome perceptions of its being a "foreign-owned" bank that caters only to high-net-worth individuals and large companies so that it can be more successful in the urban, retail banking space.**

TD Bank knows this, but it also knows that this is the area in which it requires help. This is *why* the proposal is being submitted, to improve this condition.

Objectives

This is the first of the three parts of conceptual agreement. I prefer bullet points:

> **Our objectives include the following outcomes:**
>
> - **To improve cross-selling of …**

I like to say "improve" or "maximize" or "minimize" (for example, expenses) in these statements.

Metrics

This is the second part of conceptual agreement. Again, I like bullet points:

Our measures of progress will include these:

- **Monthly sales reports by product and client …**

Value

This is the third element of conceptual agreement. Remember, three for each objective and half of the total monetized, using bullet points again:

The value of meeting the above objectives includes these:

- **If sales of existing services are improved by 2 percent, annual revenue will increase $350,000.**
- **If cross-selling and upselling are successful just 10 percent of the time, annual income will further increase $450,000.**
- **If successfully implemented at branch level, there will be a reduced focus on tactical operations by senior management.**

I like to remind the buyer at this point that all estimates are extremely conservative, having taken the bottom of a range or halved a financial estimate, and the actual results are likely to be far higher.

Methodology and Options

This is where you reveal typically three options for consideration. Changing the proposal from a single option—take it or leave it—to multiple options changes the decision from "Should I do this?" to "What is the best way to do this?" which increases our chances of success by at least 50 percent.*

Alanism: Providing a "choice of yeses" is simple but vital to high levels of acceptance.

Note that the first option *must meet all of the objectives* or you're being unethical, demanding that a higher-priced option be chosen for the fulfillment of the essential goals. However, the additional options are inclusive, so the client

receives option 1 plus the added benefits of option 2, or option 3 with its added benefits and include 1 and 2.

Here is a simple example, based on the objective to create higher sales based on the needs of the client's best customers:

Option 1. Survey of the highest-buying customers
Option 2. Survey plus individual phone interviews
Option 3. Survey plus phone interviews plus invitation to small focus groups

Option 1 meets the objective of understanding some best customer needs, but is up to the customer to complete and may be ignored or lost. Option 2 adds an individual and personal touch, with a higher response, especially if a discount coupon is promised. And option 3 provides the interaction of a group with a facilitator asking penetrating questions with a high response rate if it's conducted in the store with an immediate free gift that can be chosen.*

Note that no fees are revealed as yet. You're simply whetting the buyer's appetite.

Alanism: No one likes to pay more in fees, but people actually hate to perceive they're receiving lower value.

CASE STUDY: State Street Bank

I explained to the CEO about the three options for the worldwide project's delivery:

1. I train his people to implement.

2. I use my global contacts to implement.

3. I personally implement globally.

I also explained that my doing everything was by far the most expensive option ($350,000). He told me that his people didn't have the credibility and that if I were doing this in the United States, then the global sites would feel like "poor cousins" if subcontractors were used. Therefore, I was actually the highest-quality solution.

My wife and I subsequently traveled to Sydney, Bangkok, Hong Kong, Luxembourg, and London.

Timing

Never use calendar time, for example, March 3, because the client or other events might delay the start, thereby throwing expectations out of whack. Use relative time and ranges: option 1 will require 30 to 45 days, option 2, 60 to 90 days, option 3, up to five months.

Joint Accountabilities

Here you list the accountabilities of the buyer (remember, you're partners), your accountabilities, and joint accountabilities. Example:

- **You will provide support for the initiative through the company weekly video and an employee meeting in headquarters.**
- **You will provide me with a security pass and an office.**
- **You will pay me per the terms and conditions below.**
- **I will debrief with you in person or virtually once a week.**
- **I will meet all deadlines or tell you why they are in jeopardy.**
- **I will submit expenses monthly.**
- **We will both inform the other of any developments that could materially affect the success of this project.**

This last bullet point is crucial because I once discovered three vice presidents with their résumés "on the street," and another time, a buyer failed to disclose the division in which we had begun the project was going to be divested!

Note: If anyone approaches you and asks if they can tell you something "confidentially," tell them that if what you're told materially affects the well-being of your buyer, you will not honor the confidence, and to be aware of that before anything is disclosed.

CASE STUDY: The Fourth Grade Teacher

During an "open house" that used to be held at night when teachers were willing to do that, we parents sat in the fourth grade classroom in tiny chairs with our knees beneath our chins. The teacher was perhaps 23 years old.

She began: "Here's my deal. If you don't believe what your kids tell you about me, I won't believe what they tell me about you. Hands?"

We all raised our hands.

Tell your client that he or she will hear grumblings from people as the project starts. This is normal. Some people are threatened and some are simply out to make trouble. You'll hear from people that everything is the buyer's fault.

Terms and Conditions

My favorite part of the proposal. For the first time, you reveal fees, very candidly and directly:

The fee for option 1 is $56,000.
The fee for option 2 is $71,000.
The fee for option 3 is $98,000.

That's it. Then you state your terms. I favor this wording:

Terms: **Fifty percent on acceptance, and fifty percent in 45 days. Alternatively, if you choose to pay the entire amount upon acceptance, we will honor a 10 percent discount.**

Alanism: Never negotiate fees. However, you may negotiate terms if unavoidable.

First, always offer terms maximally advantageous to you. If you have to take 25 percent in 60 days and 25 percent in 75 days, OK, as long as the project is longer than that. I'll cover below why you should never be paid on completion.

Second, many companies (as well as nonprofits and government agencies) have rules that any discounted offer *must* be accepted, so that would then kick in full payment at the outset automatically!

As for expenses:

> **We invoice for expenses at the end of each month as actually accrued, and they are due on receipt of our statement. We charge for reasonable travel, lodging, meals, and related expenses. We do not charge for courier, phone, postage, or administrative work.**

My habit has been to fly first class, stay in luxury suites, and use limos. But I've only charged the client for coach domestic (business international), Marriott-type rates, and taxi or Uber-equivalent rates.

I prorate expenses on trips among the clients visited. On one trip, two different clients demanded original receipts, not copies, or they wouldn't pay (these were the trolls in procurement). I told them I obviously had only one set of originals, so whoever wanted them could pay the entire bill. They both accepted copies.

Acceptance

My proposal is also a contract. The last thing I want is anything I do landing in the legal department. The buyer signs on the bottom line. My language:

> **Your signature below indicates acceptance of all terms, conditions, and details herein.**

I also include this statement:

> **This agreement is noncancelable for any reason, but it may be rescheduled without penalty to mutually convenient dates. However, all original payment dates remain in effect. I guarantee the quality of my work.**

You can't guarantee results because you don't control all the variables, like those vice presidents trying to find work elsewhere. I also include this statement:

> **Your payment in part or in full is equal to your signature.**

I place that in Acceptance because it often helps keep things *out* of the legal department.

CASE STUDY: The Federal Reserve

I worked for the New York Federal Reserve bank, the largest in the system. My buyer said, "My hands are tied, this must go to legal, it's over $100,000. It's going to take two weeks, so sit tight, I'll be back to you."

Two weeks to the day, we received my 2.5-page proposal back restated in 32 pages, *but not one substantive change, including fees and terms!*

Never accept *any* "payments on completion" because the client has the leverage of that payment to demand more and more before the project is considered "complete." This is *scope creep*. Don't ever accept it.

TOTAL DAYS TO CASH (TDTC)

Total days to cash looks like this:

Proposal Signed	Project Begins	10	20	30	40	50	60.....

If your proposal's terms indicate that the first payment is due "on acceptance," it means that the start of the project is irrelevant to your payment date. I would give the client a week to respond if the payment wasn't accompanying the signed proposal. (Don't forget, an oral yes is legally contractual, so the document itself doesn't have to be signed. This is important when buyers are traveling—there's no excuse to delay a positive decision.)

This is why you should *never* bill "net 30 days" for your payments or for expense reimbursements. If you bill it as "net 30," the client will likely take 60 days or more. The more your "total days to cash," the less your money is worth. That's why I'll happily provide a discount to get full payment in my hands.

If I'm paid, I can't be "unpaid." I don't give money back.

CASE STUDY: The Director of Development

At one of my largest clients ever, a man with the title "director of development" had a significant global budget, and he paid me $250,000 at the outset of every year's budget less a $25,000 discount. I decided I should find out if the discount was of the right percentage to cause this, or if I could have reduced it for other people.

He stunned me by saying, "I don't pay you in advance because of your discount. I would pay you in advance with no discount."

"Then why …"

"Because they can't cancel my project," he explained, as if to a fifth-grader. "If we have troubles internally, or we're not meeting sales quotas, they will seek to reduce expenses by canceling projects. But they can't cancel mine!"

I wasn't thinking of the buyer's self-interests. I added that reasoning for new client proposals.

A couple of high-tech firms in Silicon Valley decided on 120-day payment terms for everyone, venders and suppliers of any kind. Think about that. You've begun a project and won't receive your first payment (and subsequent ones) for *four months*. This is, to my mind, extremely unethical, because it penalizes small businesses so that giant ones can have more of a "float" on their money.

When you can't get full payment in advance, always try to move payments toward the front of your proposal. Some companies, aided in stupidity by the consultants, make a large, final payment at the conclusion of the project. But some projects never end because the buyer still needs this or wants that. *And the buyer has tremendous leverage because your final payment is waiting in a desk drawer.*

Never be paid at the end of an assignment, even for a small amount. For a speech or deliverable (such as facilitating a focus group), require full payment to hold the date. Companies will tell you that they have "policies" about such things.

Well, tell them that you do too.

I am paid in advance for everything I do. You pay for workshops when you register, you pay for my speech immediately to hold the date, you pay for my consulting at the front end to gain a discount and avoid cancellation.

Therefore, *I have negative days to cash*.

I collect my money in advance of doing any work. My banker, in looking at

my books, had to have this simple concept explained three times. Then she became a believer.

Alanism: The value of cash diminishes the longer you have to wait for it.

If you're going to write a proposal that's accepted every time (or at least 80 percent of the time), then be prepared to exploit your success with fees that are high and terms that ensure very few TDTC.

* If you would like to read an entire book just on this topic, see *Million Dollar Proposals*, Wiley, 2012.
* More than three options tends to create paralysis by analysis, but three usually prompts at least option two to be selected. Over 80 percent of all of my proposals have been accepted, and some of my community members report over 90 percent.
* Option 3 is a good place to suggest advisory work over a longer term, and to move into your vault on the accelerant curve.

INTERLUDE II

The Concept of Value

Throughout this book (and all of my work), the concept of value is paramount. In fact, when asked about your billing basis or structure (when prospects often expect an hourly rate to be cited), my suggested language is this:

> **My fee is based on my contribution to the project and represents a dramatic return on investment (ROI) for you and equitable compensation for me.**

Isn't that how partners treat one another? The quid pro quo is value delivered in return for *equitable* compensation. Hourly fees aren't equitable; they are arbitrary and based on time use. In fact, they're unethical, in that the longer a project takes—inimical to the client's best interests—the more the consultant is paid. That's not equitable and ought to be illegal. Yet that's the basis for a great deal of professional services billing, even today.

ORIGINS

Subsistence farming gave way to capitalism when farmers were able to use human resources (hence, large families) and technology (horses or oxen to pull plows or grind grain) to create an excess of food, beyond the needs of the family. The farmers could now feed others in return for some kind of equitable compensation.

Hence, the artisan or craftsman was born.

People could repair harnesses, thatch roofs, provide entertainment, or supply meat in return for the farmer's food. None of this was done by the hour, but rather by the result. The payment of some amount of peas or tomatoes or corn was negotiated based on the *value* of the service or entertainment provided.

This is the essence of capitalism: private ownership of trade and production owned by individuals and used as the means of transaction to exchange value. When society reached a point of awkwardness due to the plenty (it's tough to accept 40 goats or 100 bushels of peaches as payment because they can run away or rot), specie (coin money) was invented and, eventually, paper money. Now there was a means of storing and saving the value of the transaction.

MEANING

My meaning of *value* today is quite simple: it is the importance, worth, and/or usefulness of a product or service (including ideas, comfort, support, and so forth). *That value is in the eye of the beholder*. Thus, our challenges include these:

- Create value.
- Promote the value.
- Create equitable fees for the value.

Everyone knows what he or she wants, but few people know what they *need*. The difference between want and need is what I call the *value distance* (Figure I2.1, repeated from Chapter 1).

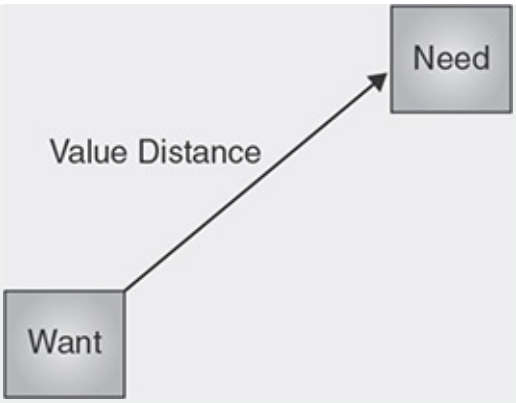


FIGURE I2.1 THE VALUE DISTANCE

It's our job to create need if none is apparent or if the buyer is focused merely on wants. The key is the question, "Why?"

"Why do you ask for a leadership retreat?"

"Because we have no consensus about strategy."

"Would it make more sense to first create more involvement about strategy to gain commitment?"

By directing the buyer to a larger view, you create needs that weren't appreciated before.

At one, "prehistoric" time, there was a "boombox" rage, when the highest status was accorded to those with the largest boomboxes and speakers. They became larger and larger. Some were so big that they required two people to carry!

Then Akio Morita, head of Sony, decided to create a music device that someone could wear on a belt and listen to through earphones. His engineers pointed out that no one wanted such a player, and his marketing people told him he was not listening to the public. But Mr. Morita owned the place, and he persisted.

Voilà, the Walkman was born—and its great-grandchild is the iPhone. People now listen through tiny earbuds to devices that are out of sight. No one knew they needed this until Sony informed them. (Henry Ford once observed that if he had listened to his customers for business advice, he would have simply bred faster horses.)

I don't know about you, but I use my iPhone the least for making calls. I check the stock market, receive and send emails, take photos, track sports scores, and so on. It is a digital assistant more than a mere phone.

You can easily name great organizations that have introduced massive need: FedEx, Uber, Southwest Airlines, and Enterprise Rent-A-Car. On a

more localized basis, you can and should relentlessly pursue need within your clients and with your prospects. Not only does this create a larger project, but it also instills more and more value in what you do and who you are.

The somewhat counterintuitive result of increased fees is that people believe they get what they pay for. Not long ago I had to buy a wrench to take care of a minor leak. There were three in the hardware store, indistinguishable to me except that they were for sale at three different prices. I chose the most expensive, thinking it must be the best. You may fault my logic, but believe me, *no one attempts to find the cheapest heart surgeon*.

Thus, as your fees have traditionally followed the value you provide, *you can reach a point where value is imputed by how high your fees are!*

The crossover where fees become the driving force of perceived value is usually represented by very high brand power, cachet, and evangelism. In other words, enough people are raving about you that others feel obligated to approach you. In those cases, fee is never an issue. (Today I received what has become a very frequent inquiry for a $17,000 coaching relationship: “Do you have room for me?” That’s a far cry from, “What can you do for me?”!)

The reason that value and commensurate fees are so important is shown in Figure I2.2 (repeated from Chapter 4). When the buyer is committed to you and your reputation, you provide reciprocal value, and you merely need to demonstrate a high return to justify a high fee. When fees are high and commitment is low, there generally won’t be any sale at all. And when both commitment and fees are low, apathy results.

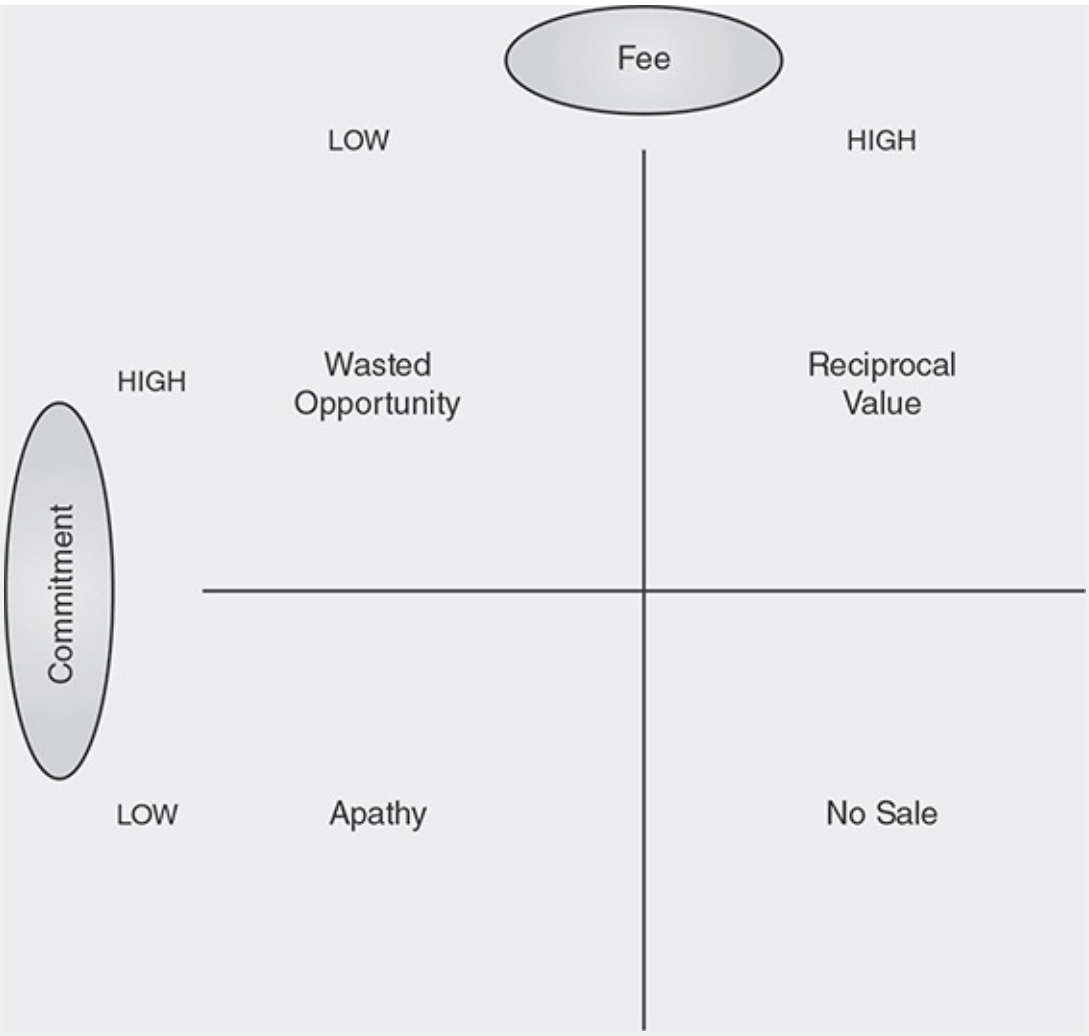


FIGURE I2.2 THE RELATIONSHIP BETWEEN VALUE AND COMMENSURATE FEES

But the real danger occurs when commitment is high and fees are low, and too many consultants find themselves in the opportunity wasteland. They charge too little for a project and a buyer where more would easily have been paid. (How many of you have ever been told by a happy client, "I'm surprised you were so inexpensive"? That is *not* a compliment you should be proud of.)

CONVERTING TO VALUE

The "must" in the process of conceptual agreement with a buyer is to convert business outcomes into value. Here are some generic questions to use during the conversations:

1. “What will these results mean for your organization?”
2. “How would you assess the actual return return on assets (ROA), return on sales (ROS), return on equity (ROE), and so on?”
3. “What would be the extent of the improvement (or correction)?”
4. “How will these results affect the bottom line?”
5. “What are the *annualized* savings (the first year might be deceptive)?”
6. “What is the intangible impact (for example, on repute, safety, or comfort)?”
7. “How would you, personally, be better off or better supported?”
8. “What is the scope of the impact (on customers, employees, vendors)?”
9. “How important is this compared to your overall responsibilities?”
10. “What if this fails?”

The *follow-up* questions are all about, “What would that mean in savings, improvements, revenue, profit?”

If a client provides a project objective (preferably a business outcome) such as, “We seek one contact with our major clients, not overlap from differing product and service areas,” you ask, “Why?” This provides the real reason for the objective.

Answer: “We are spending too much money on multiple, duplicative visits and creating complaints from our best clients who feel ‘hounded.’”

Follow-up: “What does a client visit typically entail in terms of time, and how much of that time are managers required to respond to the client complaint?”

Another follow-up option: “If you had just one person selling multiple products and services during one visit, how much in additional sales do you think would be generated?”

These questions lead you to substantive answers with estimated monetization. Make it a habit to cut the number in half (if there is $500,000 in estimated savings, use $250,000), or take the bottom half of the ranges (if the estimate is a 5 to 8 percent sales increase, use 5 percent). This way you can explain, when the buyer is examining the ROI (total benefits divided by

total investment), that your numbers are archly conservative and the probability is that the actual return will be much higher.

When you settle for "vanilla" objectives such as "increased clarity," or "more confidence," or "higher commitment" (which I call "human resources objectives" because they are so weak and nonmeasurable), you deny yourself the opportunity to create a dynamic ROI, where the client receives huge benefit and your equitable compensation is quite reasonable in light of that improvement.

THE PHILOSOPHY OF VALUE

We've established that our role is to improve our client's condition. That means that the improvement, by definition, must constitute significant value. Value is about enhanced results, not frantic activity.

There is a myth in management that leaders are paid to take action. We idolize and elevate those who are "action oriented." But no one is paid to take action. *People are paid to achieve results.* No board ever passes a resolution citing the executive team for the number of activities undertaken despite the poor financial results, higher attrition, and loss of market share.

Here are the tenets of value, in your life and in your career, and most certainly with your clients:

- Value is manifest in an improved condition.
- Value is also manifest in maintaining the current condition through effective preventive work and flexibility in managing volatility.
- There is more value in improving performance and raising the bar (innovation) than there is in problem solving and restoring past performance ("fixing").
- Value, like beauty, is in the eye of the beholder. The buyer's perception is the sole arbiter of whether value has been provided.
- Value can be quantified (improved sales, higher market share, less attrition), but it can also be qualitative (improved aesthetics, greater feelings of security, greater comfort).
- Creating value is not time dependent at all. The old dictum "If it hurts when you do that, stop doing that" provides immediate value.

- Standards of value change. Nordstrom once took back all returns, even dresses with perspiration stains and products not purchased there. Today, it is far more concerned with profit and has abandoned that policy.

Binge watching new TV programs now supersedes merely time shifting programs.

Your value must evolve over time. And, as I have noted, value is often determined by a high fee! We would not believe that a Bulgari watch on sale in a street cart for $12 was real. Likewise, people don't believe that a consultant charging $350 an hour is very good.

Finally, the process of demonstrating what the client really *needs*, despite statements of what the client claims to want, is instrumental in creating high value where low value was previously perceived. A leadership retreat of two days is a commodity that competitive pricing may drive to $5,000, but the *reason* it's needed (the *why*) is that there is no involvement or commitment about strategy, which requires a $100,000 cultural change initiative.

And you were the one who demonstrated why that's needed.

EXAMPLES OF MODERN VALUE PERCEPTION

We've become rather inured to value unless the true import is deliberately confronting us. I recall my very first car phone. I made a call to a London client and complained to my wife that there was static on the line.

"Alan," she stated slowly, "you're calling *London* from your car!"

I heard a comedian tell people to stop complaining about crowded spaces in airplanes: "You have a seat traveling at 35,000 feet and arriving across the country in five hours!"

A 1930s movie starlet observed, "A private railroad car is not an acquired taste. One gets used to it instantly."

A luxury has a short half-life. Once used or applied a second time, it becomes a need, then an expectation, then barely a blip on one's comfort radar screen. One curses the fates if the automatic garage door opener fails and a walk in the rain is required to open the door manually.

The history of a consultant with an excellent client runs something like this:

We need Alan Weiss.
We couldn't have done this without him.
Alan was extremely helpful.
Alan had some good ideas.
We could have done this without that consultant.
Who's Alan Weiss?

Thus, we have to deliberately and meticulously keep our value in the eyes of our beholders: clients and prospects.

This has often been done by branding over the years:

- *Mercedes:* "Engineered like no other car in the world."
- *BMW:* "The ultimate driving machine."
- *FedEx:* "When it absolutely, positively has to be there overnight."
- *US Marines:* "We're looking for a few good men."
- *Delta Airlines:* "Delta is ready when you are."
- *United Airlines:* "Fly the friendly skies."
- *Las Vegas:* "What happens in Vegas, stays in Vegas."
- *Ford:* "Ford tough!"

Modern perceptions of value tend to focus on the following:

- ***Speed:*** **The advantage of solo consultants and boutique firms is agility and nimbleness. We don't need to land on the beaches with 300 consultants being paid by the hour while learning the client's business. That's why value-based billing is critical, because our great value is in getting things done fast. The speed limits on most roads rarely exceed 70 miles per hour, but most high-end cars advertise 200-mile-per-hour top speeds and 0 to 60 in three to four seconds.**
- ***Minimal disruption:*** **Our clients require their customers to be treated without discomfort and hassle. Today, renovations are often done while the building is fully functional. Businesses can't be shut down while changes occur. We need to work seamlessly wherever possible, in person, remotely, and/or in a combination of those arrangements. If you visit the mansions in Newport,**

Rhode Island, constructed during the Gilded Age of the late nineteenth century, you'll often find a second hallway, hidden behind walls, which the servants used so as not to inconvenience the residents and guests.

- ***Autonomous control:*** **Most research shows that people at work crave autonomy (often referred to as "agency") and that individuals experience far less stress when they perceive that they have control over their work and results. We are best served when we transfer skills to the client. While that might seem as if we are lessening the need for our continued participation, we are actually meeting an important client need—control—which increases our attractiveness for future projects (and which is why we need a variety of value offerings—see the accelerant curve discussed in Chapter 2).**

We need to continually demonstrate to the buyer what our value is and make it extremely clear that our role was central to the project's success. If we're serving in an advisory retainer capacity, we have to talk about the advantages and ramifications of our past advice.

We need to continually demonstrate to *prospective* buyers the value they can expect to derive, using our behavior, testimonials, case studies, and references.

Finally, we must continually create, discover, and present *new* value that the buyer hadn't considered. Remember that *behind every corporate objective is a personal objective* that we can tap into to create even greater satisfaction:

- ***Reduce turnover:*** **"I'm weary of all these interviews."**
- ***Increase profits:*** **"My bonus relies on exceeding profit goals."**
- ***Improve teamwork:*** **"I hate playing referee among teams."**
- ***Create remote access for clients:*** **"Reduce my travel."**
- ***Open new markets:*** **"Improve my chances for promotion."**

The more we seek and manifest value, the more we can improve the client's condition and, therefore, maximize our fees. This requires a value-based mindset.

PART III

EXECUTION

How to deliver the value rapidly, effortlessly, and effectively to create "evergreen" clients.

CHAPTER 6

The Attack of the Esteem Monsters

Success is undermined by low esteem, which is caused by fear. And the fear is entirely removable if we have the courage of our talent.

NO ONE IS SHOOTING AT YOU

This section is on execution—delivery, implementation, performing well, excellence. But we're not starting at the prospect, at the client, or in your office.

We're beginning inside your head.

CASE STUDY: New Guinea

My father volunteered for the first parachute regiment ever formed in the US military, in 1940. He told me that he thought it was a good idea at the time. A year later we were at war, and he was shipped to the Pacific to defend Australia at the height of Japanese expansion.

His unit jumped into enemy guns over New Guinea. A great many of his buddies were killed. He didn't like to talk about the war, but one time when I asked him how he could do that, he said, "You just assumed it wouldn't be you and you did your job."

My father died at the age of 99 years and 11 months, spending only his last two days in the hospital, otherwise living independently in a condo I purchased for my parents.

No one is shooting at you.

No buyer has ever tried to take money from me, and I've never left a buyer's office without being a better person because I've learned a lot even in defeats. We all make mistakes in implementation, in our expectations, in our plans. But the key to overcoming errors and obstacles is resilience, not fear.

In Figure 6.1, I've illustrated that resilience is a learnable skill, not an inherent talent. If you create the fuel, which I call *hypertraits*, you improve trust in your judgment, which improves your decisions, which in turn leads to greater success. If your decisions aren't immediately successful, then those same hypertraits provide the resilience you need to overcome the setback and gain success.

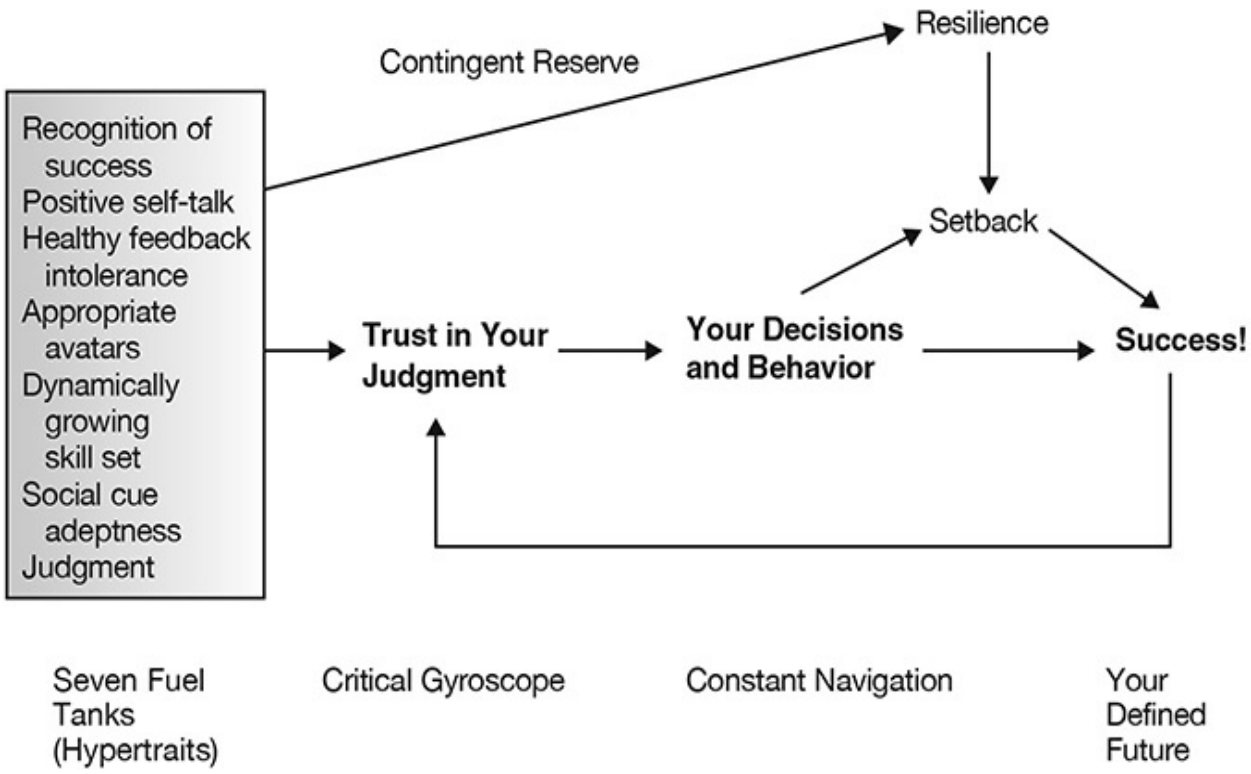


FIGURE 6.1 THE RESILIENCE MODEL

The easily acquired skills are these:

Recognition of success: We must identify when we've been successful and why, and never merely chalk it up to "luck." Replicate the reasons—the causes—for your prior successes.

Positive self-talk: The way we speak to ourselves informs our

behaviors. If you tell yourself you'll never be able to ski—or be credible with a buyer—you're probably right. These aren't platitudes or empty affirmations. Positive psychology has been a major factor in motivation for over a decade.*

Healthy feedback intolerance: You read that correctly. Unsolicited feedback is for the sender, not the recipient. It is ego based. Accept and consider only solicited feedback from those you respect and trust. Never pay attention to "smile sheets" and ratings.

Appropriate avatars: Whom do you respect, and what can you learn from their behaviors? Don't try to be them, but learn the traits that you might be able to emulate. What are the values that have supported their success?

Dynamically growing skill set: Improve by 1 percent a day and in 70 days you'll be twice as good: The One Percent Solution®. Are you constantly improving your skills and adding new ones, or just relying on what got you here?

Alanism: The only way to coast is downhill. If you're not climbing, you're not growing.

Social cue adeptness: Can you learn from and adapt to the environment in which you find yourself? I've seen people bring their breakfast into conference rooms or fail to stand to shake someone's hand or greet them. How small or large a world do you inhabit?

Judgment: Thomas Jefferson said, "In matters of taste, swim with the tide; in matters of principle, stand like a rock." Is your judgment mature and worldly, and do you know when and when not to choose your fights?

Resilience is the strongest when you master these skills and also when you feel you have high self-worth. After all, dealing with executives, resistant people, sensitive situations, and high-impact issues requires a hell of a lot of confidence.

ESTEEM AND EFFICACY

Efficacy represents how well you can do something, such as saw wood, or type, or consult, or fish, or lead. *Esteem* represents your self-worth, self-respect. You may be poor at doing something (the only instrument I can play is the radio, and rather poorly); however, you should nevertheless feel like a worthy person—worthy of respect, of being loved, of having friends, of being trusted, and so forth.

Conversely, you may have huge efficacy but very little self-worth—the stereotypical *imposter problem*.

Alanism: Confidence is the honest-to-God belief you can help others. Arrogance is the belief that you have nothing left to learn yourself. Smugness is arrogance without the talent.

As you can see in Figure 6.2, the ideal is to possess efficacy where it is important in your life and self-esteem at all points in your life.

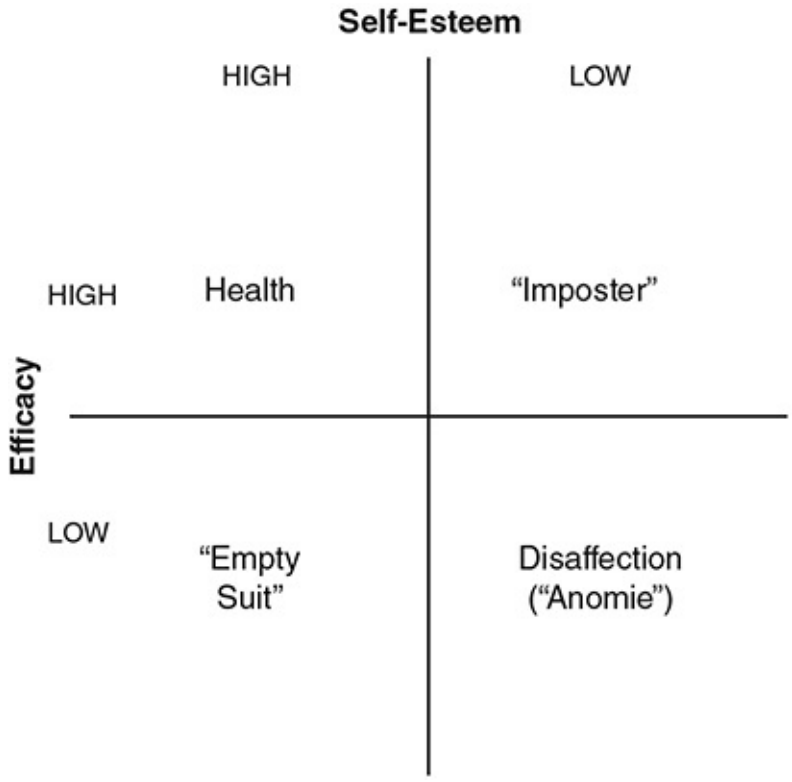


FIGURE 6.2 SELF-ESTEEM AND EFFICACY

In the upper right is that imposter who never feels deserving of receiving an award or accolade or even a sense of accomplishment. Those actors holding Oscars for the photos are concerned about whether they will ever work again *because their award is for portraying someone else*. Both of my kids are in the entertainment business, and they've told me that actors are among the most insecure people they've ever met. *The Imposter Phenomenon* was written by Dr. Pauline Rose Clance decades ago (Peachtree Publications, 1985). The book describes her work with executives, star athletes, celebrities, and other leaders and "successes" during which she determined that over 80 percent felt unworthy. That is the same issue today.

When I first began my consulting and speaking career after being fired as CEO of a consulting firm, I was using common sense in my approaches, certain that I'd be yanked offstage or "outed." I'm still using common sense 30 years later.

Imposters have a hard time justifying high fees, confronting tough buyers, dealing with objections, and/or handling personal questions, such as, "You don't know anything about our business, do you?"

On the bottom left of Figure 6.2, we have the converse, the person who talks a great game but can't deliver because this person has no efficacy in the areas being discussed. We've all heard of the "empty suit" (in Texas, "big hat, no cattle"). We can't have efficacy in all things at all times, but efficacy matters in those areas where we're seeking to prove our value. I can't sing, but I can certainly improve a client's business (as long as singing isn't important to it).

On the bottom right is the alienated and disenfranchised person, usually associated with an absence of social and ethical standards altogether. It's often described as "normlessness." *Anomic suicide* is a term applied to people who take their own lives because they believe they have no relevant talents (efficacy) and that they are of no worth (esteem).

We can't be as "high" as our last victory, nor as "low" as our last defeat. Our self-worth needs to be constant, meaning that we neither regard a "win" as a cosmic event that makes our career or life nor a "loss" as a catastrophe that destroys our career or life.

To be effective as consultants, we need to apply relevant efficacy, which we can develop and improve over time, and high self-worth to give us perspective whether we "win" or "lose." This is vital in implementing projects and advising clients.

CASE STUDY: The Johnstown Flood

A salesman had been caught up in the legendary Johnstown flood, and he used to tell his customers and others of the cataclysm, which he had survived. His recounting was so exciting that he gave up sales and told the story of the flood for money, as a speaker, for the rest of his life.

When he died, he went to heaven and St. Peter greeted him. "By the way," said St. Peter, "newcomers are expected to perform or demonstrate their specialty before all the heavenly hosts the evening of their arrival."

"All I can do is tell the story of the Johnstown flood," said the former salesman. "Is there anything that I should be worried about?"

"Well," said St. Peter upon reflection, "*Noah will be there.*"

THE POWER OF QUESTIONS OVER ANSWERS

It's far better to have good questions that arrive at the heart of an issue than great answers that are irrelevant.

CASE STUDY: The ER

My wife woke me very late at night and told me she felt some numbness in her arm and had chills and that these were often signs of a heart problem. I asked if she wanted to wait until morning, call 911, or have me take her to the hospital. She opted for the last.

We arrived, and the intake nurse in the ER had her taken immediately inside to be examined. By the time I parked the car and went in, she had a couple of nurses hovering and taking tests. Just as I sat down, the doctor walked in.

He introduced himself and proceeded to ask my wife, quite calmly:

"What exactly is the discomfort?"

"When did this begin?"

"Have you felt this way before?"

"How long has it lasted?"

“How much pain is there?”

“Do you or family members have a history of heart problems?”

“Are you on any medications?”

Given her answers, he turned to me and said, “I don’t think it’s anything serious, but we’ll run some tests and keep her here until morning for observation.”

“Do you know,” I said, “you asked her almost precisely the same questions I ask clients when they tell me they have a problem?”

“Well, we’re both diagnosticians,” he pointed out.

The first step for physicians and for us is to “do no harm.” You may think that’s a function of thorough preparation, but it’s actually a function of avoiding lengthy preparation *and rapidly getting to the heart of a matter*.

I find that consultants often interrogate their buyers and other client personnel. There might as well be a bare, hanging light bulb over the conference table. They also insist on needs analysis, pilots, assessments, testing, and other delays. This is all under the penumbra of “thoroughness” and assembling all the information one needs.

Alanism: You never begin with all the information you need. The point is to determine what *is* needed as you progress.

Consulting assignments should begin with a proposal (as noted earlier) that focuses on objectives to be gained, with options for the client to choose in order to best realize value. But the methodology is up to the consultant, not the clients.

Thus, we should be adept at asking effective “diagnostic questions” at the outset and using them to create direction. But to create *knowledge*, you have to be prepared to discover and unearth new information as you proceed and to meld that with what you already know. When you have gained sufficient knowledge to use in future assignments, you have achieved *wisdom*. Don’t expect to put together a football game up there because there aren’t that many people at that altitude.

Alanism: Assessment is diagnostic. Remedies are prescriptive.

The overall key question you have to ask is “Why?”

“Why?” gets you to a higher level of need.

“We’d like you to run a two-day strategy retreat for our top team.” Instead of immediately trying to cite a fee, ask “Why?” And you might well hear, “Because our top team isn’t making decisions that reinforce everyone, and we’re often at odds with each other, forming silos and warring turf owners.”

Oh.

Well, maybe what’s needed is to examine if accountabilities have been established for implementing strategy, if there are evaluations and rewards and punishments being applied, and whether this is a true team (we all win or lose together) or really a committee (some of us win, some of us lose).

That’s a whole lot more relevant and effective than another vanilla “strategy retreat.” I had to tell one client, after they’d run sessions with three other consultants the year prior, “You retreat more than the Confederates did in front of Atlanta. How about we charge?”

Learn to ask the right questions throughout the project, and never stop asking. Asking questions isn’t an indication of lack of knowledge or expertise. It’s a sign of high self-worth, knowing that others can be vital in helping you.

MAYBE THERE WAS SOMETHING UNDER THE BED

I don’t know about you, but when I was a child I used to obsess about what might be under the bed. For a long time, I didn’t have the courage to look, but instead I covered my head with the blanket—a sure remedy to ward off a fire-breathing monster under the bed. (Don’t laugh. When I was in grammar school, we had air raid drills, and we would sit on the floor in the school basement with our jackets over our heads—wait for it—as a protection against radiation.)

When I managed to get the nerve, I’d cadge my father’s old flashlight and lean down and peak. I never found anything but an odd sock or penny.

However, that doesn’t mean there was never a monster under the bed. It merely means there wasn’t one there when I looked. For all I know, monsters might have been sleeping under there most of the time or they merely avoided the flashlight’s beam.

Alanism: Absence of evidence is not evidence of absence.

The monster that does often live with you is the Esteem Monster. And we combat that with evidence and observed behavior. What we know from my (and your) childhood is that *if there were monsters under the bed, they never harmed us*. That is empirically true.

I want you to focus on the evidentiary facts and behavior that will bolster your self-esteem.

1. *Focus on success, not failure.* In the evening, take a minute to focus on two or three things you did well that day, professionally or privately. Ask yourself why and how you were able to do them, and ask yourself what lesson you learned that you can replicate. In the morning, take a minute to focus on two or three things you intend to do that day as priorities, professionally or personally, and work on them first.
2. *Generalize the positive, isolate the negative.* If you have a proposal rejected by a prospect, don't conclude that you're a lousy marketer. Focus on the fact that at that time, in that place, with that person, you did not get a sale. Period.*

   If you have a proposal accepted, don't conclude you were lucky. Tell yourself that you are an excellent marketer. These are variants of positive self-talk that are vitally important in killing the Esteem Monster.

CASE STUDY: Your Kids

This technique is especially important with children and loved ones. If your kid misses a kick, say, "That was difficult. Anyone would have had trouble." Don't say, "You're not much of an athlete." If your kid gets a great mark on a test, don't say, "You got lucky with that one." Say, "You're turning into quite a scholar."

It's amazing how the mere difference in the words you use can radically build—or undermine—self-esteem.

3. *Understand the reality that others are supportive and not "damaged."* We often believe that people want to reject, critique, and harm us. But no one (except for sociopaths, perhaps) wants to attend a speech that went poorly and brag to others, "I just wasted an hour of my time and helped to undermine the speaker, as well." The audience—listeners, clients,

participants—want you to succeed so that they can succeed.

Similarly, you don't want to assume the other person is somehow flawed and at fault. One of the greatest ironies is that consultants often immediately think the buyer is the cause of the problem—the very person who was bright enough to hire them!

When you believe in yourself, that you are a worthy person, you can surmount any problems and enhance your resilience. This is vitally important in marketing, but it is just as important in execution and delivery.

Let's examine now how to leverage your skills and esteem.

* For the best book I know of on the topic, read Marty Seligman's *Learned Optimism*, Simon & Schuster, 1991. The author has spoken at one of my conferences.

* It's often highly productive to ask the buyer, "Can you educate me and tell me what I might have done better to successfully obtain your business?"

CHAPTER 7

The Reality of Technology

You don't need a drill. You need a hole. No one gets wealthy by having four backups of a hard drive. What we all need are results.

THE UTTER FALLACY OF SOCIAL MEDIA

Here's where I create some unhappiness, some exasperation, even some enemies. But if I'm not doing that daily, then I'm not doing a very good job of trying to help people!

They are called "social media," not "business media." I'm going to deal with the major social media platforms generically first, then talk briefly about each one. When I say "major," I mean those most commonly used for business promotion and connections, irrespective of whatever other lunacy is going on in the postings.

If St. Paul, whom I've identified as the first real "viral marketer," had had social media, some think he may have converted the entire world to Christianity within a few months. But those optimistic assessments fail to accommodate the probability that there would have been conspiracy theories about Paul and his motives, claims of false apostles, appeals to learn about God through a series of videos for a thousand shekels, hacking from the devil, and all sorts of junk mail.

Here are the generic problems with relying on social media platforms:

- There is enough noise to drown out a B-52 taking off with a full bomb load, or the bombs themselves when dropped on a target. The competition for attention grows exponentially, daily.
- The amateurism threatens to cheapen everything around it. There are

women on video with their hair in their eyes, men with T-shirts, platitudes in the multitudes, and absolutely baseless opinions. Experts can accept having their predictions and opinions considered in learned environments. Amateurs and flâneurs and dilettantes, not so much, except on social media.

- The time dump is bottomless. In attempting to be current and frequent on social media, you tend to get dragged into discussions of people reacting to your posts or videos, or people who seem to be copying your intellectual property, or just crazy nonsense, much of which is funny but little of which is useful.
- Buyers do not troll social media (or the internet in general) to find consultants. I'm sure someone will have an immediate exception, where they met someone who knew someone through LinkedIn. But as we've discussed previously, almost all buyers in the corporate world, from business owners to corporate executives, rely on interpersonal word of mouth (peer-level reference).*
- It is a commodity stage, where everyone quickly copies something that seems "hot" (remember "Periscope" on Twitter?) and everyone looks and sounds alike merely by being in the same pot of soup.
- Most people are lying. You are not a "*New York Times* bestselling author" or a "highly sought out speaker" or a "prolific anything." There is really no way to employ a wheat/chaff distinction: is it opinion or fact, real claim or nonsense, actuality or hyperbole? Most intelligent people will err on the side of skepticism.

Individually, I find the options look like this:

Twitter

This is a useful device for forcing you to provide intellectual heft within whatever Twitter's current limits are, but it was even more challenging when it was only 40, which also cut down on the bloviation. There are people claiming 90,000 followers and those who claim they follow tens of thousands. In what universe? A land where no one has anything else to do, including sleeping and eating? You can also easily get into arguments here that are sterile and silly.

My strategy: I post daily, I have about 9,000 followers, and I don't follow anyone, which is part of my brand. That riles people. That's good. Again,

remember I’m in the retail market.

LinkedIn

This platform allows for articles, networking, promotions, and so forth. The videos posted here are among the worst I’ve ever seen. And you have to be careful, even with a strong brand, to monitor what the technical people are doing. One well-known author and speaker, a professor, has absurdly banal platitudes posted that she’s clearly not monitoring.

My strategy: I have my technical people submit articles to me for my approval, which we then post as my recommendations. This greatly increases my exposure, and it is win/win/win. They also repurpose my blog posts here and on Twitter.

Digression on TED: I have found that TED began as an intellectual platform of presentations that has degenerated into pseudointellectual, politically correct drivel. TEDx is almost embarrassing. Wait, correction. It IS embarrassing. I don’t find TED as a distinguishing advantage anymore.

Facebook

Fuggediboudit. If you want to show your friends your train collection, vacation slides, or your kale salad from last night’s dinner, fine, but this is simply a site of friendly banter, unfriendly political polarization, and conspiracy theories. You might enjoy it for the fun of it, but it has nothing to do with your business.

CASE STUDY: Blogging

I find blogs highly useful, providing you use them consistently and frequently. Blogs are like advertising: you must post at least three times a week. I post daily, including weekends.* I have both a public blog (*Contrarian Consulting*) and a private blog for my community members (alanandthegang.com).

People can use *Really Simple Syndication* (RSS) to learn whenever you post something new. You can enable comments (which I do) and

include promotional material and offerings.

Blogging helps place you in the "public square," though it is basically passive and reliant on people coming to you, which is easier if you already possess a strong brand.

THE RETAIL MARKET

Technology in the retail business is different in its efficacy but no different in terms of its potential for distraction and wasted time.

The reason it's different is that we are marketing to individuals, not companies or institutions or organizations. I'm often asked, "What have been your biggest mistakes?" One of them was acting on the belief that there was less to be made in retail than wholesale because the checks were so much larger in the latter. However, I had failed to consider *volume*. At first I thought that a $100,000 corporate assignment would need to be offset by 20 $5,000 individual sales, or 10 $10,000 sales. But some of my retail sales *are* at $100,000 per person and paid in advance.

And they are far less labor-intensive.

Alanism: If wealth is discretionary time, then retail provides for far more potential wealth than wholesale.

Lest you think I'm trying to drive you all to the retail market, let me assure you I'm not. I'm simply pointing out that it's both highly viable and highly valuable. (Even today, with the strongest solo consulting brand in the world catering to solo consultants and boutique firm owners, I still have two or three corporate clients annually.)

When you consider the ideal client, marketing gravity, and accelerant curve we've discussed (as well as the value proposition), all can readily pertain to retail business. My value proposition with corporate clients was, "I dramatically improve individual and organizational performance." My value proposition with retail clients today is, "I dramatically improve the businesses and lives of entrepreneurs enabling them to exceed their own aspirations."

Social media are important in the retail market because the evangelism and word of mouth take place there. But the vital key is how you differentiate from

all the noise. There is no bar to entry on the internet, so anyone can waltz in and begin spouting utter nonsense (and lies, and profanity, and conspiracy theories*).

Here is my formula for those of you who are engaged partly or fully with the retail segments in terms of using technology to market and deliver.

Frequency and Consistency

This is an old and accurate advertising principle: let people know the same thing frequently and uniformly. Placing one article or one promotional insert on the internet is meaningless.

I am on Twitter daily with my thoughts and predictions, and you should be on Twitter at least five days a week. That's right, every weekday. A line is sufficient. Build up a "bank" so that you can release one each day without being pressured by a deadline.†

LinkedIn and Groups

I separate out LinkedIn because you can create groups here that can represent your ideal clients, create interactions, and provide for "soft selling" of your services.

These are excellent ways to separate yourself from surrounding noise. You can also promote to your followers using articles, ads, and appropriate hashtags (#). LinkedIn can help you form and administer your groups. These are nascent steps to building something like AlansForums.com, which has its own platform solely for members of my community.

It's important to provide your groups with Q&A opportunities and with new IP on a weekly basis.

Blogging

We've discussed blogs in the marketing efforts earlier, and they are no different for the retail market in terms of how you use them. I would urge you to accept comments (delete anything obnoxious) and to *blog at least three times a week.* These posts needn't be lengthy and probably shouldn't be given the attention time span of the average reader. *Photos and graphics help a great deal in all of these platforms.*

Newsletters

In contrast to blogging, which requires people to make the effort to visit your website, newsletters provide a means of reaching out. I suggest brief newsletters, with four brief points, to appeal to as wide a population as you can, rather than making just a "take it or leave it" single point.

Have a nice logo and layout as a template, and simply "plug in" your content weekly or monthly. You should "bank" these as well, while making sure that the newsletters give you the flexibility to insert something that's especially contemporary. Place a "soft sell" at the end for your products, services, offerings, and so forth.

Videos

YouTube may be the largest social platform of all. Use it to post videos that you should also archive on your site and/or blog. I advise you to keep videos brief, perhaps five minutes or so, and use a *chyron* (closed captioning across the bottom).

As mentioned earlier, lights and sound and background are important to provide a quality image. Groom, dress, and plan well. You don't want to have hair in your eyes, lights reflecting on your face, or your notes appearing reflected in your glasses.

Podcasts

These are extremely popular, and I'd keep them within short time frames as well. Address a single subject. Use a high-quality mike. Software such as GarageBand on Macs works very well, and you can easily add music and sound effects, and you can edit them readily. Vary your intonation and inflection.

Never use a script for a video or audio performance. Use bullet points that keep you on track but allow you to speak conversationally.

Websites

In the corporate world, websites are credibility statements, but in the retail world, they can also be sales tools. Drive people to your site via the options above, and offer still more free value. (If you visit alanweiss.com, in about 10 seconds a pop-up menu offers you a free download of valuable information—

I'm often thanked for it). Think of the site as representing your accelerant curve.

And think of your site as "real estate": Where do you direct the visitor's eyes? Is the property well kept and modern? What is the neighborhood like? Don't waste "property" on platitudes and your photo in giant proportions like a Macy's Thanksgiving Parade float.

On the landing page of your site, include the following:

- Your photo
- Your value proposition
- Typical client results you generate
- Testimonials, which should rotate and be on video

Inside you can have case studies, "white papers," a book and product store, a client list, and so forth. But it's the first page that crucial.

You probably can't do all of that yourself. I know that I can't. And you tell your prospects that they can't do by themselves what they're considering you to do for them. So, how do you acquire the right technological help?

HOW TO FIND COMPETENT IT HELP WITHOUT BECOMING HELPLESS

Let's establish some basics, wholesale or retail:

1. You need to use technology to maximize your effectiveness in business acquisition and delivery.
2. You don't need to use technology for technology's sake. A good example is PowerPoint. It is overused and overrated, and it takes the focus off the person (in a relationship business) and places it on equipment.
3. Technology and the material it supports legitimately need to be updated frequently for at least two reasons:
    - The technology improves constantly.
    - Even cosmetic change is important to look current.
4. Finally, technology should be a help and an enabler, not a pain in the neck. This pertains very much to who provides it and how.

Most, and I mean “most,” technology providers fail to meet deadlines, think in terms of their idea of perfect technology rather than an ideal customer’s (your client’s) experience, and believe they’re marketing experts (which, if they were, they’d be far more successful).

Other than that, they are wonderful.

I had to fire one provider who I found was mixing my intellectual property with his own—and others’—on his servers, who was giving himself access to comments on my blog that were supposed to be confidential, and who was stealing my stuff! I blame this on myself for blindly trusting instead of doing ongoing due diligence.

If it can happen to me, it can happen to you.

Here’s how to find really excellent help, because I’m being overly cynical above just to get your attention.

Look Around

Find websites that you believe are well done, present the owner in a positive, modern, and high-value context, and that are easily navigable and intuitive. Then find out who built it. Sometimes the creating company is listed at the bottom of the site, but in my experience, we’re all happy to give referrals to our web providers, which is a win/win/win situation.

Things change quickly, but as of this writing, here are some highly effective sites, wholesale and retail, including my own:

https://conniedieken.com
https://mandat.de/de/
https://www.fripp.com
https://www.engageselling.com
https://alanweiss.com

You’ll notice the use of video, testimonials, high-quality graphics, and intelligent layout and navigation.

Seek Referrals

This is one of those instances where referrals are important. Focus on whether the provider consistently meets deadlines, whether changes are handled quickly and smoothly, and if they are responsive to feedback. For example, some sites

have so many pop-up menus that they are distracting. Others have templates that seem to have emerged from a cookie cutter.

Ask the client of the technology provider: “What are the worst aspects of working with them? What would you change if you could?”

Ask for a Sample

Ask those you choose to give you a sample landing page based on what you are currently using or have in mind. It’s easy enough for them to critique what you have, but demand to see what they can do better. After all, if they are handling your blog, website, social media presence, ordering systems, or whatever, that’s a great deal of business, which justifies your seeing a sample of their intended work.

That leads me to my last point. Try to give ALL your business to one technology outfit when possible. You’ll be an important customer, you’ll have a consistent look to your brand, and you’ll have seamless connectivity (for example, between ordering and processing). My technical team is highly responsive and also offers me intelligent advice. When they make an error (as do you and I), they are not defensive, and they quick to fix it.

Your website is a credibility statement (and occasionally a sales mechanism), and it should reflect your image and quality consistently and well.

STANDING IN THE PUBLIC SQUARE

I refer to the “public square” as in the spirit of the town criers who announced the news and where notices were posted on wooden boards for all to read (who could read, hence, the town criers). People received the news if they were in proximity, and then spread it to others (early viral communications).*

The public square today is overwhelmingly electronic. It comprises social media, blogs, platforms such as Instagram and Pinterest, Angie’s List, and YouTube. The public square I’m suggesting is less than the entire world, less than the reach of those and other sources, but more than your ideal clients, personal newsletters, and podcasts.

You never know where your next lead or even piece of business is coming from. I’m surprised every week, and I’ve been at this for a while. There is a world of recommenders out there, commonly called “influencers” these days, and there is no downside to communicating your worth to them.

Alanism: Even a negative review draws attention.

I read of a study once in which the researchers had found that those public firms that were "exposed" for some real or alleged misdeed on a program such as *60 Minutes* saw their stock price *increase* the next day.

I'm not espousing that you break the law or commit a heinous act, but I am suggesting that you become known for your views. In contrast to using technology to market solely to your ideal clients, I'm suggesting that you use technology so that people recognize you and talk about you in the "public square."

How is this accomplished?

Write Op-Ed Pieces for Your Local Newspapers

Op-ed literally means "opposite the editorial," and these columns are provided for readers of the newspaper and various experts (viz. YOU) to provide opinions that the paper might or might not agree with. What do you think about school funding, or recycling, or the condition of the roads, or taxes?

I'd suggest you stay away from politics, sex, and religion, of course, but never be afraid of being unpopular. One aspect of *un*popularity is that people have to know who you are.

CASE STUDY: The Builder

When I was chair of the planning board for my town, there were acrimonious arguments and debates with a builder who felt that the standards and laws were incorrect or that he deserved an exception. It was colorful theater, and he usually lost his case.

However, people would comment at these meetings that the work he did was excellent—our board felt that way, as well—and the newspaper accounts would always cite his many projects in town.

He was one smart promoter.

Speak out at Town Meetings

There are planning boards, zoning boards, sewer commissions, school boards, Little League committees, chambers of commerce, and so forth. Prepare something that will seem extemporaneous but that you've rehearsed. Whether people agree, disagree, or are neutral, they will ask about "that articulate person with the well-prepared views."

Commit to Pro Bono Work

Not only is this work usually a source of great marketing (visibility, meeting the board members, and so forth) but it's also a great way to get your name and your photo in the newspapers with well-supported causes, and it will result in interesting relationships with people of the organization.

Additionally, choose a nonprofit (charity, arts group, and so forth), and become a patron. Contribute more than the average donation. We chose the local Animal Protection League, for example. For a relatively small amount of money —$1,500—you can usually underwrite an event.

Bid at Auctions

Nonprofits often have public fundraisers that include auctions. It's highly visible to others when you are the successful bidder on a valuable item, such as a vacation home or dinner with a famous chef. I focus on the high-end wine baskets because since they draw frenzied bidding and I happen to love wine. I'm sure you can recognize the intent here and add your own sources, from service clubs like Rotary International to your religious institution if you belong to either. The point is to be known so the equivalent of the town crier is calling your name.

And lest you wonder if calling your name locally has any huge effect, I remind you that the town crier today is electronic, with millions of potential listeners.

* You can meet buyers in the retail (consumer) space, as I do, and I'll get to that.

* You can reach my blog *Contrarian Consulting* on my site alanweiss.com. Twitter: http://twitter.com/BentleyGTCSpeed; Linkedin: https://www.linkedin.com/in/alanweissphd/

* In the great Broadway musical *Avenue Q*, one of the songs was "The Internet Was Made for Porn." This show advertised that it included "full frontal puppet nudity."

† Currently, companies such as Hootsuite and others can help you do this with automated software for most social media platforms.

* The reason that churches have bells and tall steeples is that they can be seen at a distance, and they could alert people, who had no means of telling time, when services were beginning.

CHAPTER 8

The Trusted Advisor

How do you provide maximum value with minimum labor and build the life of your dreams? If you think back to my accelerant curve (Figure 2.2), this is a premier *vault item*.

COACHING ISN'T CONSULTING, AND ADVISING ISN'T COACHING

Being a trusted advisor is one of the fundamental vault items on the accelerant curve. It is low labor and ideal for performing remotely (as so many discovered during the 2020 pandemic) and high fee because its value is so high.

For the client personally and professionally, the trusted advisor is a sounding board and source for ideas, solutions, innovation, and growth. Let's be clear on the definitions:

> *Consultant:* Someone who improves the client's condition by offering advice and guidance, on-site and off-site, for the duration of a project and the achievement of the project's objectives and value. A consultant might also be a coach.

Coach: Someone who works with a client for a specified time* to achieve agreed-upon behavioral changes. A coach may also be a consultant but is usually not.

Trusted advisor: A consultant who provides advice and reactions to a client for an agreed-upon period of time, which could be over an extended period or provided periodically.

Alanism: Most of my advisory work has been validation, not the introduction of brand-new ideas. Clients need objective assurance that they're doing the right thing.

Thus, coaching isn't necessarily consulting, and advising most definitely is beyond coaching. Trusted advisors may introduce new ideas and innovative paths, and they may identify marketplace trends that are important.

But they also may not.

Ironically, perhaps, a trusted advisor is a largely passive position where the client has the confidence and peace of mind to know that your expertise is there when and if needed.

The client has purchased "access to your smarts."

CASE STUDY: The Fire

One of my coaching clients asked me about a problem with his trusted advisor status with one of his clients. At renewal time, the client said, "I haven't used your help very much this year, so if we renew—and I might not—I'd like a major reduction in your fee."

I asked my client, "Did your client have a fire last year?"

"What? No, why do you ask?"

"Well, did he try to cancel or get a reduction in premium for his fire insurance?"

It's really that simple. If you truly appreciate your value *and your client truly appreciates that you're there whenever needed*, you have an ideal relationship. The client thinks you're a bargain, and you know you're being paid quite well.

Normally, you provide unrestricted access as a trusted advisor. That doesn't mean "immediate access," but it means that there's never a meter running, no limit on the amount of contact, *and that you're highly responsive*.

Alanism: Buyers value fast responsiveness. They know that instant access isn't realistic.

There are three variables in pricing advisory relationships, since (unlike projects and unlike coaching) there are no specific objectives:

1. *Who is involved?* Is it the buyer alone, or the buyer and two lieutenants? It can't be too many people or it gets to be unwieldy. My recommendation is a maximum of three people.
2. *What is the scope?* Are you available for West Coast time if you live in the East? Will you make provisions for clients in Sydney and Stuttgart? Will you occasionally meet in person or hold a quarterly debrief? Will you proactively provide market and/or industry insights?
3. *What is the duration?* I suggest a minimum of 90 days, since less than that is often too short a period for substantive issues and questions. But it could be much longer. I've had annual trusted advisor relationships that lasted for five years.

Once you identify these three dynamics, you can put together a *letter of agreement* (not a proposal because this isn't project-based). And therein will be your payment schedule.*

THE ART OF THE RETAINER

A *retainer* in advisory work is an amount of money paid to "retain" (keep possession of) your services for a given amount of time—the "duration" noted above. It is not equivalent to an attorney's "retainer," which is really merely a deposit from which hourly charges are deducted until the amount is exhausted.

A retainer is not a method of doing business or a conveyance vehicle. *It is a method of payment for ongoing value.*

Let me note now that a retainer is applied for advisory services and not for a duration of time *for any variety of work*. If you agree on a retainer but wind up conducting projects, assessments, workshops, and so on, you'll lose your shirt. It is possible to be on retainer for your advisory help while at the same time having separate proposals accepted for projects.

It's vital to keep those relationships separate.

Unlike coaching, which has a specific time frame (which I've suggested is a maximum of 90 days), advisory work paid by retainer can last for years. Here's a

rough estimate of what you should be charging monthly (although never bill monthly) for various sizes of organizations:

- Small business owners: $5,000
- Midsized business owners or executives: $7,500 to $10,000
- Fortune 1000-type executives: $10,000 to $15,000
- Fortune 1000-type CEOs: $25,000 and up

Normally, large professional and trade association executive directors and academic institution presidents would be somewhere in the first three bullets.

But what determines these amounts? I mentioned scope and number involved above, and those factors could add 20 to 30 percent to my estimates (for example, being available to accommodate differing time zones, responding to three people, or debriefing in person). However, there are other factors involving you, for example, which also determine fee levels:

- Commercially published author
- Track record of advisory work with prospect's peers
- Cited in the media
- Frequent featured or keynote speaker
- Known for particular, unique intellectual property
- Global experience
- *Your* brand: Client is proud to cite you as an advisor.

With those kinds of credentials, you can probably increase my suggested fees by 50 percent or more.

CASE STUDY: The Candidate Advisor

One of my advisory clients came to me and explained that he had the opportunity to advise a leading presidential contender, who was very well funded, on communications during the primary contests. He asked whether he should do this pro bono considering the number of contacts he would make or charge $10,000 per month plus expenses.

I told him to look at the value he was providing, the potential pay-

off (!!), and the relatively brief time frame of the primaries. My advice was $50,000 per month, minimum three months, paid in advance. I advised that he simply absorb whatever expenses were involved.

He did.

Let me repeat: Do not charge by the month, but by the quarter or more. You want to allow for enough time for important issues to surface and be addressed. I've seen one-month starts fail dismally when the client actually went on vacation or was called off to Europe on a tour of the plants.

HOW TO POSITION THE ADVISORY ROLE: AN EXAMPLE LETTER OF AGREEMENT

Since these aren't projects and don't require proposals, use a simple letter of agreement. Here's an example:

LETTER OF AGREEMENT BETWEEN ACME COMPANY AND SUMMIT CONSULTING GROUP, INC.

This represents a contractual and legal agreement between Acme (you) and Summit Consulting Group, Inc. (we, us).

You are seeking to create a brand and positioning-messaging strategy for the launch of your new fuel additive technology intended to reduce emissions, reduce engine wear, and increase mileage. You have assembled an expert team for the research, tests, and approvals. You estimate that the formal launch will be about five or six months from now. You are seeking an equally expert marketing plan since you have no internal capability to do this. That plan should be created, approved, and in place consistent with your launch dates and flexible enough to meet launch dates that may have to be altered.

The key is to be able to "hit the ground running" with a marketing campaign and branding initiative as soon as final approvals are granted, with no delay.

We agree to:

- Help create a branding strategy that will have global appeal and which will include your uniqueness in the market, a uniform representation of quality, and the ability to have people think of you and recall you even in your absence.
- Identify and target your ideal buyers so that your cost of business acquisition is minimized and your closing time is reduced. The messaging will be particularly oriented toward them.
- Create, at your request, both a strategic branding (known to the public at large to create grassroots requests) and a tactical branding aimed specifically at key buyers.
- Meet with and engage with all key members of your team both individually and at meetings we mutually agree are beneficial and possible within our respective schedules.
- Talk to others you recommend, such as prospects and other stakeholders, to both engage them in the process and learn from them.
- Join you in an initial organizational meeting wherein we may refine the above goals as needed; create metrics for success; establish debriefing and contact points; and identify and resolve all related issues.
- Maintain strict confidentiality (sign nondisclosures as requested) and do work with no other organizations related at all to the work you're doing for the duration of our work together and six months thereafter.
- Respond to all of your personal inquiries by phone within two hours during eastern business hours, and all email inquiries within 24 hours.
- Assign to you all work product and intellectual property developed for you during the assignment to receive your copyright and trademark protection.

You agree to:

- Provide reasonable access to you and your key people for information, meetings, interviews, and so forth.
- Provide us with requested documentation that we deem necessary for the work.
- Alert us to developments (for example, delays resulting from testing) that materially affect the nature and outcome of our work together.

• Return any inquiries from us within 24 hours by phone or email.

• Provide us access to your personal email and cell phone.

• Pay us as described below.

FEES, TERMS, AND CONDITIONS FOR THE PROJECT

We recommend a four-month, noncancelable period during which we accomplish the objectives above. Our fee for that period is $80,000. You may pay $40,000 on acceptance of this agreement and $40,000 in 60 days, or you may avail yourself of a courtesy discount by paying $72,000 on acceptance.

At the end of four months we will determine if you wish our continued work on the project and if we choose to continue. If we are in agreement, we will continue as trusted advisors for a period to be then determined at a rate of $15,000 monthly with 90-day minimums.

All reasonable travel and living expenses will be billed at the end of each month and are due on presentation. We do not bill for administrative expense, courier, postage, and so forth. We accept checks, wired funds, and credit cards.

ACCEPTANCE

The signatures below represent acceptance of all terms and conditions above as of the date of your signing:

Acme Company:

_____

For Summit Consulting Group, Inc.:

_____

Date: _____

THE CONCIERGE CONSULTANT

A *concierge* is someone who arranges special and often unique experiences and services, and it has been a term most commonly applied to that function in hotels.* We now see, however, concierge doctors, accountants, designers, architects, personal shoppers, and so forth.

A concierge doctor, for example, will charge a fee for a client to qualify for special services, such as immediate appointments, instant referrals, and unconventional hours. There may also be a charge for the services and/or no insurance accepted. (When no insurance is accepted, the procedures might actually be less expensive in view of the absent administrative and reimbursement costs.)

So what is a *concierge trusted advisor*, and how does that differ from the accelerant curve vault item of a trusted advisor, period? Here are some "above and beyond" ideas for you to offer:

- Provide a proactive:
  - Quarterly advisory report
  - Monthly debrief
  - Set of introductions to peers
  - Idea of the week
- Allow for calls (scheduled) on weekends or evenings
- Respond to all phone and email messages within 90 minutes during your normal business hours
- Create introductions to prospective board members, or customers, or media sources
- Offer to jointly author an article or e-book
- Offer a priority service ensuring that you will be present within 48 hours of any emergency (for example, unethical conduct investigation, financial impropriety, employee theft, and so forth)
- Facilitate a quarterly board meeting or executive council meeting
- Evaluate board performance

Not all of those things will be necessary or even desirable with some people, but the "menu" means there are probably offerings of value present for everyone.

CASE STUDY: The Internecine Strife

My CEO client called in a near panic. There had been an ethical transgression, and the vice president of sales wanted a slap on the wrist

for a sales manager while the vice president of human resources wanted the transgressor fired.

The story had gone viral, and the CEO wanted to bring the entire field force together in two days—over the weekend, the only time it could be done—and wanted me to facilitate the meeting of 100+ as an objective source. He also wanted me to suggest a resolution to the impasse.

I told my wife it was an emergency and to cancel the weekend's schedule, and I flew out. We agreed on a compromise (no firing, but no bonus that year) and the weekend meeting combining ethics best practices and ideas from the group.

I was happy to do it, and I was glad I didn't have to set a fee for this because it was covered in my concierge agreement.

You can be a trusted advisor, considering numbers of people, scope, and duration. But you can offer concierge advisory services by offering the unique, bespoke, and original.

I believe the entire profession is moving toward advisory services, and clients are far more accepting of them, so you might as well get out ahead of the curve.

Follow me.

* The time frame for coaching (not advising in a trusted advisor capacity) is usually a maximum of 90 days. Longer than that and there's a risk of codependency. If behaviors can't be changed in 90 days, they're probably not going to be changed at all.

* See the example later in this chapter.

* Where, incredibly, the person assigned often refers to himself or herself as a "con-see-air," as though that's the sophisticated French pronunciation. It's "con-see-urge."

INTERLUDE III

What's Your Worth?

GAINING AND USING CONTROL

When I first looked into consultants' success (and lack thereof), it was easy to see that time-based pricing produced low fees and the ethical challenges I've mentioned heretofore. The grand avatar of consulting in the recent past has been McKinsey, and I often pointed out that the company spent its time, metaphorically, trying to decide how the $300 an hour consultants they employed could be deployed at clients for $600 an hour!

But I also found that solo practitioners weren't charging more not just because they lacked a formula for charging by value (which I've provided herein) but because their self-esteem wouldn't allow it. Hence my discussion in Chapter 6 about being an "imposter" and understanding that efficacy and self-worth are two different variables.

Being a good consultant, I hope, I then asked why self-esteem was so low. And I concluded that many people are simply afraid.* We fear others' comments, we fear certain myths ("I'm too young to be in a buyer's office as an equal"), we fear failure.

But most of all I think this is about power and control and a subliminal feeling that we're not really in control.

I like to help others gain more control with the simple chart you see in Figure I3.1. *External control* is that which is imposed on us: the tax codes, the weather, the laws of the universe and of nature, and so forth. *Internal control* is what we can do about things. We can schedule an outdoor event inside, get a good accountant to help with lowering taxes legally, and use

gravity in our favor!

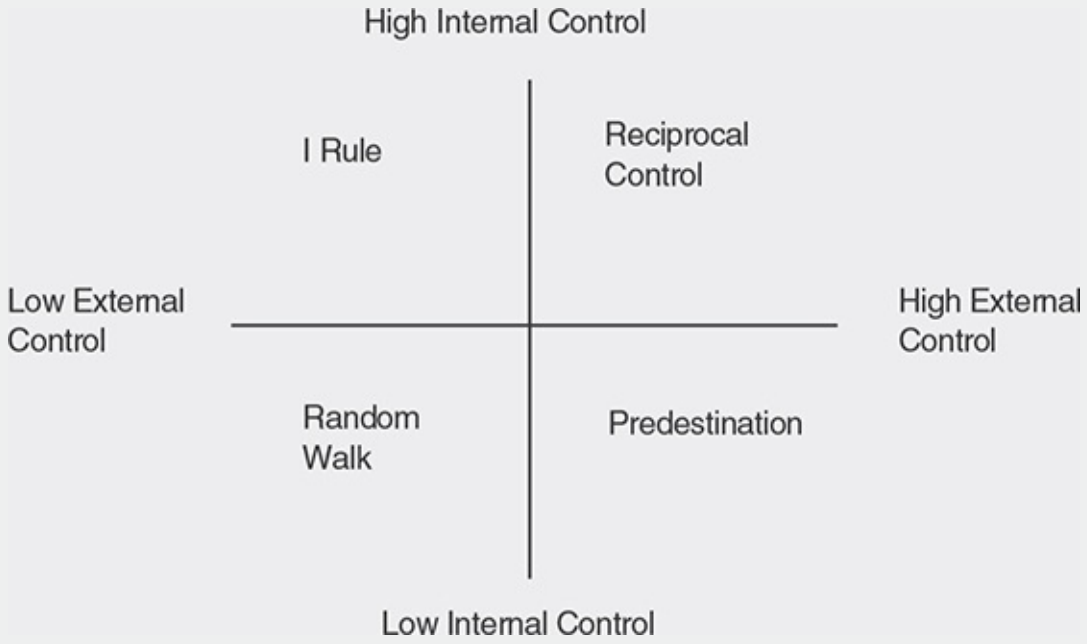


FIGURE I3.1 THE LOCUS OF CONTROL

Churchill said once, “We build our houses and then they build us.” He was referring to Parliament. But I interpret it to mean that we too often surrender what is in our control due to circumstances we think are unalterable. Consider how many times someone utters, “What I *should have* said,” or “What I *should have* done” because, in retrospect, that person could have done something *but actually chose not to*. That’s what I mean by “surrendering” control, which is far different from not possessing it in the first place.

I was in Houston once on a 114° day with about 90 percent humidity. I had to park across the street from my client’s office, and just walking to the curb and crosswalk I was drenched. The sign said “Don’t Walk,” and five people were waiting to cross. However, when I looked left, I could see Louisiana, and when I looked right, I could see New Mexico. There wasn’t a vehicle in sight for miles.

So, being a New Yorker, I crossed the street.

The other people made rude noises, but I felt I could seize control and prevent myself from having heatstroke. We often don’t speak back to the boss, don’t demand better service in a restaurant, and give up trying to contact the cable company. As people get older, they tend to cede control and allow it to be seized from them.*

When we truly are subject to external control, such as with the weather, we can't take preventive actions but *we can take contingent actions*, such as rescheduling, moving indoors, or setting up umbrellas and tents (or playing the game in the rain). When the control is truly internal (ours), we can create both preventive and contingent actions. We can reconfirm with people about a meeting to ensure that it's not forgotten, and we can also agree to delay it by an hour or reschedule it.

When do we tend to surrender control that is truly within our own power? Often, when we deal with these types of situations:

- A buyer's demands, when we're afraid to lose business
- A parent, whom we've never been able to defy
- Normative pressure from colleagues
- Absurd rules (How many people observe speed limits?)
- Myths (Remember not swimming for an hour after eating?)
- Authority figures (teachers, clergy, politicians)
- The media
- Celebrities and "influencers"

Thus, in the illustration, you can see that if you believe you're subject to neither internal nor external controls, you're simply taking a random walk every day, with no purpose or direction. If you believe that all control is external and you are powerless, then you're engaged in a Calvinistic predeterminism that holds that your fate is decided and there's nothing you can do about it.

If you hold the opposite view, that *all* control is in your hands and you are the absolute master of your fate, then you're in the realm of the charlatan, the motivational speaker, those who tell you that you can completely control your life no matter what goes on around you. (The pandemic or any flood or earthquake should really set them straight. As I've noted, walking on hot coals only proves that your feet perspire.)

What we arrive at is that control is *reciprocal*. We control a great deal of our lives, but some of our lives are controlled by outside forces, and justifiably so. However, my point is that we should seize control—*carpe diem*—whenever possible, and it's possible more often than we might believe.

So for our purposes, in consulting, bear the following in mind:

- You can negotiate times and dates with clients.
- You should create your fees and justify them but not negotiate them.
- You can turn down requests.
- You can refuse to go through intermediaries.
- You can demand accountability from others.

I think you get the idea.

Now let me deal with the ridiculous notion that it's easier to get forgiveness than permission. It's actually easier to take permission to begin with.

PERMIT ME

When you fly on almost any plane, and particularly in first class, there is usually a flight attendant jump seat adjacent to the lavatory. Let me pose a scenario that many of you have experienced with this configuration.

Let's say that you're waiting for your flight to depart at the gate or in an air club, and you realize you should stop in the restroom. However, your attention is diverted or you have to take a phone call, and you find yourself in the line to board, not having made the pit stop. You figure, "I'll use the lavatory on the plane."

Yet the plane takes off, and this is one of those pilots who doesn't extinguish the seat belt sign until next month. You wait and wait, watching that gestapo-like flight attendant and worry that this person will announce over the PA system, "We have a passenger standing in the aisle with the 'seat belt' sign still illuminated endangering our collective safety. Please restrain him while I request police at our destination!"

So you sit there quietly contemplating when kidney damage might begin when someone behinds you gets up and goes to the restroom receiving just a smile from the flight attendant. As soon as that person returns to a seat, you bolt for the lavatory, bumping into two other passengers with similar intent.

What has happened on my permission meter is that someone who seizes more permission than you *has now given you permission*, which has

empowered you (Figure I3.2). Empowerment of this sort can occur with innovative ideas, prudent risk, new approaches, provocative writing, and so forth. The question is: Do you give yourself permission or wait for it? And if you wait for it, do you need just one prompt, or must the entire "herd" set the example? (Maybe the *second* person to use the restroom will draw the ire of the flight attendant? Maybe a woman was fine, but not a man? Or an older person, but not a younger person?)

There are those who never feel they have permission. Even when given something in writing (for example, a handicapped parking placard), they feel someone might object to their "taking advantage." These people will always be at the back of the line or sacrificing something they've actually earned.



FIGURE I3.2 THE PERMISSION GAUGE

The next step is to *seek others' permission*. "Excuse me, officer, I have a handicapped placard, but does it apply to these spaces?" What we usually hear is, "May I ask you a question?" This is usually a "rhetorical permission" in that people making a speech or talking in a meeting expect

questions, but instead of simply asking, people “ask if they can ask.” (It’s not about being afraid of interrupting because the interruption takes place regardless.)

Then we have people who intelligently *grant themselves permission* when they feel the time is right or the circumstances warrant it, such as I did in the sweltering heat at the crosswalk. I’ve used an unoccupied women’s restroom when the men’s room wait was otherwise unbearable. Some people park where they shouldn’t to dash in and get take-out food or mail a letter. You should grant yourself permission to give your client feedback when he or she is doing something harmful or counterproductive.

Finally, *blanket permission* is permission to do just about anything you want whenever you like. That means taking food off someone else’s plate, or stealing a newspaper, or citing someone else’s work. This is a narcissistic and sometimes fatal behavior. (Try cutting the line—*any line*—in New York.)

I think you need to spend your time somewhere around three o’clock on my graphic. That means usually giving yourself permission but sufficiently reined in so as not to harm or endanger others, and not to make a spectacle of yourself.

I’ll remind you of my definitions of behaviors:

> *Confidence* is the honest-to-God belief you can help others.
> *Arrogance* is the belief that you have nothing left to learn yourself.
> *Smugness* is arrogance without the talent.

* See my book *Fearless Leadership*, Taylor and Francis, 2020.
* See my book *Three Score and More*, Taylor and Francis, 2019.

PART IV

MEANING

Why we do what we do and why we should do so with great care and caution.

CHAPTER 9

The Ethics of the Expert

What acts shouldn't you do even if you can, and what acts should you do even if you think you can't? (The law is not about morality.)

TIME-BASED FEES ARE *ALL* UNETHICAL

When I began in this business in the 1970s working for a firm in Princeton, everyone from solo practitioners to boutique firms and "the Big 8" consulting firms (today down to about 2.3!) charged by time, materials, and/or numbers of people in the engagement from the client.

My firm sold boxes of training materials created on our own presses by our own press subsidiary. The box cost about $22, and we sold it for about $250 per person. So if Kodak, a huge client at the time, spent $250,000, it meant that we were training 1,000 people and making a gross profit of about $200,000. Simple math.

Strategically, our driving force was production capability, no less than a paper or steel mill, even though we were in the training and consulting business!

When I was fired as CEO of a behavioral consulting firm in Providence in 1985 (which was charging by numbers of people being assessed), I decided that the only reasonable way to make money and minimize labor (remember that wealth is discretionary time) was to charge based on the impact of my help, which I described as "value delivered by achieving the objectives." If a conservative ROI (my fee being the I) was 10:1, then what client could object?

However, more importantly, any time-based fee is inherently unethical. Not lower in amount (although it is), not more difficult to track, but *unethical*. The reason is that the client always deserves the quickest possible resolution, but that

outcome is in conflict with a consultant's being paid well only according to how long the consultant is present and engaged.

The obvious solution is *not* to ensure long engagements but to change the billing model.

Every time-based fee is unethical, including those of attorneys. The chief justice of the Western Australia Supreme Court wrote me, in regard to my book *Value Based Fees*, that the legal community was cheating itself out of revenues because it didn't appreciate the value of what it did but only the time it spent doing it.* The sole exception, of course, especially in the United States, is the contingency fee charged by personal injury and class action lawyers and their ilk, which makes the attorney part of the case itself, something that was never intended by the Founding Fathers in our legal system. The contingency fee system also results in $40 million settlements for the law firm while each plaintiff collects $2.95.

CASE STUDY: The Times Mirror Company

I was asked to meet with the executives of a training firm owned by the Times Mirror Company. They were interested in what I could offer based on my books and asked me about daily rates. I told them that I'd put a proposal together with my fees enumerated in light of the value that we'd agree we could reach.

"We don't do things like that here," they said, amazed. "Our clients want to know a rate."

"No," I said. "You want to give them a rate. Your clients would prefer a set fee with no meter running and a fast resolution."

"That's a radical change for us."

"Let me point out that you're reading my books. I'm not reading yours."

I worked with them on the successful conversion and business growth for three years.

Ethics are moral principles that govern behavior and conduct. In my context in business, they are more Aristotelian (justice and generosity) and Kantian (duty and categorical imperatives) than they are Benthamic (the greatest good for the greatest number). We treat people the way we would prefer to be treated. When

we need our roof repaired, all of us would prefer a fee that is fixed and that isn't affected by whether the repair requires two weeks or three. But we become concerned when the job lingers on and on at $200 an hour, seemingly without end.

When there is a fixed fee, the consultant is motivated to be done as quickly as possible—which is not antithetical to quality, by the way—so he or she can get on to the next assignment—or to the beach. We don't pay for the length of the time it took Picasso to paint nor the length of the time it took the surgeon to perform the open-heart surgery. We're happy to have the work of art and to be in and out of surgery as quickly as possible.

Alanism: Whenever a prospective buyer tells me that there are less expensive consultants around who charge by the hour, I ask if that buyer would ask for the cheapest heart surgeon or the one who works by the hour.

For those of you who believe in therapy, as do I, ask yourself about the intelligence of the 50-minute hour and why almost all therapists (and life coaches and so on) are making so little money. What's the value of a successful engagement to restore esteem or rebuild a relationship? Surely more than the hourly fee!

A therapist changed my life by telling me long ago, "Alan, life is about success, not perfection." He charged me $110.

WHEN TO HOLD 'EM AND WHEN TO FOLD 'EM

Alanism: No one believes what they read or hear. They only believe what they see.

It's one thing to bluff in a poker game, but when you see a hand that's obviously better than yours, and that player has proved to be skillful and hard to intimidate, you fold your hand unless you're reckless. There are a lot of ways—a myriad of techniques—to acquire business and make money legally and ethically. Given that huge panoply of opportunity, it's dysfunctional to choose to operate in gray areas.

From the first editions of this book, 30 years ago, it has been one of the very

few on the topic of consulting to spend considerable time on ethical issues. But I do so here because walking through those gray areas usually ends up with you in the La Brea Tar Pits, sinking past the bones of a stegosaurus and other creatures that appeared well suited but just didn't make it.

CASE STUDY: The Human Resources Vice President

In a rare event for me, an HR officer had the budget to hire me to find out why his people weren't acting ethically. He had proof, for example, that they were taking each other to lunch and claiming they were treating a client. He also found charges for supplies that weren't in his office area and were probably in people's homes.

It took me one day of interviews to discover the cause.

His people told me that the vice president was entitled to fly first class, but he bragged about cashing in the ticket, flying coach, and keeping the difference. They said what they were doing was "small time" compared to his making a few thousand every month.

When I confronted my client, he became irate. He told me that he was "entitled" to that particular benefit, even though he admitted he would be in trouble if his boss knew. I told him we were done here.

"But I've already paid you in full!" he shouted.

"What's your point?" I asked, and left.

Most ethical transgressions in organizations are not caused by an individual trying to improve his or her own well-being *but rather, that of the company*. This is "legitimate" in their eyes. How else to explain the massive scandals at Volkswagen, Enron, Wells Fargo, and Theranos?

It's not sufficient that you stay clear of them. It's vital that you report them. You report them to your buyer, and if your buyer is implicated, you quit the project and walk out. If the buyer's actions are detrimental to the public, you report to the buyer's superiors, document it, and if necessary, inform the authorities.

Many years ago one of my buyers at a major pharmaceutical company contacted me and told me of his proof that the company was falsifying drug tests. I told him not to hesitate, to document his evidence, and go to the FBI.

He was awarded a whistleblower's fee in the multimillions and, most

importantly, he probably saved many from lives of illness or even death.

You cannot honor confidentiality from client personnel if what you're told can damage the client or the public or the shareholders. Don't readily agree, and warn people that you'll make that determination before they reveal anything to you.

However, it's also important for you to honor confidentiality in the form of not disclosing proprietary client information, not purchasing or selling stock based on information you have that isn't public and is solely a result of your client contacts, and not using any criteria within clients except observed behavior and evidence in the environment.

"You've been late for this same meeting every week" is an objective statement, seeking a cause. (The cause could be innocuous, such as childcare requirements.)

"You're not a team player, which we can see because you're never here on time," is a biased statement, casting blame.

Most of all, be aware that there is a significant difference in ethics and legality, and those organizations that place ethics accountability within the legal department always stun me.

JUST BECAUSE IT'S LEGAL DOESN'T MEAN IT'S RIGHT

You'll note that they're called "courts of law" and not "courts of justice." There is a difference between what is *legal*—meaning that a violation results in fine, prison, or some sort of punishment—and what is *ethical and correct*. The whistleblower above did not have a legal obligation to report the company because he was not involved directly and had to do some digging to uncover the actual transgression. But he knew that filing the report was the right thing to do.

CASE STUDY: The Marriott

I was staying in the Marriott Hotel in Providence, Rhode Island, in preparation for moving up here to take the job as the CEO of a consulting firm (from which I was fired 18 months later, leading to my career and these lines you're now reading). One morning I found that my driver's side window was shattered, but nothing was stolen because apparently the alarm had sounded (which I was too far away to hear in

the middle of the night).

When I brought the hotel manager out to look, he set me up with a car dealer who could fix the window and provide a loaner. He immediately offered to pay for all the damage.

However, the hotel's insurance company lawyers sent me a notice telling me they were not responsible for my car and that I had acknowledged that when I signed my name on the hotel registration form. They said that "guests parked at their own risk."

I pointed out that this was a hotel which had a huge lot, which it plowed and repaired, and for which it enforced parking rules. The lawyer was unmoved.

The hotel manager nevertheless paid for all the costs. He wasn't happy with the legal response, and he wanted to do the right thing. And I gave him all our company's business as long as I was with them.

What does this actually mean in your client dealings?

- Never aid and abet unethical activity, such as falsifying dates to help quotas be made.
- Never pretend you didn't hear or see something. If someone is taking office supplies home, the person may well be engaged in other inappropriate activities.
- Use observed behavior and evidence to alert your buyer when you feel something is amiss. Then the buyer can make an intelligent decision.
- If the buyer tells you to ignore unethical behavior or he or she endorses it, walk out. Knowing something is happening and refusing to take any action implicates you in the act.

CASE STUDY: The Insurance Company

I found in one of my clients, by accident, that insurance application signatures were being forged by agents in order to get the revenue in the current month or quarter. I asked the vice president of sales if he knew about this.

"Of course, and I support it. The insured will sign it when he or she

is back from a trip or ready to pay or whatever, so we're just forging ahead with the inevitable."

"Are you aware that the state insurance commissioner would penalize you severely for this?"

"That will never happen."

I related this to my client the CEO, who went ballistic right in his office. He called a meeting of the top two dozen officers, and he asked if any of them were aware of unethical activity. When no one spoke up, he singled out the sales vice president and humiliated him.

Then the sales vice president was fired. Everyone else got the message. I had no regrets.

George Merck founded the huge US pharmaceutical company that bears his name, and his admonition can be found throughout the company today: "Do good and good will follow."

Here's another interesting comment on the subject:

> Men who take up arms against one another in public war do not cease on this account to be moral beings, responsible to one another and to God.

That is from the US Army Regulations of 1863.

Alanism: Use Kant's categorical imperative: What if everyone acted that way?

THE POWER OF PRO BONO

Pro bono means "without charge." The original Latin translates as "for the public good."

Pro bono work can enable you to some or all of the following:

- Test new material
- Obtain testimonials and references
- Obtain referrals

- Meet board members, donors, trustees, and other influential contacts
- Obtain media attention
- Travel to interesting places

My guidelines for such work are these:

- *Never* provide pro bono work for a for-profit organization.
- Choose charities, arts groups, educational resources, and so forth for your work whose causes you support and believe in.
- Minimize your labor intensity.
- Restrict the project or advisory work to no more than 60 days.
- It is agreed that you will work with the CEO, or executive director, or board president.
- Your expertise is relevant and essential to the nonprofit.

CASE STUDY: The Boston Food Bank

One of my coaching clients was in the executive search and placement business, but he needed more exposure and visibility. We agreed that the Boston Food Bank—which has superb recognition and high visibility in the media—would be an ideal pro bono client.

He offered his services to help recruit volunteers and fill some empty staff positions. His contacts and subsequent business were so successful that he volunteered for further work once the project was completed. It was a huge success for both parties.

Here's the language to use to approach the people I've noted above:

"I make it a point to offer my services pro bono to just two or three organizations a year, and I've chosen yours as a likely candidate. Would you be willing to discuss our working together?"

And, in the event that you're asked by too many nonprofits for your help:

"I'm sorry, my pro bono dance card is filled through all of next year. Try

getting back to me after that."

I've been in a great many volunteer organizations where somehow "volunteer" excluded "professionalism." I had to tell people that their accountabilities and behaviors should be no different from those of a paid position, and they needed to take things seriously.

That applies to you, as well. Don't perform your pro bono duties "when you can get around to them." Schedule them with the same thoroughness and discipline as you would for your paying clients, and provide the same energy and talents. That's why you need to choose candidates whose causes you seriously support.

One final caveat about pro bono boards or advisory work. If you choose to serve on boards, that's fine, but understand that you should never sell anything to an organization on whose board you serve. If you provide advice, coaching, or consulting help as a board member, it's always free and part of your responsibilities. (And the same applies to for-profit boards—don't expect to sell your services while on the board. It's unethical and often illegal.)

But every once in a while you can be surprised.

CASE STUDY: The Police

I was on the board of a shelter for battered women, leading them pro bono through a strategy formulation process. It worked great and was well received.

After the final session, the local police chief, who also sat on the board, asked me privately if I would do the same for his department, which would help them earn their national accreditation.

"Chief, I'm sorry, but I can only do so much free work in any one year."

"No worries," he said. "I have a generous federal grant that I'm sure will take care of everything."

"Sit right down!" I said.

They still have that accreditation today, a relatively rare recognition.

* Third Edition, Wiley, 2021.

CHAPTER 10

Options for Growth

Techniques and suggestion for how to build a company or a practice, extend your growth, and increase your success (if any of that is important to you).

BOUTIQUE IS SUCH A STRANGE WORD

You will think about options for growth as you realize success in this profession. Figure 10.1 is a schematic I've created that I think depicts growth and success.

We start our own firms usually in *survival* mode, trying to put bread on the table (I began by often doing $25 résumé reviews), seeking to survive until the next rent payment. If we succeed, we enter the level of *alive*, meaning that we have, as the accountants are fond of saying, "a going concern." We can pay our bills, and we have small reserves. We can invest in growth.

When successful at that, we reach the *arrive* stage, meaning that we have a brand, some business comes to us, we can raise our fees, and we can select our clients. We have significant reserves and investments.

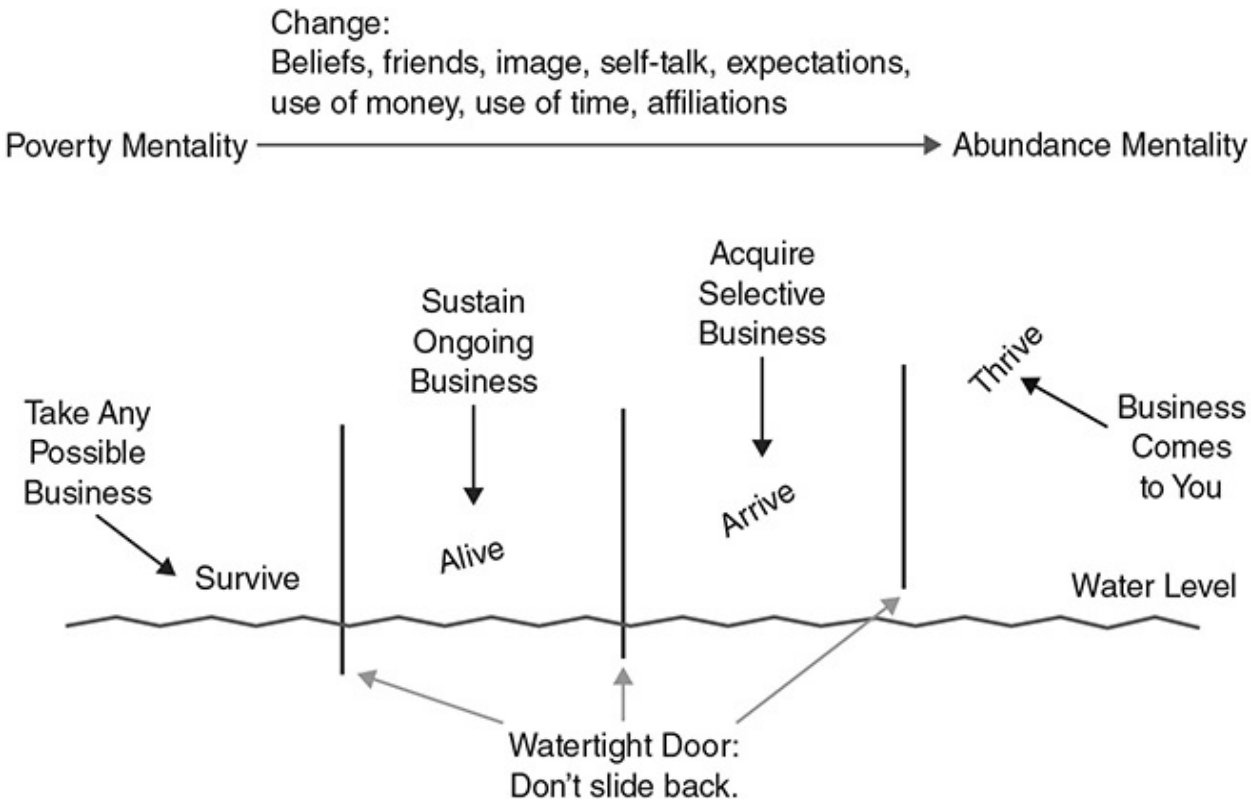


FIGURE 10.1 WATERTIGHT DOORS

Finally, we can *thrive*, at which point our brand is universally known, we are sought out, fees are no object, and we are at Maslow's "self-actualization" level.*

We have to slam shut and secure the *watertight doors* to ensure that we don't slide back in our behaviors. We all see plenty of successful people who won't pick up a check, never volunteer their time, support no charities, and offer zero in the way of generosity.

Alanism: Our behaviors have to match our station in life, or we'll be abandoned at the wrong station.

So the question is, how do we get there and how do we choose to operate? Don't assume that "bigger is better." Just ask Sears, or GE, or WhatsApp.

A *boutique firm* is usually one with 2 to 20 employees or so. There is usually one or two "rainmakers" with the rest being delivery people and administrators. As a rule of thumb, I believe that a small firm *must average at least $250,000 per employee*. That means a 10-person firm must be making $2.5 million. Bear

in mind that I make more than that just working out of my home with zero staff, and I have been for three decades, on my way up that progression to "thrive."

Thus, the esteem needs of claiming "staff" can overwhelm the practical needs of claiming profit. Even the need for an assistant, real or virtual, is usually indicative of someone who needs to say she has an assistant or who is terribly unorganized and procrastinating.

I've coached any number of boutique firm owners who took all the risks to begin and nurture their firms and built them into $6 to 10 million operations, but they are taking home only about $500,000 at the end of the year! That's not a company. That's a welfare operation, a nonprofit of sorts.

I know what you're thinking: You have the opportunity to sell the business, which you don't have as a solo. However, selling the company may get you one to two times revenues, or four times earnings, but it will also require you (in most cases) to sign a contract wherein you stay at the firm and run it for *X* number of years.

Alanism: The only thing worse than sweating blood for your own business is sweating blood for someone else's business.

If you want to form a boutique firm in order to provide still more value to more people in more circumstances, more power to you. But if you find you're doing it for ego, to emulate someone else, or because you will make more money—think again.

Wealth is discretionary time, and boutique firms consume time the same way that dogs eat leftovers—voraciously.

FEEDING CHICKS

One of my boutique-owner clients is extremely people oriented and team oriented. Nevertheless, she told me once that when she returned from a business trip, as her firm's only bona fide rainmaker, she felt that she was returning to a nest full of chicks, beaks uplifted, crying for food.

After that, I thanked the fates for my decision to remain solo.

If you're going to grow via the creation of a company—and certainly with the eventual plans to sell what you've created—you must understand the following and abide by it:

- You need more than yourself as a rainmaker. You need people who can sell, which rarely would be the same people as those who deliver.* My ratio—fasten your seatbelts—is one rainmaker for every two delivery people. That's how you avoid excessive overhead and keep the delivery people busy.
- Maintain your perspective. As I covered earlier in my section on collaboration formulas, delivery is less important than business acquisition and methodology. Don't let anyone tell you otherwise. And never overpay for delivery.
- Don't make the brand your name. Instead, unlike a solo consultant, make the brand the company name. Ensure that intellectual property, trademarks, models, and so forth are company property. As much as possible, position your company so that if someone were to buy it, *it could prosper without you*.

Alanism: If you want to invest in the longer-term equity of building a company to sell, be prepared to sacrifice in the present.

- Understand that managing people reduces your discretionary time (your wealth), and you will inevitably face arguments, theft, disability, illness, personal grievances, poor quality work, and so forth. These are the costs of doing business. And be aware that, if you tend to use subcontractors instead of full-time employees (to reduce fringes and benefits), in the United States, at least, anyone deriving more than 80 percent of income from a single source is considered an employee for tax purposes and must have taxes withheld, access to benefits, workers' compensation insurance, and so on.*
- You will have to terminate people. That is often hard to do, it may require legal expenses, you can be sued, and you have to have the intestinal fortitude to fire people. More than ever, you need a "healthy selfishness" for your family and yourself above and beyond any loyalty you feel toward employees.

CASE STUDY: Phil

I was mentoring Phil in a six-month program. He explained at the outset that he had eight people who delivered his programs with a total of about $650,000 in annual revenue. (Think about my formula for this above.) He was the lone rainmaker, and he wanted to change this model.

But it was tough to get Phil to make any concessions—to fire people, to reduce salaries, to demand that they try to help in marketing. Phil was about 30 pounds overweight and a chain smoker, and he traveled about 70 percent of the time.

We went for three weeks without contact—he hadn't responded to email or phone messages—when his wife contacted me to inform me that Phil had died, alone, in a Boston hotel room, from a heart attack. He left his wife and two children.

I know this sounds as if I'm trying to dissuade you from building a company with people, and locations, and assets. After all, McKinsey did it, and so did Bain Capital and the Boston Consulting Group.

But what are you pursuing? Are you chasing size and growth, or happiness and value? By all means, if you want to grow a firm because it's your passion, and you want to help people with sufficient leverage and resources, go for it.

I've simply chosen to warn you that you need to be clear about who you want to become. Winston Churchill observed, about Parliament, that "we build our houses and then they build us." He meant that we were constrained and influenced by the edifices and rules and interactions we create.

If you're going to build a firm, do so because it's your calling and your avenue to best help others, and don't allow it to be a constraint and even a burden on your life.

In real life, the chicks are thrown out of the nest after a relatively brief time.

VALUATION: CAN YOU SELL WHAT YOU'VE CREATED?

Many small business owners make the mistake of trying to improve the valuation of the business at the same time they decide to try to sell it! As is true of one's legacy (which we'll discuss in Chapter 13), you don't increase valuation at the end of a business (or personal) life.

You increase it now.

The reasons to improve valuation (the estimate of worth) *continually* is that increased worth also achieves the following:

- Maximizes ongoing profit
- Allows for investment in the enterprise
- Can eliminate or reduce debt
- Improves credit scores
- Shows that there is a history of steady growth, not just occasional "spurts"
- Organizes staff around growth, not complacency
- Demands innovation and prudent risk taking

The components of a valuation would include these:

- The owner's compensation, which would become additional profit in the business since the owner will depart
- The earnings (EBITDA—that is, the *earnings before interest, taxes, depreciation, and amortization*) with the interest, taxes, depreciation, and amortization *added back in,* similar to adding back the owner's compensation
- Brand equity
- Existing clients and revenues and prospective clients and revenues
- Growth over at least three prior years in revenues and margins
- Trademarks, intellectual property, patents, copyrights, and similar protections
- Physical assets
- People and talent *who will stay in place postsale*

Also considered here is the owner's role in rainmaking and market presence, as discussed earlier, which you don't want to be too important lest you be required to sign a contract to continue for several years to make the sale appealing.

Alanism: Improving valuation is like breathing: you need to engage in it constantly to thrive.

What I'm saying is that boutique firm owners have an added pressure and priority to improve revenues and profits annually because it's never certain when boredom, illness, the economy, family pressures, and other factors may necessitate a sale. So you're never certain which three- (or even five-) year period a potential buyer will examine.

There will also be due diligence, in which a potential buyer will have experts examine finances, talk to employees, investigate trademarks, interview clients, analyze prospects, and so forth. Key employees may require contracts to ensure their security under a new owner, and there are brokers' commissions and taxes to consider. I knew an owner in her sixties who, with her husband, had been counting on the reward of selling a $7 million-revenue business. However, it proved difficult for her to find the right buyer and maintain several years of clear growth, and then the pandemic hit!

She didn't do anything "wrong," but she's in a tough market, and unknowns can undermine any of these dealings.

CASE STUDY: The New Partner

A friend of mine had a $3 million consulting business with a partner, two full-time people, and some subcontractors. My friend's partner retired, and my friend sold the business for about one-time his annual sales to the giant consulting operation KPMG. The arrangement was that he would join KPMG as a partner, which was very attractive to my friend, who was in his early sixties.

However, his old firm "disappeared" into the maw of the monolith, and he was put through "partner training" and forced to prove himself, as if he were an MBA in his third year with the firm. He hated it. His health deteriorated, and he managed to "escape" on medical leave.

If you think I'm being unduly harsh about building a potential firm and not remaining as a solo, I'm not. I'm only trying to make sure that you have realistic expectations.

But in the following section I'm going to be completely biased!

THE POWER OF SOLO

I think that many people would like to start and stay as a solo, *but they are afraid to do so*. They believe that as they get more successful, they'll be facing larger and tougher clients and they'll be "found out"—as an imposter. They also don't feel that a solo practitioner has enough gravitas and that having a firm's resources behind them is essential, especially in the Fortune 1000 marketplace.

If I had to do it all over (as I'm constantly asked), I probably wouldn't have used Summit Consulting Group, Inc., as my legal entity. I was living in Summit, New Jersey, at the time, hence the name. And the "group" was intended to give the appearance of heft and depth, not unlike a butcher's thumb subtly on the scale to increase the weight and the price.

I also would respond, when asked about the nature of my staff, that I had a bevy of subcontractors, advisors, and collaborators. I should have had a dance studio with all those moves instead of a consulting practice. At one point I had a machine that answered the phone so that I wouldn't be seen answering my own phone.

CASE STUDY: The Schizophrenic

A guy who had been on his own longer than I had was going to "show me the ropes." In his office he had two landline phones with different numbers. One he answered with "John Jones Consulting Services" and the other with "Hickory Farms Press." He claimed that he had many commercially published books, but, in fact, he was self-publishing his own books.

Someone would call on one line with business for the other entity, and John would transfer them over and use a different voice.

"That's what you call the illusion of depth," he said.

"Well, you're half-right," I told him.

The power of the solo practitioner exists in two dimensions:

For the Client

- Immediate attention and responsiveness
- Always engaged with the principal
- Very low overhead that has to be maintained with higher consultant's fees
- No need to teach scores of people from the consulting firm your business
- High-priority focus; only very few clients at a time
- No meter running (if the consultant is using value-based fees)

For You, the Consultant

- High margins—very little overhead, no employees
- No confusion or interpretations; everything directed to you
- Tighter control on quality and speed
- Builds your name as the brand, not your company's name
- Far more freedom in scheduling
- Far better time use (no meetings, personnel problems, and so on)*

These days (and as it's been throughout my career), buyers are concerned about value, speed, and reliability. They are not concerned with large numbers of people, international brands, or hiding behind a major company's image. They crave talent.

Alanism: This is a relationship business, much more easily created as a solo practitioner than as a cog in someone else's wheel.

The solo practitioner is really the mammal running among the dinosaurs. When I began in this business, there was a Big 8, largely in the accounting field. Today, there is barely a Big 2.8! Stay light on your feet. Be a speedboat, not a supertanker.

When you learn to turn on a dime, you're also learning to earn in the sublime.

* See my book *Thrive*, Las Brisas Research Press, 2010. Ariana Huffington wrote one after I did with the same title. Mine is far better.

* One trait that the rare highly successful solo consultants have is that they can market, sell, and deliver.

* You can find the IRS regulations here: https://www.irs.gov/affordable-care-act/employers/identifying-full-time-employees.

* And wealth is discretionary time, so your wealth grows commensurately.

CHAPTER 11

Leverage: More Output for Less Input

LEVERAGE: USING SOMETHING TO MAXIMUM ADVANTAGE

Give me a lever and a spot to stand and I can move the world.
—ARCHIMEDES

You can build a solo practice with arm's-length relationships if you're careful about your arm.

The need for solo practitioners (and boutique firm owners) to create leverage or scalability (to easily change in size) is conspecific to growth. That's because of the *S curve* (Figure 11.1).

As you can see in Figure 11.1, organizations and practices achieve dramatic growth once the basics are mastered (seeing only economic buyers, writing proposals with options, populating the accelerant curve, and so forth). However, eventually growth slows, threatening a plateau. Plateaus, because of the laws of entropy, will eventually erode.

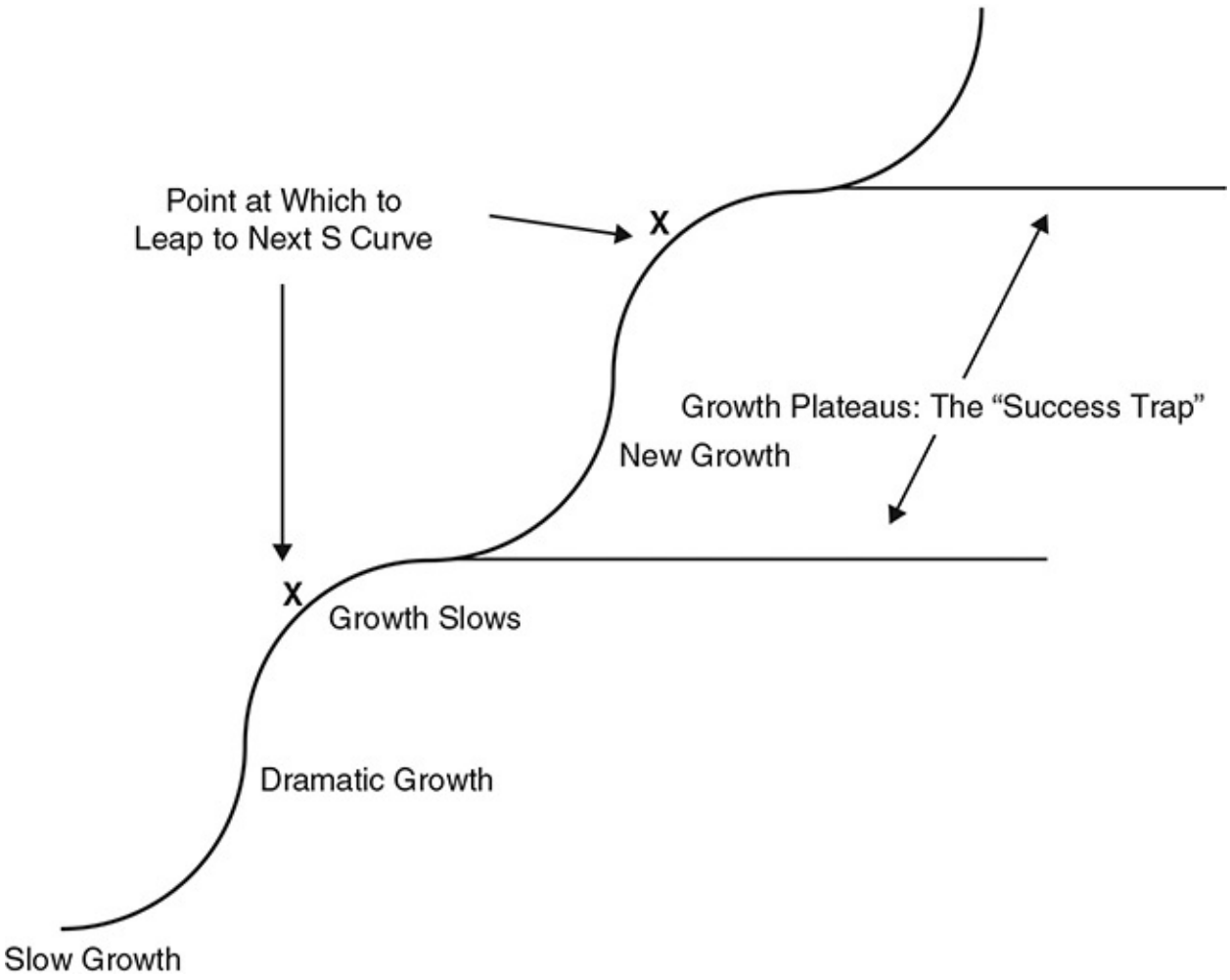


FIGURE 11.1 THE S-CURVE DYNAMIC

Alanism: To build on current acceleration, the time to leap to the next stage of growth is prior to plateauing.

The X marks the spot where you should take off because it's far, far harder to gain the next level from a plateau when you are coasting, not accelerating, and when you have a far longer distance to traverse.

I call the false comfort of the growth plateau the *success trap*. You believe you're successful, right into decline. (A buddy of mine from college told me at the end of his four-year marriage, "I was a happily married man until she told me she was leaving.")

Alanism: The only time I've ever seen people "coast" is when they're going

downhill.

ALLIANCES

Alliances are formed with equal partners (despite the size of the other firm) where the formula looks, metaphorically, like this: 1 + 1 = 150. If you would have created a project for $100,000 and your partner would have as well, then taking on a joint project for $200,000 makes no sense, but a $400,000 project does.

Remember Cuba Gooding as football player Rod Tidwell in the old movie *Jerry Maguire* constantly demanding, "Show me the money!" He didn't believe that the other party was sincere or real until he saw the money. Now combine that with a classic commercial for fast-food giant Wendy's that demanded, "Where's the beef?"

These are superb criteria to apply when considering an alliance partner.

Most alliances are fairly brief, created for a single project or single client. They occur most naturally when two noncompeting sets of skills and/or behaviors are required to best meet client needs and create a competitive edge. The longest alliance I ever had was with the brilliant speaker and coach Patricia Fripp, with whom I created The Odd Couple® franchise and ran workshops and created products for about a decade. We trusted each other implicitly.

Don't allow yourself to become embroiled in theoretical alliances and conceptual constructs. These are liminal, never quite proceeding to the starting line (let alone the finish line). They are intellectual games in which both sides speculate about who would do what to whom *if a proper client came along for an alliance*.

"Show me the money."

"Where's the beef?"

Here are the rules for alliances. For methodology about how to share fees when these come to fruition, see Chapter 4 on fees and the formula therein (50 percent for acquisition, 30 percent for methodology, 20 percent for delivery):

1. Make sure you are both professionally and personally compatible. You needn't be close friends, but you need to respect the other party and trust him or her with your wallet (and vice versa). The other party's values and operating beliefs must be similar to your own.

2. Never, ever make the relationship legal. Do not comingle funds. Don't change logos, share trademarks, or jointly create intellectual property. The alliance may be short-lived, or your partner may sell the business or retire. Breaking business legal entanglements are as hard as divorces on the body and soul.

3. Commit everything to writing: fee apportionment, who collects, who delivers, who handles client inquiries, who pays expenses, and so forth. You don't need an attorney, just a letter of agreement you both create and sign. Make clear how repeat business, testimonials, and referrals will be handled.

4. Apply the alliance strictly to the matter at hand. Do not make it open-ended. You can always renew it if it's needed, which is a lot easier than abrogating one you no longer want or need.

5. Have at least four meetings in person with your alliance principal, and one or two with his or her people if the person has employees. It's valuable to interact in very different circumstances, such as meals, beginning of the day, end of the day, and so forth. Call the office, visit the website, kick the tires.

6. Don't share more information than is needed for that particular client. There is no reason to share client lists, or bankers, or prospects. Alliances in this business are for *specific, short-term needs*, not forever. Don't give away what you may some day live to regret.

7. Check on your partner. Don't assume that the partner's part of the project is going swimmingly. Ask the *client* how the entire project is going—that's the litmus test of how your partner is doing.

You can create tremendous leverage through partners if you are judicious in selecting them and crisp in organizing and monitoring the relationship.

Two further issues:

1. Don't allow the partner's fee practices to undermine your own. If the partner is using hourly billing, either arrange to bill separately, or convince him or her to do it your way. Never partner with anyone engaged in hourly fees or you'll lose money.

2. Don't allow your brand to be subsumed in the partner's. Retain your business cards and logos, and use them throughout. Even if you're allied

with a far larger operation, retain your image and brand integrity. Have your name on all key documents, from proposals to collateral, from reports to expense reimbursement.

In 30 years, I've had perhaps three worthwhile alliances. You may have more, but don't expect these—in reality, not conceptualization—to be plentiful if they are good ones. (And when I had to "fire" a technology partner for poor performance, it required legal intervention.)

SUBCONTRACTING

Subcontractors are excellent sources of leverage. They usually always work by the hour or the day (don't mention my books to them). They love the delivery aspect of our work, so their motivation and performance are usually quite high.

Try to build up a "bank" of these people. Here are some best practices:

- Use familiar people whom you can trust. Direct most of your work to them as a reward for their quality and dependability.
- Always have backups. Your primary people might have conflicting job requests or personal priorities.
- Apprise your client that you'll be using subcontractors so there are no surprises.
- Brief the people you use thoroughly on both the client's business and the needs of this particular project.
- Always give *specific and clear* tasks and assignments. Never request that subcontractors "set up and run focus groups," but rather, they run a group from 9 to 11 on April 14 at the client's office with a particular client contact.
- Prohibit your subcontractors from engaging in any sales or marketing discussions on their own behalf with the client's people, including asking for references and contacts.
- Create a clear agreement on how and what kind of expenses will be charged and reimbursed, and the timing thereof. (One of my subcontractors had a nasty fight with her boyfriend on the opposite coast and ran up hundreds of dollars of phone charges that she promptly passed on to me.)

- Create a clear fee and payment schedule. If the fee is by day, specify whether it's for an entire day of work or partial. If it's by the hour, specify the maximum number of hours you'll accept for any given aspect of delivery. (Tell them never to read my books!)
- Make it clear that the IP, trademarks, copyrights, and so forth remain solely in your ownership and that any materials provided for the subcontractor's use must be returned immediately upon request. (You may choose to let your frequently used people retain certain items for convenience.)

If you are not prudent in selecting subcontractors, you run the risk of spending more time than you're saving on such matters as reviewing their work, correcting their errors, and worrying about their honesty. Subcontractors have been known to solicit business for themselves. (I've often had Carey Limousine drivers who give me their cards and offer a better deal if I don't go through their central booking function.)

Alanism: It's bad enough to have to do your own "failure work," but it's deadly to have to do your subcontractors' failure work.

Example of a Subcontracting Agreement

Here is a sample contract you may want to consider:

SUBCONTRACTING AGREEMENT

The provisions in this document will govern our relationship while Joan Larson conducts work on behalf of Summit Consulting Group, Inc., at the Acme Company:

1. You will identify yourself as a subcontractor for Summit Consulting Group, Inc. You will not hand out personal business cards or talk about your personal practice at any time.
2. You will do no promotion for your personal business at any time.
3. You will implement according to instructions provided by Summit

Consulting Group, Inc., and you will not agree to any altered, modified, or new conditions with the client. Any such client requests will be passed on to Alan Weiss for decision.

4. Your expenses will be reimbursed monthly, within 10 days of receipt. You will turn in expenses on the last day of the month. Reimbursement will include airfare at discounted coach rates, taxis, meals (not to exceed $75 per day), hotel room at the Marriott Downtown, and tips. All other expenses, including phone, recreation, laundry, are not reimbursable.
5. Your payment rate will be $1,500 per day on-site, and $750 per day off-site, as directed and approved by Summit Consulting Group, Inc. You agree that the work assigned to you will be completed within 60 days with a cap of 15 actual days on-site and a cap of 4 days off-site. You will complete the work below, even if it requires additional days, but payment will cap at the levels noted:
   - Conduct 12 focus groups as assigned for 90 minutes each.
   - Analyze and produce reports on each group in progress.
   - Analyze and produce a report for the total group experience.
   - Meet with Alan Weiss at the conclusion to discuss the final report.
   - Fees will be paid within 10 days of the submission of your time reports at the conclusion of each month, providing that all individual focus group progress reports have been submitted.
6. All work created and all materials provided you are the sole property of Summit Consulting Group, Inc. You may not cite this organization as your client in conversation or in writing, and all communications with Summit Consulting Group, Inc., and Acme are confidential and subject to the nondisclosure agreement you have signed.
7. You will conduct yourself professionally, observe business ethics and courtesy, and meet the work requirements above. Failure to do so in the opinion of Acme Company and/or Summit Consulting Group, Inc., will result in termination of this agreement and cessation of payment.

Your notarized signature below indicates full agreement and compliance with these requirements:

Summit Consulting Group, Inc.: _____
Date: _____

Joan Larson: _____
Date: _____

Notary, including signature and seal:

_____

_____

Date: _____

There are three certain ways to decrease your labor intensity: streamline your business model, transfer work to the client, and use subcontractors. The intelligent and frequent use of high-quality help at sensible rates might create slightly less monetary profit for you, but it will create far greater wealth: a dramatic increase in your discretionary time.

Be aware that a subcontractor who derives more than 80 percent of his or her income and who works at the direction of a sole manager is usually considered an employee by the IRS, thereby subject to withholding tax, sharing in benefits, and so forth. You can find the criteria on the IRS site on the web, which is, as of this writing, the following:

> http://www.irs.gov/Businesses/Small-Businesses-&-Self-Employed/Independent-Contractor-Self-Employed-or-Employee

Now let's look at another excellent type of external help that you might be taking for granted.

OUTSOURCING

What I'm calling "outsourcing" is actually a network of professional services providers upon whom you can rely. They are vital to a solo practitioner's ability to leverage by reducing his or her time and providing good ideas.

Here are some of the areas you should consider for ongoing relationships. Note that you're paying only for performance, not engaging anyone who requires cash flow considerations:

1. *Internet:* You need someone who can set up your website, blog, and other internet needs and make changes as needed on a quick and efficient basis. If you heed my advice about not needing a world-class site, then you don't need a world-class web company. Just make sure you can have adjustments made quickly and you can add text, audio,

and video to your blog at your convenience. If you try to design and create these yourself, even if you have knowledge in the area, it will suck all the oxygen out of your office! Hire someone—they all charge by the hour. Just ask for references and work samples.

2. *Design:* On occasion, you'll need graphics created for some writing you're doing, or slides created for a presentation. Have a good designer take care of this. Just send your ideas over in rough form. Someone told me that I could get "incredible slide software for just $500," but the time it would take for me to master it and use it well would be prohibitive, and the result *still* wouldn't be as good as the professional's.*
3. *Printing:* Use a firm such as Sir Speedy or FedEx Office (formerly Kinko's) for your hard-copy printing. Most will print at another store if it's closer to your intended distribution point. They can keep your masters on file electronically. All of my letterhead and business cards have been provided by these sources.
4. *Limousine:* Even in an "Uber world," there will be times when you will want a car waiting to pick up guests, or fetch you from the airport, or take you around town on a rainy day. I use a local company for airport and train station trips and Carey International for other cities around the world. All of them will bill centrally once a month. If you have an account, the reservations are expedited.
5. *Shipping:* I'd suggest having both a UPS and a FedEx account, so that you can ship inexpensively if time isn't urgent, and reliably nationally and internationally if it is. Your requests can be handled online quite easily. I even ship my luggage ahead of me when I travel for business or vacation. I can track it, and there are no baggage claim waits or lost luggage.
6. *Bookkeeping:* Try to arrange for someone to pick up and deliver, and to coordinate with your tax professionals what's needed and in what format. You do *not* want to mess around with software and reconciling your own accounts. This type of help is very inexpensive and will save you tons of time every month, as well as minimize errors.
7. *Travel:* While there is a plethora of automated travel sites, dealing with the airlines and hotels is a huge hassle. It's great to have a professional who knows your preferences and can anticipate things. My strong

advice is American Express, using the Platinum Card. It has terrific travel help, can bill right to your card (which you'll need anyway), and is accessible 24/7. It can change your plans when needed in the midst of a trip, and it can coordinate travel, hotels, limos, dinners, events, and so forth. It even offers its own airport lounges and expedited trips through an international airport in many cities. (I have a Black Card, and American Express was able to get us home from Capri to Manhattan in one day on short notice when we had a family emergency. That included private cars, ferries, connecting flights, and a suite awaiting us in New York.)

8. *Maintenance:* Most of you are working out of your home. It's not merely important, it's *vital* that your driveway be cleared of snow in the winter, or your yard be cleaned of debris after storms, or your pavement be kept in safe shape, and so forth. Find people who will do this automatically so that you don't spend time on it, you can get to appointments in all kinds of weather, and people visiting you see the proper image.

You may have other areas where outsourced help makes sense in terms of regular use and ease of access.

Alanism: Always pay local, outsourced help first because they have strong cash flow needs and you may need them at times to allow you to "jump the line" for preferential treatment in an emergency. If you owe them money, that's not likely.

You may consider bartering (trading services) an effective way to engage these services without hurting cash flow, but that's seldom a good idea.

First, when you barter, you need to find what the equivalent values are. Is two days of coaching worth two months of doing the books? Is business advice over the phone worth a round trip to the airport?

Second, you damage the client-provider relationship when you barter. Now you "owe" something to the other party beyond mere payment. What if it is deemed insufficient or inaccurate or unhelpful?

Third, bartering demands your time. So while you may be saving money, you're expending wealth—your discretionary time. That's a bad deal in my book.

Fourth, the IRS deems bartered services taxable. If you receive free rides, or

travel advice, or yoga lessons, they are, legally, taxable. If you don’t report them, you can be fined. So your cash flow savings may not be what they seemed to be.

My advice is that you get what you pay for. If you want to leverage your business, invest in a lever that works in your favor and is of high quality.

* I create a weekly comic strip, *The Adventures of Koufax and Buddy Beagle*, on my blog (alanweiss.com). I send dialogue and crude drawings to an artist who creates the finished product for me in color.

CHAPTER 12

Crisis Consulting

Pandemics, natural disasters, local wars, economic roller coasters: your talent and value are needed. Walt Disney started operations during the Great Depression.

THRIVING IN AMBIGUITY

The pandemic of 2020 and beyond has certainly changed our mindsets about the boundaries of consulting. Our "presence" is now often virtual, but our value is greater than ever.

To thrive in ambiguity means to be open to more than one interpretation of what you're experiencing. It's *not about* having "the solution" or even the destination in mind. It's about having confidence in the journey.

Mike Tyson, the professional boxing heavyweight champion at one point, said that everyone has a plan for the fight until they are punched in the jaw. Every military battle yields the unexpected and unanticipated. One of the strongest elements of leadership is the ability to cope with ambiguity, and that is exactly what we need to offer in our advisory work and, therefore, what we need to master ourselves.

In Figure 12.1, you see what I call the *ambiguous zone*. The current state is today and clear. The future state is also clear—for example, stronger brand, global presence, or higher market share. But the journey is not clear. And too many organizations wait until they see a clear road, which only guarantees they'll remain in the ambiguous zone *or travel the road endlessly behind those who built it*.

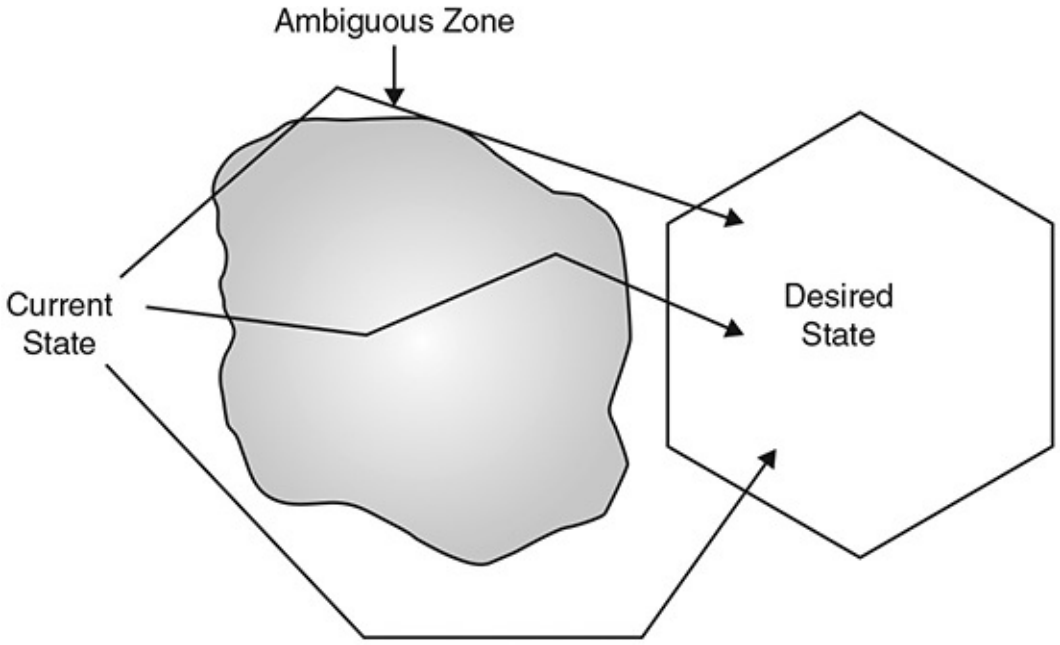


FIGURE 12.1 THE AMBIGUOUS ZONE

Many clients will try to circumvent it, find the flanks, but that is often frustrating and unsuccessful and always far longer. The best method is to transit the zone with leadership that, in effect, says, "I have the light, follow me, we'll get through this together."

In 30 years, I've never begun a consulting project or advisory role with all the information I'd like to have. I understand that I have to generate it as I move forward. The fatal error isn't in moving forward without it. *It's in waiting for it and being bypassed.*

Alanism: Stop waiting for more information. Use the knowledge and wisdom you (and the client) already possess.

The sequence we rely on is usually this:

data → information → knowledge → wisdom

But we can provide knowledge and wisdom at any time, especially in the midst of turmoil. Here's how to avoid setbacks and actually thrive in this profession by succeeding in ambiguity, whether from disease, natural disaster, technology failure, economic upheaval, or anything else:

- Don’t surrender or be caught up in a “contagion of despair.” Find the bright points and optimism. Most of my clients at least equaled their best years during the pandemic, and many had their best years.
- Don’t “wait for it to pass.” Wade in, and take control. Don’t cede control.
- Don’t fear the unknown. There are no monsters under the bed (that you’ve ever seen). The unknown is simply the unknown.
- Maintain your perspective. Personally, for example, I’ve lived through the Cuban Missile Crisis, Viet Nam, cities burning in riots, Woodstock, the Beatles, student takeovers of campuses, polio scares, gas shortages, Sputnik, AIDS and SARS, and never mind the Cold War. The pandemic didn’t frighten me.

CASE STUDY: 9/11

I never refund money, but I made an exception with four contracts I had in Manhattan immediately post-9/11. One of my clients had feet of ash on the office balconies; others couldn’t safely bring people in; some had people missing.

Every one of the four said, in effect, “We’re going to need help more than ever before. Give us a month to set up again, and let’s begin.”

And all four did.

- Listen to others and synthesize what you hear. Create “best mental practices” and “worst mental practices.”
- Remember that success can be achieved over a range, not ever perfection, but improvement. This is not an on/off switch but rather a rheostat. Success comes in degrees.
- Ignore the noise and the fears. Disney and Revlon were formed in the teeth of a Great Depression. Amazon was founded in tough economic times. Some of the greatest innovations and organizations have been launched in very tough times.

Crises shouldn’t “unhorse” you. You need to hold tight to the reins and dig in your spurs.

OFFERING HELP

The key approach to clients and prospects in crisis times *is to offer help*.

The mere gesture of offering help carries with it great value. Your philosophy has to be primarily about offering sincere help, not a "project" or a "fee."

Here is my suggested language:

> **"Leslie, I've been thinking of you. This crisis has hit your industry quite hard, and I know you had some bold expansion plans that must now be on hold. I'm calling to offer my help."**

Let's deconstruct what seem to be some simple statements. First, she's been on your mind. Second, it's not her business alone (and any implication that it's poorly run) but her entire industry and marketplace. You note something important she was concerned about—expansion. And then you offer help *and stop talking*.

The buyer will then say one of three things in 98 percent of the calls, which I've indicated below with my suggested response:

1. *What kind of help?* "I'm focusing on three key points during these times with all my clients. First, reacquiring lost customers. Second, obtaining new referral business sources. And third, retaining and sustaining your key talent."

   Note that you're offering three distinct value choices and framing them so that your other clients are already applying them.

2. *We can use help with cost reduction.* "That's great, I'm working with clients both to examine the four major areas for serious cost reduction but also areas where even greater progress can be made such as improving margins by increasing prices."

   Note that you've responded with a variety of areas to examine (four) as well as suggested another area of focus. You're responding specifically to the stated need.

3. *Things are so chaotic, I wouldn't know what help to ask for or accept.* "You won't believe how often I hear that. We respond by helping sort the priorities that will remove the 'overwhelm' and allow you to use scarce time and finances in the most powerful possible way."

   Note here that you've framed this so that the other person is in good company, not an exception, and you have experience with this ambiguity

and uncertainty. In all of these scenarios, you are offering pure help. The buyer may ask, “What would this cost?” or state, “We have no discretionary funds for you.”

In my experience, if you can provide substantive value, the client is likely to accept. In some cases, the buyer says, “I can’t let you do this pro bono. I’ll find some money.” But in other cases, do something that is not terribly labor-intensive but highly effective (advisory role), and that investment will generate a huge return.

Alanism: Money and time are not resources. They are priorities.

A true buyer can *reallocate* funds (and time). Hence, even in very horrible times, there *is* money. No one gets up in the morning and says, “I think I’ll allocate $100,000 in discretionary funds to some consultant whom I’m not expecting but who may just come along.”

Alanism: ALL funds are discretionary, don’t kid yourself.

When you offer help, don’t be concerned about immediate funding or the immediate assistance. Look upon your gesture as building credit for engagements down the road. I call this “thinking of the fourth sale first.”

CASE STUDY: The Jaguar

My wife and I owned a Jaguar sedan back in the days when the cars were the black holes of quality. Something was always wrong.*

One day we were told our right rear tail light was out, so we stopped in an international auto repair shop in town. We had never been there. The owner said, “While my guy replaces the bulb, let me show you around.” The place was immaculate, it handled every foreign car, and they picked up and delivered.

When we were done, he said, “No charge. Nice meeting you.”

For the next 10 years we brought every exotic car we owned to him when it was out of warranty. He was thinking of the fourth sale first.

Offering help, whether or not it's delivered then, later, or never, is a great marketing tool.

REMOTE MARKETING

Let's revisit the *marketing gravity dynamic* originally discussed in Chapter 2. As we proceed around the circle in Figure 12.2, there is only one item that is problematic when applied remotely, and that's networking. That's 1 in 20, and I can make a case that you can network during remote workshops before their start, during breaks, and after the meetings. You simply set up time to talk privately at another date.

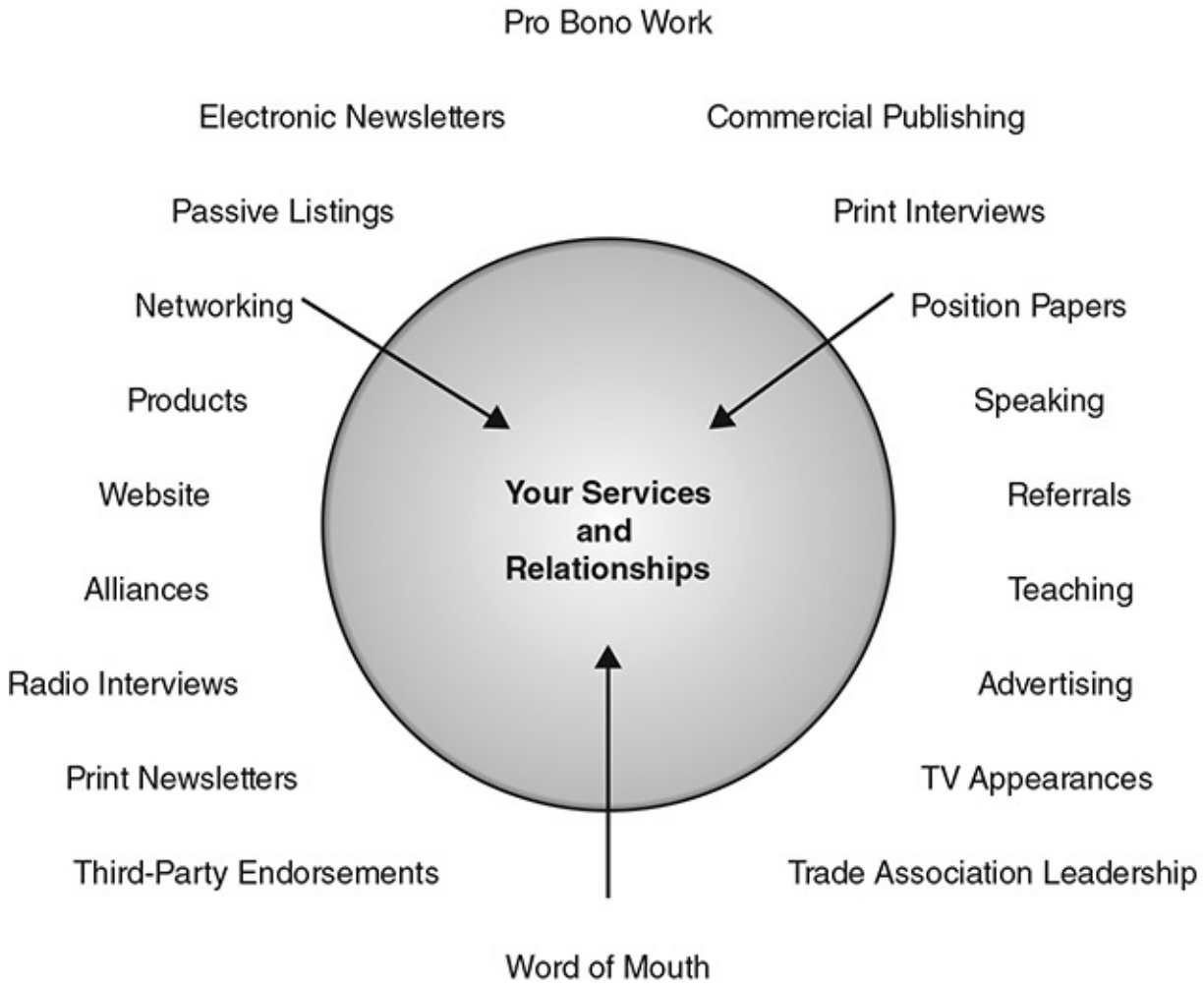


FIGURE 12.2 MARKETING GRAVITY

Marketing is the creation of need, and selling is the provision of goods and services to meet such needs. However, as I've explained throughout, we're in an age of enabling the buyer to buy and reliance on evangelism. Anyone relying heavily on "feet on the street" and live meetings with clients, during a crisis or not, doesn't understand the new dynamics.

My advice for marketing remotely includes the following:

- *Using a "free-to-fee" philosophy.* Offer free teleconferences, webinars, Zoom sessions, livestream broadcasts, and so forth. Then offer more value (articles, a copy of your slides, a summation of your notes, a copy of the video) if people write to you. Follow that up with an inquiry about whether the materials were helpful, and suggest some personalized work for their organization or themselves.
- *Leveraging using others' "reach."* * To me, effective reach is the number of people accessed *of a quality nature*—that is, buyers and recommenders. Accessing even 100,000 irrelevant people is, well, irrelevant. Contact people you know or you know of, and inquire about "lending your expertise to their podcast" or other media. Note the language: you're not asking for a favor. *You're offering a favor.*

Alanism: If you want a favor, position the request as if you're offering the favor.

- *Offering articles to newspapers (op-ed or business pages), online blogs, electronic newsletters, and so forth to help their readers who are also your ideal clients and recommenders.* Treat the editors as you would a prospective buyer: Develop trust, demonstrate the value, and indicate what the benefits are for their constituency. I call this "appearing in the public square."

CASE STUDY: The Op-Ed Piece

I wanted to gain some visibility on my positions about changing school funding practices to reflect more equitable distributions and improved inner city resources and opportunities for economically disadvantaged families.

I wrote to the newspaper's editor in chief, even though I knew he

wasn't the one making the decision. He wrote back telling me he appreciated my interest and giving me the name of the editorial page editor. I wrote to that person, mentioned that the editor in chief had directed me to him, and copied the former on the cover note.

My piece was published 48 hours later.

- *Publishing prodigiously.* Ask yourself what your ideal buyers probably read, and focus on publishing there. I'm not talking about the *Wall Street Journal*, though you can publish letters to the editor there and my hit rate is about 50 percent. I am talking about the following:
  - Professional association newsletters
  - Targeted social media (For example, many closely held business owners are on LinkedIn, though corporate executives usually are not.)
  - Chamber of commerce and service club publications, including social clubs
  - Airline magazines

There are organizations that can place you in podcasts, radio interviews, and publications for modest amounts of money. Ask your colleagues (peer-to-peer referrals, right?) for suggestions.*

The good news is that the "traditional" marketing methods work in a digital and remote age, no matter what the restrictions on normal travel and interactions.

REMOTE DELIVERY

Remote delivery seems daunting, but it's simple. Here are the guidelines:

1. Prepare the client's expectations. "This is how I work with clients during these times" (or simply "as a rule").
2. Master your preference. Who knows what technologies will be extant as you read this, but as I write it, I prefer Zoom and livestreaming. Zoom offers very high flexibility (individual rooms, shared screens, recording of the session, whiteboard, and so on). I use flipcharts behind me, as well. I like to see people's faces, and I like them to see each other. Livestream affords me the opportunity to have thousands of people who can view the

session in real time or on a delayed basis, and can interact with me via questions. I use a videographer so that I don't have to worry at all about camera, lights, or sound. I can use slides or video as well as my trusty easels in this medium.

3. If you're coaching one-on-one, keep it conversational and "intimate." Allow the subject to record the meeting, but don't you record the sessions (too threatening and as a safeguard against hacking). I find these are much better done in the morning, using the client's time zone.
4. If you're running a workshop, keep it to around 25 people or fewer, and try to use Zoom or the equivalent, to keep everyone on a single screen and to ensure that everyone has sufficient "airtime." If you haven't heard from someone for a while, ask them to comment. This keeps people's attention. Start and end on time, and strongly require that people remain in place and muted unless interacting with you or in a group exercise. My maximum workshop time preference is three hours with a 15-minute break midway and several group exercises. I break up longer workshops into three-hour segments on consecutive days.
5. If you're delivering a speech, particularly a keynote, the client will generally have the technical responsibilities. Check in early for a technology review. Keep your bullet-point notes off to the side of your screen on a copyholder.* If you are going to take questions during the speech—which I strongly advise—have a host who fields the questions via a "chat" function and signals you when he or she has one. Make sure you end on time.

Alanism: Your value is not diminished when you are remote, so never lower your fees. I can make a case that you're even more valuable appearing remotely in crisis times.

---

6. Finally, if you're serving in an advisory capacity, treat it much as you would the coaching protocols above. Since these are often the subject of a quick response time, you may choose to provide the service by phone, rather than taking the time to set up a Zoom call. This also enables you and the client to use smartphones and do so while on the move.

Remote delivery is only less effective (or impossible) when you are trying to

observe people at work and interacting with customers. It's relatively easy to attend a meeting remotely, but it's impractical to try to observe a bank teller, or a salesperson, or a machine operator. However, while watching the instructors in my gym work with their clients over iPads, I'm not convinced this can't become an option as well, as long as it doesn't invade client or customer privacy.

People can hold board meetings online, or sell products, or deliver services. But the state police can't work online, nor can EMTs. Don't put yourself in an enforcement or rapid physical response position. Understand that, despite the best technology, there will be limitations.

* I am not making this up. The car used to honk on its own. One day my wife pulled up behind a police car and honked. The officer got out of his car, walked over to my wife, and said, “Lady, are you being a wise guy?” “My car honks by itself,” explained my wife. “That’s the worst excuse I’ve ever heard,” he said. He was reaching for his ticket book when the car went, “Honk! Honk!” He stared, incredulously, and then said, “Get out of here!”

* Amazingly, I offer a guest column on my public blog to anyone in my community who wants to publish there, and fewer than 5 percent have asked to do so.

* One that I’ve used for $3,500 obtained 20 radio interviews of 5 to 15 minutes within 60 days, 19 of which were excellent.

* Never script a speech. Use bullet points, which allow for a conversational approach. Similarly, never attempt to memorize a speech. No one is paying for your memory abilities, and it adds nothing to your value or delivery. See my book *Million Dollar Speaking*, McGraw Hill, 2007.

CHAPTER 13

Legacy

Your legacy is daily, and it's the creation of meaning, not a search for meaning. Are you writing a new page, or is it blank, or the same one over and over? *Or is someone else writing it?*

Alanism: Don't be a bystander to your own life.

WHO'S PUSHING YOUR BUTTONS?

What are you doing to create meaning?

There are two main considerations to ponder: the awareness of the impact of your actions on others and the environment, and the nature of your intent to grow and change and mature. As you can see in Figure 13.1, the fulfilling life is guided by being strong in both those considerations. But if you have a high awareness of your actions but low energy to grow, you're merely indifferent to what you've learned. Conversely, if you do have a high intent to grow but you're oblivious to the consequences of your actions, you're insensitive—un-self-aware.

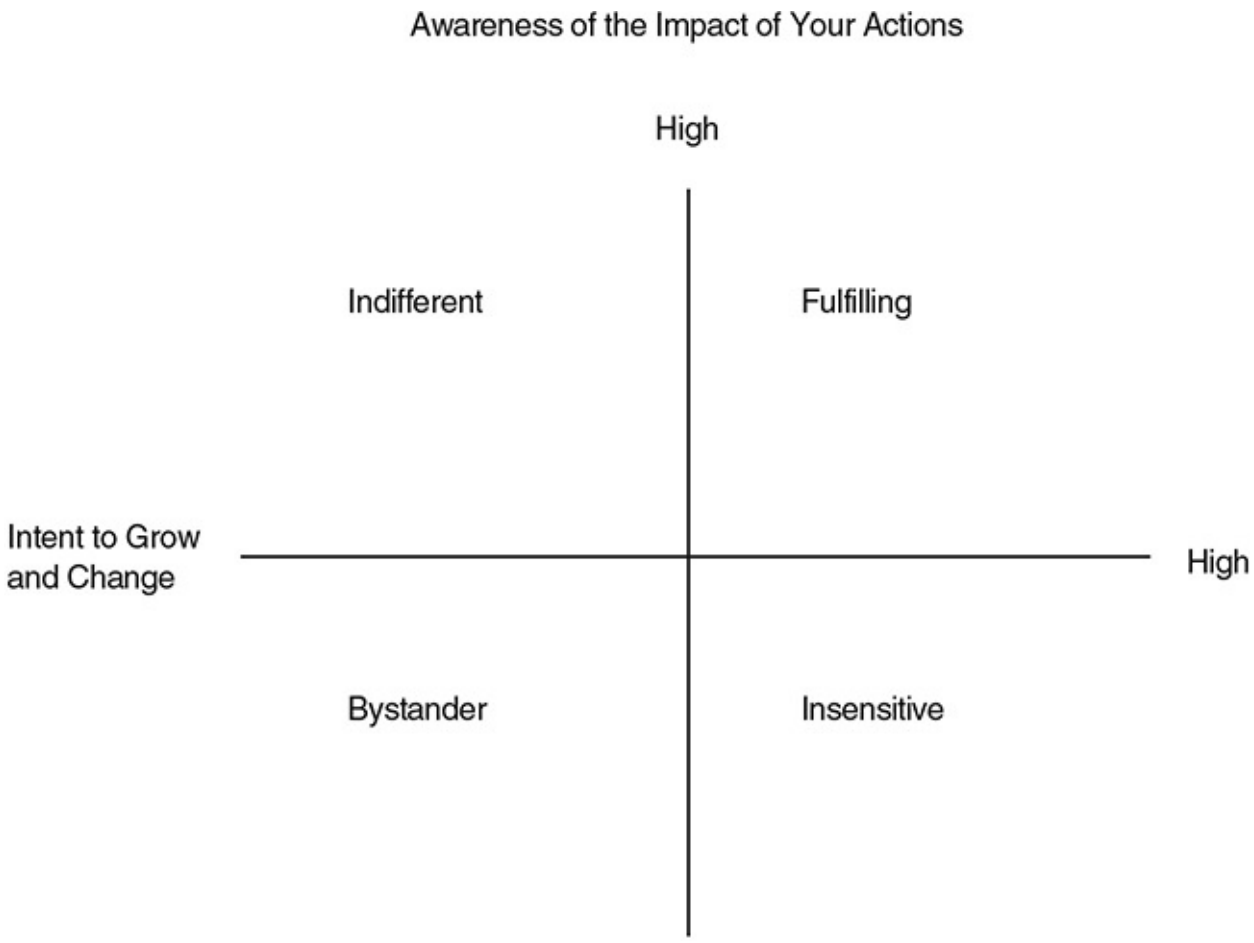


FIGURE 13.1 EVALUATING THE MEANING IN YOUR LIFE

And if you have neither consideration, then you are a bystander to your own life.

CASE STUDY: The Airplane Seat

I was flying from Boston to LA. I had the bulkhead seat in first class and, just before the door was closed, a young woman took the only remaining seat, which was next to me. She was very soft-spoken and polite.

This plane had come from Germany, so it was an "over water" model with a terrific first class. The seats massaged, could be made flat, and so on. It was a nice trip, and an hour outside of LA the pilot announced he expected some turbulence on landing, so we were to clean up the cabin. I noticed at that time that my footrest would not

retract because my blanket was stuck in it. I tugged on the blanket to no avail.

Then I did what men tend to do. I began hitting all the seat buttons indiscriminately while staring at the footrest. Nothing moved, everything was frozen. I realized that I had probably broken a $100,000 first class seat. But then a guy across the aisle began to laugh.

I wasn't hitting my buttons. I was hitting *the woman's buttons*. And I was driving her up and down, back and forth—beating the hell out of her!

Hence, my question to you: Who's pushing your buttons?

You don't create a legacy, any more than you create a high valuation for a business, at the end of your life (or when you decide to sell the business next year). You need a "high valuation on your life"!

In this profession, stop searching for magic bullets and shortcuts, *and above all, stop trying to be someone else*. Develop your own approaches.

Alanism: I advise people *not* to read too many books in their field because the ideas tend to adhere like self-sticking notes and they arise again as if they were yours.

I think Judy Garland said once, "I'd rather try to be a first-rate version of me rather than a second-rate version of someone else." This is the quandary for actors, for example, who are rewarded for portraying someone else.

Remember that it's not what happens to you that's all that important. *It's what you do about it.*

As a senior in college where he was a drama major, my son was up for the big role of his career, Tom Joad in *The Grapes of Wrath.* He called me from college (when a kid asks to speak to Dad, you know *it's never* good news) to tell me he didn't get the role.

"How are you feeling?" I asked.

"Frustrated, enraged, disappointed, betrayed, and just sad."

"How can I help?"

"How should I feel?"

"Well, what you feel is what you feel, and it's quite valid. I'd probably feel the same way." There was an exhaling of breath on the other end. "But the

question now *is what you do about it*. You can protest to the department head, drop out of the production, tell people not to see it, break the legs of the guy they brought in for the part, or take a lesser role and do the best you can."

He took the lesser role and told me later, "You know, I don't think I was right for the lead."

We have more control than we think we have. We have more permission than we think we have. The point is not to *cede* control and permission.

In your career, you control your reactions. Your reaction should be both rational (that it is an unfair request being made) and emotional (there is an urgency to act immediately).

These are the buttons you can push. If you feel yourself on an uncontrolled and stormy ride, if you feel you can't achieve stability or direction, *you're allowing someone else to push your buttons*.

CREATING EVERGREEN INTELLECTUAL PROPERTY

If your legacy is to grow every day, if you are to create meaning for yourself and others, you have to not only create intellectual property of value but also intellectual property that's enduring. Here's a simple example.

Problem solving is an important critical thinking skill. But what is problem solving, really? Is it making fast decisions? Is it planning for an uncertain future? Is it fixing a leak?

Some of you might have breezily said, "Well, it's all three. You have to make good decisions." Yes, *but that's decision-making*. Problem solving is actually depicted in Figure 13.2. On the top we see a *problem* that entails the following:

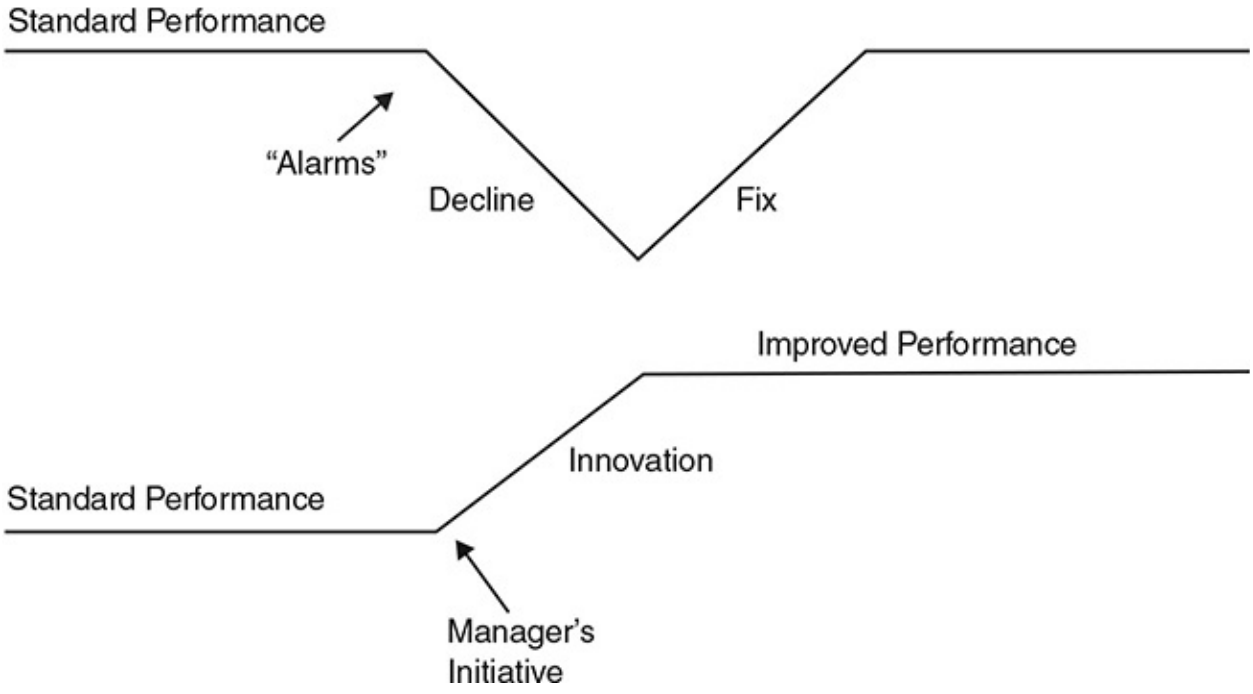


FIGURE 13.2 PROBLEM SOLVING AND INNOVATION

1. There is a deviation of actual performance from expected performance.
2. Cause is unknown.
3. We care about fixing it.

Problem solving is the attempt to restore past levels of existing performance when current performance has declined, whether for a person, process, or machine. *It is a search for cause, which is unknown.* If cause were known, we'd *then* have a decision to make as to what to do about the solution. And we have to care about it, or why bother? Too many of us (and our clients) are concerned about things that don't really matter.

Alanism: Problem solving is a search for cause, not blame.

On the bottom of the chart, as opposed to problem solving, you see *innovation*, which is *raising the current level of performance to create even better results*. Innovation is inherently riskier, since there's no guarantee that the standard can be met, no historical precedent.

All this from a simple chart and simple definitions. But this is intellectual property for the ages (I first published that chart in 1988), from the time of the

discovery of fire to trying to land spacecraft on other planets. Our processes and approaches can't be ephemeral. "Managing by walking around" or "good to great" or "one minute management" are clever titles but really empty approaches. (I asked one client how he knew he wasn't "great" already, and what the new "great" would look like. He couldn't answer the questions.)

CASE STUDY: The Shelf-Life Phenomenon

I had been asked by a client to give a speech to 20 top managers on performance improvement. I did so, and the CEO came over to me later and told me it was great. He said, "You're in a tough business, real shelf-life problems."

"Excuse me?" I said.

"You know," he said, "this is great stuff, but it will change quickly, and you'll need new stuff. It never ends."

"Oh, right," I said.

That was the year 2002. I was using the chart above. I'm still using those same premises today.

You're reading a book that was first introduced in 1992 and hasn't been out of print or off the shelves since then. The various revisions that have been published have been to keep it up to date and match the times: recession, boom, pandemic, globalization, remote work, advanced technology, and so forth. But a problem is a problem, and innovation is innovation.

You get the idea. Your legacy isn't about the constantly new. *It's about the constantly useful.*

WHO DO YOU WANT TO BE?

I ask my coaching clients, "Who do you want to be?" I don't ask, "What do you want to be doing?" or "What do you want to accomplish?"

Most can't answer the question readily because they don't think in terms of themselves in that manner. It's an existential question, but an important one.

I've established that wealth is discretionary time, not the mere accumulation of money. In addition, *there is always a bigger boat* (TIAABB). Mega-

millionaires spend hundreds of millions trying to possess a yacht bigger than all others. But if you go to St. Barts, one of the playgrounds of the rich, you find them berthed side-by-side at the docks, like cars in a parking lot, indistinguishable at casual view. And the truly monstrous can't be seen because they have to anchor far out in the bay since they don't fit at the docks.

Trying to have the most or the biggest is the same as trying for perfection—an impossible and wasteful pursuit. "Million dollar consulting" is a metaphor. You should earn the money you need to maintain the lifestyle you desire, whether $300,000 or $3 million, understanding that discretionary time is real wealth.

Alanism: Some people spend so much time trying to make money that they erode their wealth.

The question "Who do you want to be?" involves these considerations:

- What is your purpose, your personal *raison d'être*?
- How should you be known to others?
- How are you thought of?
- Are you an exemplar and avatar?
- What do you stand for? What is the meaning of your life?

It's a difficult question for most people, but it's highly essential for growth and happiness. I don't believe that anyone has a right to consume wealth or happiness, for example, without *creating* wealth and happiness. Are you going to be a net "taker" or a net "giver"?

Consulting is a fabulous profession. It allows us agency, the freedom to make our decisions, apply our talents, and be both recognized and rewarded for those contributions. However, it entails a responsibility to our clients, our communities, our families, and ourselves.

What I'm reinforcing here at the conclusion of this Sixth Edition, spanning 30 years, is that great trees grow from small seeds, great improvements occur from simple but bold ideas. We can't lose sight of our goals, and we have to be true to our values and beliefs:

- Wealth is discretionary time.

- Our goal is to thrive, not merely survive.
- We need to eschew a scarcity mentality and embrace an abundance mentality.
- Our lives and careers are inextricably intertwined, not compartmentalized.
- We need to practice a healthy selfishness, put on our own oxygen mask first in order to assist others.
- We are trying to provide value, not “make a sale,” so we are never intruding.
- We are a peer of the buyer, not a supplicant.
- No one is shooting at us—never overestimate a “downside.”
- Our self-worth must be constant and high so that it is not at risk in every encounter.
- Generalize victories and successes. Isolate defeats and setbacks.
- Resilience will always save the day.
- Perfectionism kills excellence.
- Time and money are allocatable priorities, not scarce resources.
- Language controls discussion, discussion controls relationships, and relationships control business.
- Always provide options, never a “take it or leave it” choice.
- Fees are based on value, and people usually believe they get what they pay for.
- Work smart for 20 hours a week, not hard for 60 hours.
- This is the marketing business, so you might as well get good at it.
- TIAABB (there is always a bigger boat). Stop stressing about size.
- Pain is unavoidable in life, but suffering is voluntary.
- You can always make another dollar, but you can’t make another minute.
- The initials after your name are meaningless. The intent in your heart is what matters.

Finally, no guilt, no fear, no peer. That’s my personal mantra. It may seem arrogant, but what it means is that I don’t let guilt or fear “mask” my talents, and I walk into a room “owning it.”

And that’s not a bad way to walk through life either. Here’s to your meaning and your legacy.

Thanks for contributing to mine.

EPILOGUE

The Best Practices for Creating and Sustaining Your Endeavor

Cathedrals last for hundreds of years.

LOGISTICAL, FINANCIAL, LEGAL, UNUSUAL

To run your business smoothly, you need to routinize the normal. That means you have to get into a groove about and with issues that surface regularly and require attention periodically.

Here are my suggestions for the actual administration of your business so that you can run it alone, with outsourced help as needed but without any employees, full- or part-time. Employees can kill your business. They require paychecks no matter what your cash flow, benefits, sick days, personal days, help with issues they can't handle, monitoring to ensure quality and honesty, and tolerance when they are obviously goofing off—on your dollar.*

They can be stressful as well as expensive, so here's how to run your own show and avoid the tyranny of the employee.

When you arise in the morning at home, after your ablutions, workout, dog walking, paper reading, meditation, or whatever your regimen is (and regimens are great, part of the routinization), check the overnight email. There are three things to do with it:

1. Respond quickly to those you can. Say "thanks," or provide information, or answer a question, or agree to an appointment. Then delete them.
2. Place in desktop folders those that require more thought or work on your

part. Get to them before day's end if they are important. Don't delay your morning by trying to respond to them now.

3. Place stuff you want to keep, such as client summaries, directions, or background information, in appropriate client or project folders.
4. Delete everything else.

Alanism: At the end of the day your physical and virtual desktops should be clean with nothing on them. No one wants to face a desk of leftover "stuff" in the morning.

You do *not* have to keep every scrap of client or prospect correspondence. If you're uncertain, keep a "chron" (chronology) folder, and within it a folder for each month. Place monthly correspondence, incoming or outgoing, in there if you're not sure what else to do with it.

Check your daily calendar to remind yourself of your priorities. You may have client calls, prospect follow-ups, writing, referral calls, project reviews—whatever. These should be written with times allotted. People procrastinate because while they would never blow off a client appointment at 3 p.m., they think nothing of overlooking the writing they had planned since there is no allotted time to do it. Hence, you need times for major priorities.

This is counterintuitive, and perhaps Luddite, but I strongly recommend a physical planner, such as a Filofax, over an electronic calen-dar. Physical planners allow you to see a full day, week, month, and even year at a glance. You don't have to scroll. They will stay open on your desk with your priorities and times. You cross things off as they are completed. Whenever I make an appointment with four other people to meet and we're looking at dates, I'm always the fastest with my Filofax while they are clicking like demented woodpeckers on their tablets and phones.

Every day you should have no more than three or four personal and professional priorities, combined. These are the issues that *must* be done. Make sure to "chunk" your projects. For example, you don't sit down and write a book chapter. You write 5 pages of a 20-page chapter in four separate sessions. You don't follow up on 10 referrals at one time. You follow up on two a day for a week. This is equivalent to the lines at Disneyland: they are very long and have mileposts ("You are 30 minutes from the ride"), which creates constant motion and a feeling of progress.

Don’t allow interruptions. Tell your kids and partner that when the door is closed, you can’t be disturbed. Don’t check your email again until after lunch. (There is no such thing as an “urgent” email. If it’s urgent, the person would call.) Keep your phone forwarded unless you have phone appointments, and the same for Skype and similar vehicles. *Note: People don’t expect instant access, but they are thrilled by quick responsiveness.*

Check your voice mail twice in the morning and twice in the afternoon and return appropriate calls. Don’t check voice mail or email in the evening unless you are doing business globally and reasonably expect clients from overseas to be in contact.

Have a good lunch. Take a walk, sit outside, do some personal errands. Try to wrap up your work day by 4 p.m. That gives you an hour’s leeway until the iconic 5 p.m. I work 20 hours a week when I’m home and try to be at the pool by 2 p.m. No, that’s not the way I always did it, but I didn’t have the technology then that we do now. Once upon a time we all had to fly in order to meet with clients! (Now how important and apt all of this is when you’re forced to work remotely, as in the pandemic.)

Now for some other routinized approaches:

- Pay your bills twice a month, on the fifteenth and last days of the month. They will never be overdue, and you won’t have to fuss with them daily.
- Never meet with anyone who just wants to “explore” working together or to “pick your brain.” These are always attempts to get free help or to have you help them market. (I have a “pick my brain” fee of $5,000 for an hour, and that ends those requests.)
- Any magazine or periodical, hard copy or electronic, that you don’t read before the next issue comes out, get rid of and unsubscribe. It’s just not that important.
- Don’t surf the web on your “company time.” Do it in the evening, if you must.
- Go very light on social media platforms. You can get dragged into a huge time dump. If you’re posting with business intent (for example, trying to connect with a prospect on LinkedIn), that’s fine, but posting (or responding to) requests to “prove” that posts are being read, or responding to the latest conspiracy theory or political nonsense, is frustrating, stressful, and a waste of time and energy. Don’t kid yourself—social media use is *not* marketing in the corporate marketplace, where decisions

are largely made based on peer referral.

- Don’t give out your cell phone number readily. It makes sense for very important clients, close friends, and family, but not much beyond that. Don’t keep it turned on—it’s capable of taking messages! You shouldn’t be discussing private matters in public, and you should *never* take a nonemergency call when talking to someone else. And if you’re walking around and it looks as if cigarette butts are sticking out of your ears, stay home. Executives don’t wear earbuds on the job.
- Have hard-copy business cards and stationery. You never know when you’ll need them. And put your physical address on your website—some people just might want to send you a check! (If someone really wants to stalk you, he or she will find a way whether or not your address is on your website!)
- Use intelligent backup for your files, either an external hard drive, or cloud space, or whatever. Don’t obsess.

Finally, spend money creating a comfortable place to work. Turn the spare bedroom into a real office. Have modern wiring, lighting, and desk space. Create a nice backdrop for video. I had a designer watch me work and create an office around me given my routines. That was money well spent with immediate ROI.

ADVISORY BOARD

Many solos use an advisory board to provide objective advice and to help with any affiliation needs. It can also be good sources of referral business, if chosen carefully. An advisory board is most successful when the members see it as a win-win relationship, rather than as having to do a favor for you.

Here are my criteria for a highly successful, strongly committed advisory board, in terms of both protocols and people:

Protocols

- *Don’t meet too frequently, and try to meet in person.* My suggestion is once a quarter is fine, and twice a year is acceptable. If members are too far distant, either pay their transportation fees, or use technology to allow them to interact from a distance.

- *The maximum meeting time should be a day, with a planned agenda.* A half day with a working breakfast or lunch also is fine, and less onerous.
- *You should not pay a fee to your advisory members.* If you wish to make a donation to their favorite charities, that's fine. Do buy the meals and refreshments, including a dinner the evening before if that makes sense logistically.
- *Never put clients or prospects on your advisory board.* It's a clear conflict of interest.
- *Meet in a formal conference room.* Don't meet in a restaurant or in your home. Create a business atmosphere. Dress appropriately for your business, your members, and your circumstances. For example, if you expect that someone might show up in a suit, don't dress in jeans.
- *Either record the meeting (with everyone's permission) or hire someone to take notes (minutes).* Don't try to do this yourself because you'll miss too much. Hire from a temp agency, someone who knows how to take and transcribe notes. Circulate these notes to the members when they are completed, and make them a part of your company proceedings. They could be important legally in some instances.
- *Don't allow the board members to have veto power.* They are advisory. They can't demand that you do or refuse to do something as long as it is ethical and legal. Don't take votes.
- *An ideal range is probably five to seven members.* That way you can still have a good meeting if one or even two can't be present. Schedule your meeting well in advance to get on everyone's calendars.
- *Between meetings, keep the members apprised of new business, financial or legal actions, new offerings, and so forth.* Make them feel a part of your business and not merely members of an occasional meeting.

Alanism: If you can secure a "name" on your advisory board, all the better, and describe the board on your site and in other collateral.

- *Create "term limits."* I'd suggest two years, which may be renewed if you and the other person wish, but which also gives you an opportunity to remove someone who isn't working out. (See the next list to make sure you choose the right people to begin with.)

- *Describe the board's presence and composition to the public: to prospects, in collateral, on your site, and so on.* Encourage members to provide a "guest column" for your blog or newsletter.
- *Invite the members to activities between meetings.* For example, marketing events, receptions, workshops, or parties would be excellent vehicles to mix your board members with clients and prospects. Put them in positions where they can informally "evangelize."
- *Call on them for help.* Make sure you have permission to judiciously ask them individually for help and counsel between meetings, especially on subjects relevant to their expertise.
- *Refer people to them.* Whenever possible, reciprocate by sending prospects to your board members, making it clear that you are the source.

People

- *Past clients are fine for your board provided that you are not going to be actively pursuing them for future work.* Retired buyers are especially good candidates when possible.
- *Do not assume your attorney and CPA are good candidates.* They are often wonderful at their specialties but horrible business people. (Almost all charge by the hour and work far too hard as a result.) You can always call them for legal and financial advice, and you're better off paying their hourly fee rather than wasting space with them on your board.
- *Do not include family members, period.* Do not allow your spouse or partner to sit in on the meetings unless he or she is active in the company.
- *If you can, secure a "name."* This name does not necessarily need to be a household name, but it should be someone well known in your field. Many successful people are surprisingly generous and just have to be asked.
- *Create a valuable dynamic.* In other words, attractive people attract others like them. If you can obtain one or two key people, others will be more prone to accept. And if they benefit from meeting others they otherwise wouldn't meet, all the better because you were responsible for the connection.
- *The ideal type of board member has these characteristics:*

Runs or has run his or her own business

Has connections that can help you, leveraging the person's value to you

Has expertise you do *not* have such as marketing, technology, finance, media, or promotion

Will commit at the outset to your meeting schedule

Possesses interpersonal adeptness—doesn't dominate a meeting, can deal with differing opinions, has a sense of humor, abides by the rules

Is someone you like to be around and you respect—a person who can give you candid feedback, positive or negative, in a professional manner

- *Choose people you would "trust with your wallet."* Because that's what you'll be doing. They will know the intimate aspects of your business. If you hold anything back from the board—through embarrassment, mistrust, or paranoia—you're defeating the purpose and might as well disband it.

You don't *need* an advisory board, and you might have one at some points in your growth and not others. The bottom line is that it should be a net contributor to your well-being, not another "meeting to take" or job to do! It should serve you actively (meetings, advice, participation) and passively (making people aware that it exists). It can give you a sense of more "heft" in the practice, but you can also outgrow it.

If your personal predisposition is not consistent with this kind of group, don't do it. If it is, a board can be helpful and dynamic and intrinsic in growing the business and giving you strength.

On the other hand, I've never had one.

DESTINIES AND EVENTUALITIES

I've discussed previously the two types of business models (solo practitioner and boutique firm owner) and the pros and cons of each. Let's examine now the various forks in the road, unexpected detours, and express lanes that you may encounter.

Lawsuits

You may be sued. Take a breath. It happens.

This is why you need a very good litigator among your legal team members. And it's why you *must* carry errors and omissions (malpractice) insurance and liability insurance.

You may be sued by a client who believes your advice caused grievous harm. You may be sued by a client employee who believes that his or her termination or demotion was based on your inappropriate advice. You may be sued by anyone who trips over a power cord from a projector that you are using to show slides, irrespective of whether you own the projector. And you may be sued by other experts who feel you have appropriated their work without permission.

Aside from the insurance, which is a contingent action, the preventive actions are these:

- Document your discussions with your buyers and key others, even if for your personal records and not theirs. Make notes of meetings immediately after the session or phone call. When appropriate, send your buyer the meeting summaries and ask him or her to indicate that they are accurate.
- Always give attribution to others if your idea or model was learned elsewhere. I frequently say, "I'm not sure who came up with this originally, but here's where I read it. …" Or I'll say, "I'm using this with the permission of Joan Jones, who originated this." I once received a financial settlement from someone who incorporated my entire proposal template into his own book, without referencing me at all or acknowledging my copyrights. His editors missed it or didn't ask.
- Ensure that your advice is being carried out accurately and not distorted and that you're not being claimed as the source for actions that you never endorsed. Stay in close contact with both your buyer and the implementation people.
- Do not accept jobs as "temporary" CFO and sales vice president. You will have responsibility but not authority, and these are ethical minefields. Turn them into normal consulting assignments, but don't allow yourself to become a de facto employee.
- Do not keep confidential client information on your computer. Storing it on your computer is too dangerous because of the potential of hacking. Keep hard-copy records in a file if you must, but protect client

information and your own liability.

When in doubt, check with your attorneys first, not after the fact.

Financial Options

Make sure you have a healthy line of credit. Your bank should be prepared to advance you $100,000 or more. Demand overdraft protection on your accounts. Place all of your business—mortgage, investments, savings, checking—with one institution if it will increase your leverage.

Alanism: If a bank lends you $10,000, you're a customer. If a bank has millions at stake with you, you're a partner.

Maximize your tax-exempt retirement funding every year. I've met too many people in their fifties with $300,000 in the bank and that's it. Create a slush fund for unexpected events. Make sure your corporate bylaws are maximally attractive for paying expenses out of pretax dollars. Consider these cash needs:

- Retirement savings
- College, wedding, and/or special event expenses
- Slush fund for uninsured losses, impulse vacations, and so on
- Paying off all debt outside of mortgages and car loans
- Increasing lifestyle choices (house, car, travel, clothes)
- Philanthropy
- Emergencies when normal work is curtailed

There is nothing wrong with debt for short-term needs if you have a plan to repay it in the short term. In fact, it will usually improve your credit score. If you have debt now, divide it all by 12, pay it off that way over a year, and incur no new debt. Use cash.

You should be able to use your bankers to help you find the best way to fund your needs, not debate with them.

Ownership and Annuities

You may well develop passive income that would continue after you leave the business—be it retirement, sales, or death. You should work with your attorney to determine how such annuity income would be handled in your estate and among your beneficiaries. This isn't morbid. It's prudent. You've established valuable intellectual property, sales, trademarks, and relationships, and these assets should be protected.

It is much likelier that you will become disabled during your prime working years than die. That's why I've advised disability insurance that will pay you *until you can return to your normal work*, not just any work.

It is also likelier that you will become bored with your business rather than run out of business.

You should constantly "reinvent." Consultants and practices often fail because they become stale. The original enthusiasm and passion are gone, replaced by a workaday mentality of the "same old, same old." Organizations as large as Sears, Radio Shack, FAO Schwartz, and Blockbuster have had these troubles. Netflix was able to reinvent itself as a movie production source and popularized "binge watching" after losing over 600,000 subscribers on its traditional DVD rental business. Not everyone has that eventual resilience.

At one point, 3M had a corporate strategy that included 25 percent of its billions in revenue originating from products not in existence five years ago. Traditionally, 75 percent of my income emanates from services that didn't exist three years ago.

You have to be clear on your future state—which is often a moving target—*and* be comfortable enough in ambiguity on the way to get you there. This isn't a profession for the risk averse or overly conservative. One eventuality is that you lose enthusiasm, your work suffers, and your prospects decline, forcing you to seek clients you don't really find appropriate. Avoid this eventuality by becoming comfortable in the ambiguity of the journey to new conditions.

THREATS AND RESPONSES

The first time I was told that I had a greater chance of becoming disabled than of dying, I said, "Hey, great. Wait. What?"

Over the years, exactly three clients have asked me what would happen if I died, and two of those were when I was in my forties! (Today I say, "Well, I'm Catholic and like to think I'd go to heaven.")

As a conscientious professional, you should look at threats in light of

preventing them and ameliorating the effects if prevention fails or is impossible. So, in no special order, let me try to both help you protect yourself and put your mind to rest.

Disability

You can be disabled by anything from a car accident to a deer tick. In any case, you won't be able to market or deliver. Here are some stratagems:

- *Obtain disability insurance as soon as you can.* The younger you are, the cheaper it is (and it can get very expensive). It's very difficult to obtain inclusion in a group policy, so purchase an individual one through an agent with a strong company. You want a *long* waiting period (for example, 90 days before benefits begin, which lowers your premium), *and the provision that you must be able to return to your prior work before benefits cease*.

  You don't want to be able to return to *any* work but *to your prior work*. These policies will pay up to 80 percent of prior annual income, so document income carefully. If you "hide" income to lower your taxes, you'll also be undermining your disability benefits should you need them. These polices are generally renewable automatically to age 65.
- *Establish ties with other consultants who can help you.* They may be able to deliver existing contracts for you with some kind of split of the revenues (and you would of course reciprocate for them). This can be an important source of continuing income for the near future.
- *Create important passive income.* If you make money from licensing, royalties, commissions, sales of intellectual property, downloads, subscriptions, product purchases, and so forth, these sources can continue while you are infirm. But they have to have been created well before disaster strikes.
- *Maximize retainer work.* If you are serving as a sounding board and offering access to your "smarts," you may be able to continue doing that even if you are physically incapacitated. Again, this must be germinated long before you experience disability.
- *Maximize your ability to work at home.* Many of us have home offices, but some prefer shared suites or even owned private quarters. At least have a backup office in your home, and be prepared to operate at least part-time

on that basis with a real or virtual assistant.

- *Utilize technology.* Use Zoom and similar options instead of physically visiting. Use dictation software instead of a keyboard.
- *Create backlogs.* If your business utilizes newsletters, blog posts, hard-copy mailings, electronic notifications, and so on, create a two-month or more supply "in the bank" at any given time. These can be used to maintain continuity while you recover.

Theft and Infringement

Yesterday I saw a LinkedIn post from someone I've coached for a long time using my IP without any attribution. This isn't uncommon. Some good people use my materials so diligently that they take them for granted. Others, like a guy in Australia, simply steal my stuff and require a legal torpedo in the bow.

There are rip-off sites all over the web (I won't give them publicity here). Surprisingly, an attorney can stop most of it, though it will cost you. So the question is, when do you grin and bear it, and when do you unfetter the main batteries?

My advice is to build your brand so strongly that your clients and prospects recognize your "stuff." Create brand imagery: Marshall Goldsmith's "What got you here won't get you there"; Seth Godin's "purple cow"; David Maister's "We know what to do but still don't do it."

I mentioned earlier that among your legal team should be a first-class litigator. Ask him or her for direction on these issues. Don't explode because someone has appropriated your material. First, find out if it was accidental or deliberate. Second, if deliberate, ask to what extent it's actually hurting you. The chances are, not much.

Don't create partnerships or alliances that can allow your intellectual property and trademarked material to be readily used by others without tight legal restraints. (Never assume a "friend" wouldn't ever steal from you. That's why people have ex-friends.)

Overwhelm

Your business can take over your life in one of two ways.

First, as you seek to build it or take it to the next level, you'll face challenges and obstacles that are often significant. You'll think "working harder" is the

answer.

Second, as you grow, you'll enjoy the feeling of independence and creating wealth so much that you'll become addicted, never turning down business and chasing money—*all* money.

I've talked throughout this book about support from those close to you, advisory boards, and investment in self-development. Keep your priorities straight:

- You are in business to build a great life, not to apply life to building a huge business.
- You can always make another dollar, but you will never be able to make another minute.
- TIAABB: There is always a bigger boat. Don't waste your time trying to have the biggest.

Million Dollar Consulting is about having the right *mindset*. If you can't achieve that yourself, acquire help from colleagues, coaches, or counselors.

Alanism: You may endure pain, but you do not have to suffer. Pain is usually external; suffering is always internal. Direct your energies toward resolutions, not retribution.

Boredom

The reason I talked about reinvention earlier is that it's easy to get bored without realizing it if no one is pursuing us to change, create, abandon, and innovate. Once you get bored, you get stale. You don't take chances, you rely on the same old interventions and speeches, and before you know it, you're in the "success trap." The point is to "leap" to the next period of growth while the acceleration of current growth is still strong and sustainable (the S-curve phenomenon):
I repeat: About 75 percent of my multimillion-dollar business is derived from offerings *that did not exist three years ago,* and that's a rolling figure. If you're not growing, you're stagnant. Or as humorist Will Rogers pointed out, "Even if you're on the right track, if you're just standing there, you'll get run over."

Notice that I haven't mentioned as threats "no business," "unhappy clients," or "too much competition." That's because if you do well and you follow my

advice, these aren’t threats at all.

Remember: No guilt, no fear, no peer.

Welcome to my world.

* I’m amazed at the number of people doing far less business than I who seem to “need” virtual or even real assistants. I think that’s ego more than labor.

APPENDIX A

Tips from the Million Dollar Consulting Community

Instead of questions and answers, I thought I'd include tips garnered from the Million Dollar Consulting Colleges, the Grad Schools, the Million Dollar Club, Thought Leadership, the Million Dollar Consulting Convention, the Mentor Summits, and the members of the Mentor Hall of Fame (many of whom you've seen contribute throughout the book).

ABOUT US AS CONSULTANTS AND SELF-ESTEEM

- A large proportion of attendees (about 75 percent) felt "alone" when they were very young, either because they perceived themselves to be different from others or because they were somehow not in a "traditional" loving family. And where are we now? In a profession that requires a certain strength to be alone!
- "Lone wolves" don't have much opportunity for exploring emotional issues with trusted peers. Life and work revolve solely around work to too great a degree, and most conversation is centered on work challenges, not personal issues.
- What doesn't kill you makes you stronger. Most successful people have learned from setbacks and turned them into sources of strength and self-worth.
- Forgiveness is critical. If you don't forgive those who you perceive have hurt you, you become permanently enslaved to them (even though they

might not realize it). If you allow real and perceived slights to fester, your self-worth will suffer.

- Efficacy and self-worth are separate. You can be excellent at a given pursuit but not feel good about yourself, and vice versa.
- Personal relationships are key to the foundation of self-worth. If you can positively and constructively engage in your personal relationships, your self-worth improves. Hence, poor relationships have to be improved or abandoned, not merely maintained as poor relationships.
- You can look at self-esteem as a *verb*—an action, leading to a condition—or as a *noun*—self-confidence.
- People carry far too much old "baggage" around, and it's insufficient merely to drop it. You must throw it "off the train" so that it isn't merely at your feet traveling in the same direction and at the same speed that you are. However, don't jettison everything. Some of the positive baggage makes sense for the trip.
- Positive self-talk is one of the most powerful tools to build self-worth. Stop apologizing, and be honest about your own talent and abilities. Don't generalize from a specific: just because you didn't understand a play doesn't mean you're ignorant about art.
- It's not about what life deals you. It's about how you deal with life.

ABOUT THE BUSINESS OF GROWING IN CONSULTING

- If you don't understand something, do two things. First, question it immediately because otherwise the ensuing structure will have a weak foundation. Second, try to apply it in your circumstances to integrate the learning.
- People learn in different ways, so notes, recordings, mind maps, and holographic telepathy are all fine with me. But if you don't have three things (or fewer) to move forward on at the end of the day, you may have quantity but not quality.
- My trademarked approach "The 1% Solution: Tools for Change" says that if you improve by 1 percent a day, in 70 days, you'll be twice as good. But if you don't learn carefully and instead become confused, the opposite can actually occur. People can get dumber.

- When creating pragmatic representations of conceptual images, whether brands or graphics or process visuals, it is *always* better to work with a small team that you trust for quicker and higher-quality results.
- Failing, and learning as a result, among peers is better than mindlessly succeeding among inferiors.
- Emotion is as important as intellect in integrating learning.
- Groups don't bond through dumb icebreaking exercises. They bond through sharing challenge, contributions, disagreements, and socializing.
- All groups claim that they want to stay in touch and reconnect. The ones that do so most successfully always have an organizer or organizers who take on that responsibility.
- If the facilitator isn't learning constantly, she should go into another line of work. Simply doing something well and receiving plaudits for it is like watching people applaud a movie you made years ago.

ABOUT THE MOST FREQUENT ORGANIZATIONAL ISSUES

- Leadership is inept in that key people are not serving as avatars of the behavior they are seeking in others.
- Team building is sought when, in actuality, the organization has committees and needs committees, not teams.
- There are silos headed by powerful people who are defending their turf.
- Problem solving is prized over innovation, and "black belt nine delta" nonsense takes over people's minds like a bad science fiction movie from the 1950s.
- There is excessive staff interference instead of support, typically from HR, finance, IT, and/or legal.
- There are too many meetings that take too long and are overwhelmingly focused on sharing information—the worst possible reason to have a meeting. The organization's talent and energy are being squandered internally instead of being applied externally.
- The customers' perceptions of the organization's products, services, and relationships are different from the organization's perceptions.

- The reward and feedback systems are not aligned with strategy and are not encouraging the appropriate behaviors and not discouraging the inappropriate.
- Strategy and planning are mistaken for each other.
- Career development and succession planning are not wedded.
- The organization is bureaucratic in that it focuses on means and not ends.

INTERVIEWS WITH CONSULTANTS

The following interviews contain commentary from varied professionals in my community about their experiences and expectations.

Andy Bass

Company name: BassClusker Consulting Ltd.
When founded: 2004
Expertise and major markets: I help leaders and their organizations to get better and faster results with resources they already have. I work internationally with clients across a wide range of sectors including manufacturing, media, and financial and professional services.
Employees: None
Website: www.bassclusker.com
Book published: *The Performance Papers: Incisive Briefings for Busy Leaders* (Bookshaker, 2011)
Country of residence: United Kingdom
Age: 55

1. **Why and how did you enter the consulting profession?**

I was an academic for a few years after completing my doctorate. I had very eclectic interests, and the university became worried that they couldn't see the pattern in my publishing. When they said, "We can't see what furrow you are ploughing," I knew it was time to leave, since I didn't want a career as a plough-horse. I decided to take my eclecticism into the marketplace. One of the many things it had taught me was that the go-to guy in independent consulting was Alan Weiss. I Googled him, found my way to the mentor program, and signed up.

2. **What was your greatest mistake, and at what point in your career did it occur?**

Before I left my university post, I nearly got a lucrative job as an in-house coach at an oil major. I had a couple of great early meetings with the director of the function and some members of his team, and he verbally offered me the job, but in an offhand way said, "I just want you to meet this project manager—it's a formality." I totally failed to generate any rapport with her, and the offer evaporated. I learned a hard and expensive lesson about the importance of being able to build relationships with as wide a range of people as possible. That lesson has stood me in good stead in both my marketing and implementation, but it hurt at the time!

3. **What most accelerated your career?**

Getting Alan's help in implementing the fundamental principles of Million Dollar Consulting. I take those to include, at the *strategic* level, charging for value, building marketing gravity, and establishing peer-to-peer relationships with executive buyers. The most vital *tactical* accelerator was and remains, "Never conclude any communication with a prospective buyer without an agreed next step at an agreed time."

4. **How has your practice most changed since inception?**

Well, firstly, the average project fee has increased by an order of magnitude—that's a function of the accelerators I talked about. In terms of what I do when I'm with clients, the emphasis has shifted away from training events toward deeper, longer-term consulting engagements. And I'm working all over the world now.

5. **What has been your major accomplishment in this profession?**

I'd say it's been taking those eclectic interests—the connections among which so baffled my former employer—and parlaying them into direct benefits for my clients, and a fascinating and rewarding career for me.

6. **What is the most important advice you have for colleagues?**

Remember what Mum said: "Eat everything on your plate." I know people who have put bits and pieces of Alan's approach into practice, and I know people who have built their businesses round it. The second group is doing far, far better.

Get a mentor who has "been there and done that." It's unlikely you'll figure out all the ins and outs of how this business works by trial and error

alone.

And: Never conclude any communication with a prospective buyer without an agreed next step at an agreed time!

7. **What do you believe is the future of consulting?**

I think firms such as McKinsey, BCG, and Bain will continue to thrive—they are magnificent marketers for one thing—and working for them will remain a great start for someone wanting a senior executive career. My view is that things could be more turbulent for the big implementation-oriented shops (and by extension for their individual consultants) because they are more likely to be disrupted by technology and economic cycles. As for solo practitioners and small boutiques, there will be an increasing number, many of whom will just scrape by. For those who can build the right relationships with the right buyers, who can stay close enough to them to understand and meet their real needs, and who are prepared to think and work globally—virtually as well as in person—there is huge opportunity.

Suzanne Bates

Company name: Bates Communications
When founded: 2000
Expertise and major markets: Executive presence and communicative leadership
Employees: 18 full-time, about 12 associates
Website: www.bates-communications.com
Books published: *Speak Like a CEO* (2005), *Motivate Like a CEO* (2009), *Discover Your CEO Brand* (2012), and *All the Leader You Can Be* (2016) with McGraw Hill and *Thoughts for Tuesday* (self-published, 2012); contributing author to *CEO Branding: Theory and Practice* (Routledge, 2015)
Country of residence: United States
Current annual revenue: $6.5 million
Age: 64

1. **Why and how did you enter the consulting profession?**

After a 22-year career as a television reporter and anchor, I wanted to leverage my experience and establish a course to financial independence. I

launched a solo practice, unsure of myself; however, there was sufficient demand, and soon I had reason to develop a team and establish a niche in communicative leadership. We designed our own approaches to helping leaders influence and make an impact. We invested significantly in training a team to deliver services. Our people and unique IP have attracted top companies, global companies, and executives as clients.

2. What was your greatest mistake, and at what point in your career did it occur?

Though I've been lucky in hiring and successful in attracting and keeping great talent, I've occasionally hung on too long when people were not performing. This has had a significant impact on energy, morale, and resources.

3. What most accelerated your career?

Commercial publishing was the rocket fuel that enabled us to generate media and land speaking opportunities on big stages. This positioned our firm's thought leadership. Our niche in executive presence and communicative leadership differentiated us from hundreds of other coaching and consulting firms. We established brand value that created marketing gravity, diversified our client base, and attracted more profitable business.

4. How has your practice most changed since inception?

In 2013 we embarked on an exploratory research project to answer a question no one could answer: What is executive presence? Our goal was to bring science to address one of the hottest topics in leadership development today. As a result, we developed the first science-based model of executive presence, and we operationalized it into an assessment—the first significant new instrument of its kind in more than two decades. It was quickly recognized as a breakthrough. Through innovation we established a new line of business attracting new clients and giving established clients additional reason to engage. We became a first mover and positioned our company for growth.

5. What has been your major accomplishment in this profession?

I've built a successful business by helping other people—leaders—become highly effective in their work. We have transformed careers. This has helped organizations grow and thrive.

6. What is the most important advice you have for colleagues?

If an idea has merit, just do it. It will work or it won't. Learn and grow. Keep moving. Keep trying.

7. **What do you believe is the future of consulting?**

The paradox of consulting today is that our approach must be more global and at once more personal. Adopting a global mindset is no longer a choice—whether you are a consultancy of 1 or 1,000—your clients are competing in a global world, and you will be relevant only if you understand what being global means to their business.

At the same time, the speed of business and availability of digital communication today has lulled us all into overreliance on technology. Our clients are utterly fatigued by the impersonal nature of their daily interactions. This lack of intimacy hinders the building of trust among peers, customers, and employees.

As consultants we need to be careful not to succumb to the same bad habits—overusing technology. Our success fundamentally requires us to establish a basis for trust and win the confidence of clients. This happens only when we create the appropriate space for meaningful dialogue.

Steven Bleistein

Company name: Relansa, Inc.
When founded: 2012
Expertise and major markets: Maximizing growth and change capabilities of organizations to achieve rapid business outcomes. Expert in Japanese organizations in particular.
Employees: None
Website: www.relansa.co.jp
Book published: *Rapid Organizational Change* (Wiley, 2017)
Country of residence: Japan
Current annual revenue: $750,000 to $1.1 million
Age: 52

1. Why and how did you enter the consulting profession?

I had just left a job as researcher and was seeking new employment. Booz & Co. had begun a hiring process with me but stopped after the Lehman shock. I liked the idea of consulting and was not finding a job, so I decided to strike out on my own instead.

2. **What was your greatest mistake, and at what point in your career did it occur?**

   Letting fear drive my career choices. One bad business failure as an entrepreneur when I was in my early thirties had made me fearful of starting another business. I was miserable as a salaried employee. It took me 10 years before I mastered my fear and started my consulting practice.

3. **What most accelerated your career?**

   Alan Weiss's books. I read a dozen or so of them during my first year of consulting. I went from $70,000 in revenues my first year to over $700,000 in my second by putting Alan's methods into practice immediately as I learned them.

4. **How has your practice most changed since inception?**

   Most of my initial business was based on selling training courses and consulting on balanced scorecard methodology. I had negotiated a license to represent the Balanced Scorecard Institute in Japan at the time. I now represent no one but myself. I am the brand, and my consulting is my own thinking and intellectual property.

5. **What has been your major accomplishment in this profession?**

   Becoming a million-dollar solo consultant and being invited into Alan's Million Dollar Club. There are a lot of solo consultants in Alan's community doing seven figures, and every year the number of us increases. However, outside of the community, I know no solo consultants personally doing that kind of revenue.

6. **What is the most important advice you have for colleagues?**

   Never hold back saying exactly what you think for fear of how people will react. Boldness gets clients. Congeniality fetches only polite smiles.

7. **What do you believe is the future of consulting?**

   People who base a solo business on providing their own expertise to others will increase. The consulting model as defined by the large firms is not the only option, nor is it the optimal one in most cases, and clients realize this. Clients value rapid results, flexibility, options, and direct immediate access to the expert. These are the hallmarks of the solo consultant.

Ali Brown

Company name: Ali International LLC
When founded: 2005 (started previous business that led to this in 1998)
Expertise and major markets: Coaching and consulting for women entrepreneurs and organizational leaders; leadership and profit growth. I have a very international private client group with women from the United States, Australia, the United Kingdom, and Europe.
Employees: 1 part-time employee, 5 part-time subcontractors
Website: www.alibrown.com
Country of residence: United States
Current annual revenue: $2 million
Age: 49

1. **Why and how did you enter the consulting profession?**

After college I went through six jobs in six years, totally unsatisfied with any of them. At first I thought there was something wrong with me, but then I realized I'd just be happier working for myself. So I took my best skill set at the time—writing—and started a business offering that service in New York City. I literally knocked on doors of ad agencies, made cold calls, wrote letters, and asked everyone I knew for referrals. It got me off the ground. I knew I had to learn more about marketing to stay afloat, so I studied it like crazy—both for my own business but also knowing it would benefit my clients. I didn't foresee how valuable that would become.

As my venture grew, other business owners asked me for advice on how to better market themselves. It made me a more valuable resource. When I had success with newsletters and online marketing, they asked me about that, so I created e-books and courses for them to purchase online. From there, I developed a large following that led me to create even more coaching programs and workshops. I realized most of my followers were women entrepreneurs, and those are the people I specialize in working with today.

I've never been happier, because I have a flexible business that allows me to generate a sizable income, and I can work from anywhere around the world with my family. (My husband is from Australia so we travel often with the kids, and I can work from anywhere I have internet.) It also has propelled me as a thought leader while helping others grow their companies, themselves, and their missions.

2. **What was your greatest mistake, and at what point in your career did it occur?**

Honestly, I grew too big too quickly, just because I could. Our sales were incredible, and I was on a roll. At its peak, it all looked great on paper—$6 million in sales, an Inc. 500 ranking, hundreds of people in my coaching programs, over 15 employees, a jam-packed schedule, and tons of media exposure. I was "living the life." But one morning I woke up and didn't want to get out of bed. I'd lost my way because I'd neglected my number one value: *freedom*. Yes, there's some freedom you earn by growing a large team to support you. But I'd reached a point at which I wanted to pull back, and I couldn't because I was supporting *them*! I felt like a big mama sow with a litter of 15 sucklings.

Finally I had to give myself permission to change things. Bit by bit I adjusted the business model to get back to what made me happiest: working with my high-end clients, doing intimate workshops, and being involved with missions and causes I care about. It took me several years to get here, but it was the best thing I ever did. And ironically I'm now netting more personal income than ever before while working less, and I'm even seen more often as a thought leader in my industry.

3. **What most accelerated your career?**

Learning about the power of positioning. You can affect how others perceive you more than you may realize. Not in a manipulative way, but to make sure your best stuff gets out there. You don't want your work to be a secret, and you don't want others having to ascertain your worth based on hearsay or scraps of information they find online.

You need to control as much as you can. Also, more of my success lately is letting go of what *does not* fit me anymore. It's the clients and projects I *don't* take on that speak just as loudly for me as the high-end clients I *do* take on. And, energetically, that attracts better. (If you settle for less, that's what you get.)

4. **How has your practice most changed since inception?**

(See question 2 as well.) In the beginning it was about modeling others. I wanted to grow a large company and have a big team and maybe eventually sell the company. But in 2013, when I realized I was pregnant with twins(!), I suddenly had to (and wanted to) work much less, so my model had to change. In fact, I had to throw the model out the window and create my own. I went from running larger group training programs and overseeing a large team to creating a lean and mean organizational

structure.

However, it's worth noting that having the larger company gave me advantageous experience that has made me a better coach today, because I've "been there, done that." It established me as a leader in my field, and it was a fantastic platform from which to launch future ventures.

5. **What has been your major accomplishment in this profession?**

   My coaching has helped create more women entrepreneur millionaires than anyone else in my industry. And many have become prominent thought leaders and change makers. It's a beautiful ripple effect that is changing lives around the world.

6. **What is the most important advice you have for colleagues?**

   You're going to get all kinds of advice. Most people out there won't have the guts to do what you are doing, so they are going to question everything. Do what feels right, but also try new things and push yourself. Ninety-nine percent of all this is how you feel about yourself and your abilities. Your brain will always default to the negative, thinking, "Am I good enough? Can I take on this level client? Am I really an expert?" Build upon each success one at time, build up that bio, go help people, share your wins, and suddenly—you're a million-dollar consultant.

7. **What do you believe is the future of consulting?**

   There will be more demand for worldly wisdom combined with simple common sense.

Steven Gaffney

Company name: Steven Gaffney Company
When founded: 1994
Expertise and major markets: The only expert in open and honest communication that focuses around getting the unsaid said to help build strong relationships and transform teams and organizations to increase effectiveness, revenues, and profits.
Employees: 4
Website: www.stevengaffney.com
Books published: *Just Be Honest* (self-published, 2002), *Honesty Works* (self-published, 2006), *Honesty Sells* (Wiley, 2009), *The Fish Isn't Sick … The Water Is Dirty* (self-published, 2009), *Be a Change Champion* (self-published, 2014), *21 Rules for Delivering Difficult*

Messages (self-published, 2014), *Guide to Increasing Communication Flow Up Down and Across* (self-published, 2014)

Country of residence: United States

Current annual revenue: $1 million plus

1. **Why and how did you enter the consulting profession?**

   I was running another business, and I started to give advice on communication and motivation. I saw the impact my advice had on others, and so I gave up my other business and started to focus on the business I currently have right now. What is interesting about this is that when I began this business, I did not even know you could make a living out of doing this. So in the beginning, I didn't.

2. **What was your greatest mistake, and at what point in your career did it occur?**

   My greatest mistake was not asking for help soon enough. It took running into debt and running out of money to realize the value of asking for help and recognizing the success of others who would help me. And that made a huge difference!

3. **What most accelerated your career?**

   There were three key items:

   - I stopped trying to push my content and strategy on potential clients. Instead, I focused on the true needs of the potential clients and connected those needs back to my products and services and how I could help them.
   - I allowed myself to be vulnerable and asked for help from others who were more successful and experienced than I.
   - I began focusing on what I love to do (that is, helping others to honestly communicate) rather than worrying about what everyone else was doing and trying to mimic them.

4. **How has your practice most changed since inception?**

   From delivering one-off seminars to then working on major consulting and coaching projects that helped accomplish the organization's objectives and made a lasting difference.

5. **What has been your major accomplishment in this profession?**

   Crossing well over a million dollars consistently. In order to do that, I had to make substantial difference in organizations' and people's lives.

6. **What is the most important advice you have for colleagues?**

   Be vulnerable. Ask for help from people who are more successful than you, and follow their guidance. People like Alan shorten the learning curve and help you get to where you ultimately want to go professionally and personally in a faster way than you could ever do alone.

7. **What do you believe is the future of consulting?**

   I believe the future of consulting is going to be bigger than we can even imagine now. The reason for this is because speed is critical to organizational success. One of the critical ways that companies can increase speed is their willingness to examine the blind spots that are preventing their organizations from moving forward. That is why hiring outside consultants and experts and getting objective help from them can dramatically shorten the learning curve and help the organizations achieve lasting results.

Linda Henman

Company name: Henman Performance Group
When founded: 2004
Expertise and major markets: Strategy, succession planning, mergers and acquisitions
Employees: None
Website: www.henmanperformancegroup.com
Books published: *Small Group Communication: Theory and Practice*, Seventh Edition (Times Mirror Company, 1996), *Small Group Communication: Theory and Practice*, Eighth Edition (Roxbury Publishing Company, 2003), *The Magnetic Boss* (self-published, 2006), *Landing in the Executive Chair: How to Excel in the Hot Seat* (Career Press, 2011), *Alan Weiss on Consulting* (Alan Weiss, 2013), *Challenge the Ordinary: Why Revolutionary Companies Abandon Conventional Mindsets, Question Long-Held Assumptions, and Kill Their Sacred Cows* (Career Press, 2014)
Country of residence: United States

1. **Why and how did you enter the consulting profession?**

   I began consulting more than 35 years ago, with the Air Force as my first client. In 1978, when women started assuming roles they had not previously held in the Air Force, a friend asked me to help her develop

programs to be used throughout the Tactical Air Command—protocols designed to make the changes easier for both leaders and the women themselves.

On the day of my first meeting, eight men sat in a line, senior enlisted men, roughly the age of my father. They had so many stripes on their sleeves, I started to suffer from vertigo. I could see all those stripes because all eight men had their arms folded across their chests, the question on their faces unmistakable: "Honey, what have *you* got to teach *us*?"

I had an epiphany that day: by honoring and leveraging the wisdom in the room, I could help these chief master sergeants make the difficult decisions they faced. My youth and inexperience didn't matter. I had everything I needed to help these men, and the exchange energized me.

Since then, I have experimented with several types of consulting, at one time relying almost exclusively on training as my method of delivery, at another depending on pre-employment screening for most of my revenue. Now, I have returned to my beginnings of helping leaders make the tough calls. The rewards of doing good work in this arena are tangible, immediate, and stimulating. That's why I started; that's why I continue.

2. **What was your greatest mistake, and at what point in your career did it occur?**

Until the pivotal day in 2006 when I attended Alan's proposal writing workshop, I had led with methodology and priced my services as commodities. When I switched to value-based fees, I started to think of myself differently, to attract better clients, and to position myself as an expert in my field. And I abandoned forever the burden of keeping track of hourly billing!

3. **What most accelerated your career?**

In general, committing to my own professional development has allowed me to accelerate at speeds I previously could not have comprehended. I currently invest about $30,000 and four weeks annually to achieve this objective.

Specifically, learning the skills to reach conceptual agreement with clients positioned me to write better, higher-priced proposals. Most of my current revenue comes from a handful of clients that I started working with *after* I learned this skill. Today, more than half of my income comes from work I didn't do three years ago. I wouldn't be able to say this if I hadn't committed to improving both my content and my processes.

Changing my mindset and skills dramatically changed my intellectual property, income, and job satisfaction.

4. **How has your practice most changed since inception?**

Today I do almost no training and very few pre-employment assessments, the two staples of my professional diet until nine years ago. I have also switched from working on projects or initiatives to assuming the role of expert advisor on strategy, succession planning, and mergers and acquisitions. The role of advisor is more interesting and much less labor-intensive.

5. **What has been your major accomplishment in this profession?**

I have influenced decision makers to think strategically, grow dramatically, and promote intelligently, which has resulted in millions of dollars of profit for their companies. To achieve this, I have committed to ongoing skill development, continued learning, and general professional development.

6. **What is the most important advice you have for colleagues?**

Ask clients, "Why?" *Why* do they want to change and grow? If you start at the core of the issue, you'll provide more value, receive fair compensation for your work, and stay squarely focused on outcomes and results—not deliverables.

The inconsequential, emotional, and unimportant frequently distract clients. Therefore, our job is to help them zero in on the critical few objectives and put aside the trivial many.

7. **What do you believe is the future of consulting?**

As the baby boomers retire, much of the expertise will go with them, and fewer people will be able to replace them because the recent recession caused many companies to stop developing their talent. Consequently, companies will rely more heavily on external consultants both to do the work and to teach the next generations. Companies will continue to need process consultants (strategy, change, coaching), but many will also need content experts (sales, operations, finance, IT, succession planning). Consultants who can offer both forms of consulting will be in demand and positioned for success.

Lisa T. Miller

Company name: VIE Healthcare, Inc.

When founded: 1999
Expertise and major markets: Hospitals, healthcare organizations, physician practices
Employees: 16
Website: www.viehealthcare.com
Book published: *The Entrepreneurial Hospital* (Productivity Press, 2021)
Country of residence: United States

1. **Why and how did you enter the consulting profession?**

I was a successful hospital sales representative selling surgical products utilized in cases in the operating room, and I consistently saw firsthand the waste, inefficiencies, and disparity in pricing for supplies and services from hospitals within the same geographical range. Why did one hospital pay $75 for an item and another hospital that was five miles away pay $35 for that exact same item?

And while I absolutely believe that companies should make a profit, I also believe that money saved ultimately goes back to providing patient care and is used to serve the health needs of the community. I wanted to be an advocate for hospitals and provide them with benchmarking data, insights, market trends, innovations, and process improvement support and assist them with negotiation strategies so that they could achieve the best pricing and contract terms available in the marketplace.

2. **What was your greatest mistake, and at what point in your career did it occur?**

My greatest mistake was wrongly thinking that I had to "grow" my business and expand with more people, instead of optimizing my business so I could achieve better results with fewer people. I promoted individuals within my consulting firm, and I provided them with larger salaries and gave them "big titles," but I didn't provide them with the specific responsibilities, measurements, and accountability that come along equally with these new roles.

I made this mistake after owning my company for 11 years. I wanted to grow and take the next step, and I thought the reason why these promotions and our expansion weren't working was due to "growing pains." However, the reason why was because I didn't ensure that I had promoted the right people to these new positions, and I didn't set the right expectations in these new roles with a culture of measurement and

accountability.

3. **What most accelerated your career?**

Finding exceptional mentors I could work with on a consistent basis. Mentors were critical to accelerating my career (and still are), and specifically two of them—Alan Weiss and Keith Cunningham. When I realized that I needed a "master" to learn from, someone who had real-life experiences in business and consulting and not a theoretical view, I was tremendously fortunate to be able to learn from two world-class and successful entrepreneurs and advisors.

Mentors (a) gave me the insights to see the things I missed (both good and bad), (b) made me accountable to the goals and standards we set, (c) challenged my thinking and made me uncomfortable so I could really "think," and (d) provided as teaching tools their own life experiences and specific examples they had encountered. I was able to see what they had experienced and how they had handled certain situations and to learn by their examples.

4. **How has your practice most changed since inception?**

My practice started off as a solo practice, and then very quickly I had two employees. For about half of our first 16 years, VIE Healthcare was a very small firm with seven people, and our focus was hospital cost reduction and revenue improvement services. Today, we have 16 seasoned healthcare experts, and our focus is complete performance improvement services for hospital and healthcare organizations, which include the financial, operational, and clinical areas of an organization.

VIE had to change as did all of healthcare these past few years so that we could adapt to the new reform and the Affordable Care Act in order to provide our healthcare clients with the support and innovations they needed in order for them to manage to these new regulations.

5. **What has been your major accomplishment in this profession?**

Since 96 percent of all businesses fail prior to their tenth anniversary, my major accomplishment is celebrating VIE Healthcare's 16 years in business. We have been successfully serving and partnering with our healthcare clients in delivering our mission, which is supporting healthcare organizations so they can provide exceptional patient care.

It is being competitive with the large consulting firms who each have revenues in the hundreds of millions of dollars and earning the business from small to large hospitals and healthcare systems each year. We have

been able to provide our unique thought leadership, and we are easily flexible enough to support our clients' goals and mission.

6. **What is the most important advice you have for colleagues?**

Spend time "thinking" and creating your thought leadership. Innovation is foundational for consultants to set themselves apart from others. Our clients want new thinking and innovative ways to solve their problems and to support and optimize their businesses.

7. **What do you believe is the future of consulting?**

Web-based microconsulting platforms and on-demand expertise advice. You are seeing a huge growth in these platforms, and many solo practices are also engaged in utilizing them because it provides a network of experts for companies and an additional marketing vehicle for consultants to obtain new business. Sometimes, businesses want a quick burst of expertise, a small-scale consulting project and not 100 consultants from McKinsey deploying inside their organization. Or a business might want to perform a "test-drive" before signing up for a large engagement with a consultant: "Is this the right fit?"

These online microconsulting platforms are becoming very successful and resonating with businesses who want their experts vetted and their projects started quickly and with performance guarantees in place. These online expert networks are competing with the big management consulting firms as they provide short bursts of professional knowledge and insights and tend to lead into extended consulting and larger engagements.

Rick Pay

Company name: The R Pay Company, LLC
When founded: 1999
Expertise and major markets: I help my clients accelerate profit and growth by developing and implementing operations and supply chain strategy, introducing disruptive (new) ideas, and personalizing these processes for employees so the processes can be sustained.
Employees: None
Website: www.rpaycompany.com
E-books: *Creating an Action Imperative®—A Game Plan for CEOs Who Want to Emerge Stronger, Smarter and Ready to Thrive in a New Economy* (self-published, 2011); *Leadership Excellence—Creating*

Vision, Innovation and Dramatic Results (self-published)
Country of residence: United States
Current annual revenue: $300,000 to $400,000
Age: 69

1. **Why and how did you enter the consulting profession?**

   I have always had a keen interest in how business works and the systems and processes that drive success. I joined PricewaterhouseCoopers in the 1980s helping companies develop IT resources to support their processes and management information systems (MIS) strategies that provided internal support for the value chain. I enjoy helping companies be dramatically more successful quickly and accelerating profit and growth.

2. **What was your greatest mistake, and at what point in your career did it occur?**

   At PricewaterhouseCoopers, I felt that if I did good work, it would be recognized without having to blow my own horn. The problem was that if I didn't blow my horn, there was no music. The environment was so competitive that with others blowing their horns, my work was not recognized to the degree it should have been.

3. **What most accelerated your career?**

   I became a member of the Alan Weiss community in 2008, and that profoundly altered my view of the value I provide my clients and correspondingly how to propose, develop fees for, and execute my projects. As a result, my clients achieved dramatic results, and I earned a higher income. It also gave me the opportunity to become a Master Mentor, which allowed me to learn by teaching others and to give back to the Alan Weiss communities. Being part of a world-class community has helped me immeasurably in my growth and progress toward success.

4. **How has your practice most changed since inception?**

   My practice has changed in several notable ways. First, I started as a technician, helping my clients implement processes and techniques. I worked in the lower levels of the organization, and, while doing good work, I did not provide the level of value to the clients that I was capable of. Over time I became much more strategic, helping clients develop strategy for operations and supply chains, ensuring that they had the right people in the right seats to implement it, and guiding the executives to

provide the vision and leadership needed to sustain the changes.

Second, for many years I had used the hourly billing rate model common to the big accounting firms, tracking my time to the tenth of an hour. At accounting firms, *utilization* and *realization* were the watchwords vital for success in the firm. Professionals who billed many hours were promoted. After meeting Alan, I switched to the value-based approach to fees, which allowed me to focus on client outcomes and to be fairly compensated for my results. My clients were much happier and so was I!

5. **What has been your major accomplishment in this profession?**

One of my major client accomplishments was a situation in which my work saved the company. The client was struggling with growth and profitability, and my work overhauled the company so completely that the client introduced me to his employees at a success retreat as "the person who saved our company."

An accomplishment in my consultant community was when I was admitted to the Alan Weiss Million Dollar Consulting Hall of Fame. I remember the announcement and the ovation given me by my peers, and I appreciated my colleagues' recognition.

6. **What is the most important advice you have for colleagues?**

Focus on value for you and the client. Good things will follow. Everything you do should be focused on providing exceptional value to your clients while maintaining a balance in your lifestyle and labor intensity that allow you to enjoy the fruits of your efforts. By focusing on improving the clients' condition while accelerating profit and growth, you can increase the value of the company.

7. **What do you believe is the future of consulting?**

The future of consulting is a combination of larger technical firms specializing in services such as IT and innovation and sole practitioner and/or boutique firms providing exceptional value in leadership, change management, strategy, and operations and supply chains. Because companies need knowledge, time, and political savvy that are often not available internally, consultants will always be a valuable resource to companies of all sizes, types, and industries.

Professor Dr. Guido Quelle

Company name: Mandat Managementberatung GmbH (Mandat

Consulting Group)
When founded: 1989
Expertise and major markets: We help companies to grow profitably.
Employees: 9
Website: German: Http://www.mandat.de; International: http://www.mandat-group.com
Books published: Fifteen books in German, two in English. Here are the English ones and most recent German ones: *Profitable Growth: Release Internal Growth Brakes and Bring Your Company to the Next Level*, Management for Professionals series (Springer, 2012), *Plan Lead Grow: Systematic Approaches to Success* (Monsenstein & Vannerdat, Octopus Edition, 2009), *Wachstumsintelligenz—So gelingt Wachstum im Mittelstand* (BOD, 2015), *Wachstum beginnt oben—Treibstoff für unternehmerische Wachstumsmotoren* (SpringerGabler, 2014), *Profitabel wachsen—Wie Sie interne Bremsen lösen und Ihrem Unternehmen neuen Schub geben* (Gabler, 2011)
Country of residence: Germany, international offices in London and New York

1. **Why and how did you enter the consulting profession?**

   I was always interested in consulting and had a few conversations with some of the big players when, as a student, a small consulting company, called Mandat, which I had never heard of before, offered me a part-time job in my hometown in fall 1990. I took the job and decided to stay with Mandat after my graduation from university.

   Since January 1, 1993, I have been a professional consultant; since 1997, I have been managing director; since 1999. I have been a shareholder; and since August 2005, I have been the only shareholder of Mandat, which I joined as a student.

2. **What was your greatest mistake, and at what point in your career did it occur?**

   Maybe one of my biggest mistakes was to confront my employees with various facts when the firm was in a financial crisis in 2005. In reality, my employees could do nothing to improve the situation, but I told my staff we needed to do better in order to get back on track, in order to manage a turnaround.

   This caused immense stress for all team members, and it had a negative impact on the atmosphere within the firm. My employees got

stressed, since they didn't know how to change the situation, because in fact, it was I who needed to get better at building relationships and getting better business. I wanted to involve my team, but they weren't in charge of acquisition, and what they were in charge of—the quality of our projects—was greatly appreciated by our clients.

So it was I who needed to change, who needed to focus, and it was I who needed to educate the team members better. I recognized this and did all of the above so that we were able to get exciting business, and as a result we tripled our revenues from 2005 to 2006.

3. **What most accelerated your career?**

People. There were four individuals who influenced me:

- The founder of the firm. He had a very positive and energetic influence on me—he was a real role model for me at the beginning of my career.
- A C-level client with whom I personally worked on dozens of projects in various companies in which he was involved. He gave me so many opportunities to grow that a lot of my expertise—being a leading expert in creating profitable growth today—can be traced back to those projects and his trust in my abilities.
- Alan Weiss, whom I got to know virtually by reading *Million Dollar Consulting* in 2005. I attended a seminar a year later, and that led to a relationship which has lasted now for almost 10 years.
- First and foremost: my wife, Susanne. Without her support, I would never be where I am, and she is one of the few people I ask for feedback.

4. **How has your practice most changed since inception?**

My practice has completely changed—which is no surprise over 26 years. Today we are at eye-level with our clients, who acknowledge us as experts and request advice on creating profitable growth and in releasing internal growth brakes, whereas in the first years, the firm was perceived as a vendor or supplier. We do remote consulting, mentoring, coaching; and we offer teleconferences, video series, and a lot of other things we never would have thought of in the early 1990s.

I have become a sought-after speaker, and I am asked to give (keynote) speeches and breakout sessions at major conferences on a regular basis. Every one of my consultants today is an expert in his or her

specific area. A couple of weeks ago I told my wife that I recently recognized that we now work exclusively with clients we like and respect—a situation that is new (and very pleasant) for us, and we aim at maintaining this position.

5. **What has been your major accomplishment in this profession?**

   I hesitate to talk about my accomplishments because it would not be fair to my colleagues who contribute a lot. I think our major accomplishment is that we have helped more than 160 national and international companies in more than 400 projects to grow profitably and to thrive (again). We have worked with thousands of people, and quite a few of them are still talking about our collaboration even though those projects were completed years ago.

6. **What is the most important advice you have for colleagues?**

   Take action; don't just "think." Build relationships with buyers. Don't waste time with nonbuyers who may be "nicer." Don't even try to be perfect because you'll never be.

7. **What do you believe is the future of consulting?**

   Mentoring, coaching, and individual personal development will play a more important role. Dealing effectively with increasing complexity will be a very important issue. Given a comparable level of quality, implementation speed will be one of the most important reasons to hire a consultant. And building relationships with buyers will be even more important than it is now, regardless of the increasing role of compliance, the involvement of purchasing departments, or other fallacies.

Andrew Sobel

Company name: Andrew Sobel Advisors
When founded: 1995
Expertise and major markets: I help companies grow by developing their clients for life. I deliver strategic consulting, coaching, and training programs for leading service firms worldwide.
Employees: None. I use a delivery network of subcontractors and distributors around the world.
Website: www.andrewsobel.com
Books published: *Clients for Life* (Simon & Schuster, 2000), *Making Rain* (Wiley, 2003), *All for One* (Wiley, 2009), *Power Questions* (Wiley,

2012), *Power Questions to Win the Sale* (Wiley, 2013), *Power Questions to Build Clients for Life* (Wiley, 2013), *Power Relationships* (Wiley, 2014)
Country of residence: United States

1. **Why and how did you enter the consulting profession?**

When I was a senior in college, my father had a friend who owned a large insurance broker. Trying to be helpful, he suggested I take their competency assessment for insurance salespeople. A few weeks after I completed the three-hour exam, he called my dad and got right to the point: "Andrew definitely should *not* go into insurance sales," he told him emphatically. I breathed a sign of relief. Presciently, he added, "Your son seems to have broad interests. Consulting might be a good field for him."

Four years later, I was in my second year of business school and looking at my options. The appeal of project variety, early responsibility, and strong starting salaries drew me and many of my classmates into the large consulting firms. I spent nearly 15 years with the MAC Group, which became Gemini Consulting when we sold MAC to a large French IT firm. I spent much of that time in Europe. I helped to start up our London office and then became country CEO for Italy.

Those experiences gave me a taste for entrepreneurship and for running a business. I left Gemini and started my own independent practice in 1995. I've now had my own firm for 20 years and worked in nearly 40 countries. I've never wanted another job (except, perhaps, to be James Taylor or Paul McCartney).

2. **What was your greatest mistake, and at what point in your career did it occur?**

There are three things I wish I had done differently. First—and most important—I wish I had taken more time off for reflection, rest, family, and personal interests. Second, I should have started writing even earlier. And third, a few times I have relied too much on one client. You shouldn't get more than 20 percent of your revenue from any single client relationship—it's too risky, and it creates dependence. Relying on one client caused trouble for me, and I learned my lesson.

Regarding this last point: I once interviewed Harvard Law School professor Alan Dershowitz for one of my books, and he told me emphatically, "To have true independence with clients, you need multiple sources of income. You need to get yourself in a position where you can

say no to a client and not fear the consequences." I took his advice to heart.

3. **What most accelerated your career?**

I chose an important topic. Very little had been written about it at the time, and I worked relentlessly to become a leading authority in it. In my case, this was client loyalty and the ingredients of great professional-client relationships. A second key success factor for me has been building C-suite relationships. You may do much of your work for functional executives, but having senior-level client relationships confers huge, multiple advantages.

4. **How has your practice most changed since inception?**

I've gone through three phases. The first phase was in Big Consulting where we did a lot of highly analytical studies and produced big reports. The second phase was becoming more of an individual advisor who still did some analysis and reports, but who focused more time on advice, coaching, and training. The third and current phase represents a dramatic shift toward licensing my intellectual property, creating highly successful mobile learning programs, and doing more one-on-one advice and coaching with C-suite executives.

5. **What has been your major accomplishment in this profession?**

It's been helping people all over the world get better at something that's incredibly important to professional success and personal satisfaction: developing strong, trusted relationships. Many of those individuals have been in consulting and other professional services because that is a large market for me.

A second, related accomplishment has been creating an extensive, recognized body of work on how to build clients for life. This includes eight books, which have been translated into 17 languages and have sold over 250,000 copies worldwide.

6. **What is the most important advice you have for colleagues?**

First, choose an area to specialize in and build a "flywheel" around it—continually deepen and broaden your expertise, and publish incessantly so you build an ever-stronger brand and reputation. Create a "family" of articles, books, and frameworks around your core subject. Be original—come up with your own ideas, and synthesize others' ideas into new frameworks. Then clients will come to you.

Second, build knowledge breadth around your core expertise. Develop

broad business knowledge and commercial acumen—otherwise, you risk being a commodity. You need to be able to show how your expertise enables important business outcomes. Otherwise, you become what I call an "expert for hire" rather than a client advisor.

Third, become the kind of person that senior executives want to spend time with. In order to get top executives interested in having a relationship with you, you need to be seen as someone with bold, fresh ideas and the willingness to take a stand on important issues. Especially with top executives, you have to take some risks and play to win—if you play not to lose, you will lose.

7. **What do you believe is the future of consulting?**

Don't believe all the predictions of seismic change in consulting such as a wholesale shift to success fees (the truth is, large corporate clients actually like predictable budgets).

The consulting business is evolving, however. Like many markets, consulting will continue to polarize around large, full-service, global firms and smaller boutiques that are highly specialized in a particular subject or area. Corporations are reducing the number of major suppliers they will deal with, and this trend favors the large firms for big projects and outsourcing. Midsized firms, in fact, are getting bought up or in some cases going out of business. But there will always, however, be a great market for nimble, independent consultants and small firms that offer a singular value proposition and deep, specialized expertise.

Kim Wilkerson

Company name: Wilkerson Consulting Group
When founded: 1990
Expertise and major markets: Consultant, coach, and speaker. Real-time, high-impact, mission-critical consultant and coach who creates both dramatic organizational progress and profound individual growth.
Employees: None
Website: www.kimwilkerson.com
Book published: *The Language of Success*, with Alan Weiss (Business Expert Press, 2016)
Country of residence: United States

1. **Why and how did you enter the consulting profession?**

I worked in a variety of organizations and industries. In each role, I loved the work but always came to the point where I couldn't deal with "the system." I was at a crossroad in my last corporate position of proactively resigning or the likely outcome of eventually being fired. (How's that for anticipating the future?)

While contemplating the situation, I had the proverbial epiphany that there was only one common element in each of my previous employment scenarios of "not being able to deal with the system." That common element was that *I was not a good match for the system and, most likely, not ever for any system*. It was in that very moment that I realized the time was right for me to be "my own system." And, with that, a solo consultant was born.

Backstory: In my early days of employment while in my twenties, I knew I would "someday" be on my own. At the time, I figured I needed a few decades of corporate experience to be credible. I surprised myself when I took the leap 20 years earlier than even I expected. Ironically, the very characteristics and traits that were my Achilles heel while employed became the foundation of my success as a consultant. It's an interesting dichotomy.

2. **What was your greatest mistake, and at what point in your career did it occur?**

Not thinking *big* enough early in my career. ("Early" being the first 10 years!) Not a fatal mistake, but it certainly made for missed or diminished opportunities. I didn't think big enough in regard to the scope of what I could offer organizations (beyond what I was currently providing), the additional value I could provide, and the associated fees relative to that value.

3. **What most accelerated your career?**

Reading *Million Dollar Consulting* (1992 edition!) and joining Alan's Million Dollar Consulting community in 2001.

I was in business for over 10 years prior to joining Alan's community. There were few, if any, resources available in the nineties for solo consultants. Alan's mentor program, workshops, and variety of unique offerings, along with his one-of-a-kind community for solo consultants and boutique firms, filled that void for me. Fifteen years later, I continue to "accelerate" my career through his advice and the ongoing interaction with the consultants in his community.

4. **How has your practice most changed since inception?**

In the early years, projects were focused on "fixing something that was broken or not good enough." Regardless of whether it was people, processes, or productivity, the focus was on problem solving and remedial work.

While there's still some of that work, in today's world the client focus and need have evolved to being more opportunistic and innovative (instead of merely fixing something). The need is for a trusted advisor and partner, not merely a hired hand or vendor providing a service. The work and the relationships are extremely collaborative.

Today, the best of the best (executives and organizations) seek this expertise and consider this type of advisory partnership an integral element of their success.

5. **What has been your major accomplishment in this profession?**

My business has been based on unsolicited referrals, which speaks to my clients' testimonials of our work together.

However, my major accomplishment is very self-focused. While I am the catalyst for my clients successfully "getting from here to there," my best accomplishment is that this role as a solo consultant positioned me and allowed me to create and live the life I want.

6. **What is the most important advice you have for colleagues?**

Many consultants and coaches can easily demonstrate their value while on the job, but they struggle with actually communicating it to prospects and clients. To that point, it's essential to know your expertise, recognize and realize your value, and then "own it." Be able to communicate it, not just demonstrate it. Have the confidence to be fearless in who you are, what you do, and the value you provide.

The opportunities are, and will continue to be, endless. It's a great place for those who want to contribute to the success of individuals and organizations while being in control of one's own destiny. Create the work you want to do, and, most importantly, create the life you want to live.

7. **What do you believe is the future of consulting?**

Consulting and coaching in my arena have evolved from being "prescriptive based work" to partnering with clients who want to be breakthrough, opportunistic, innovative, and successful. Being in an advisory role based on your particular expertise, while at the same time being viewed as a trusted partner, will be in greater demand and of greater

value to the client.

THE VERY FINAL THOUGHT

I've found that about 10 percent of people who voluntarily expose themselves to new thinking—in a book or a workshop—actually take affirmative action quickly. Yet you need only 1 percent improvement a day to continually double your effectiveness. As you reach this final word, you'll understand the driving force required to become a million-dollar consultant: you.

Additional resources: Here is a link to my website where you can find an electronic assortment of forms that are free to readers: https://alanweiss.com/resources/forms-and-templates-from-the-million-dollar-consulting-toolkit/

APPENDIX B

101 Questions for Any Sales Situation You'll Ever Face

AN OVERVIEW

This material is intended to provide questions to ask in virtually any sales situation, thereby accomplishing the following:

1. Maintaining a conversational and "nonsales" approach
2. Keeping the other party talking in order to learn
3. Avoiding "deselection" by volunteering very little of yourself
4. Finding the buyer, building a relationship, and closing business
5. Accelerating the entire sales process

You can customize the questions to fit your particular type of sale, niche, specialty, or customer. I strongly advise that you personalize the generic questions so that they support your particular practice or business.

You might choose to copy and print out this list and then take it on calls, keep it by the phone, or use it as the basis for writing and printing out your own questions to keep in your briefcase or calendar. The book's copyright that includes this list is intended to protect the work as it is presented and to avoid resale or unethical use. However, you should feel free to incorporate the generic questions and the derivations that flow from them into your personal routine and support materials.

The questions are deliberately overlapping and stop just short of duplicative. Essentially, you want to elicit the same information in as many diverse ways as

possible.

A FEW GUIDELINES FOR USE

- Don’t interrogate people. It’s seldom necessary to ask even the majority of questions in any one category.
- Employ follow-up questions. The questions contained herein are “triggers” that may engender a response which demands further clarification.
- Trust is essential for candor. The other party will be most honest and responsive when trust is established (for example, they believe you have their best interests in mind).
- Never be content with a single question, no matter how satisfying the answer appears to be. Some people will attempt to deceive you to save their ego, and others will inadvertently deceive you because they misunderstood the question. I recommend that you use at least three questions per category if the answers are consistent, and six or more if the answers appear to be inconsistent.

These questions are rational, objective, and most of all, based on common sense and simple discourse. Try not to be distracted or to digress until the answer you’re seeking in any given category is forthcoming. For example, it’s dysfunctional to ask questions about objectives if you haven’t asked the questions to satisfy you that you’re talking to an economic buyer. Discipline is best.

Ironically, the longer you take to find the right answers, the more you accelerate the business.

Good selling, and good luck!

—Alan Weiss, PhD

I. QUALIFYING THE PROSPECT

This is the process of determining whether the inquiry is appropriate for your business in terms of size, relevance, seriousness, and related factors. In other words, you don’t want to pursue a lead that can’t result in legitimate—and

worthwhile—business.

Questions

1. Why do you think we might be a good match?
2. Is there budget allocated for this project?
3. How important is this need (on a scale of 1 to 10)?
4. What is your timing to accomplish this?
5. Who, if anyone, is demanding that this be accomplished?
6. How soon are you willing to begin?
7. Have you made a commitment to proceed, or are you still analyzing?
8. What are your key decision criteria in choosing a resource?
9. Have you tried this before (will this be a continuing endeavor)?
10. Is your organization seeking formal proposals for this work?

Key point: You want to determine whether the potential work is large enough for your involvement, relevant to your expertise, and near enough on the horizon to merit rapid responsiveness.

II. FINDING THE ECONOMIC BUYER

The economic buyer is the person who can write a check in return for your value contribution. He or she is the *only* buyer to be concerned about. Contrary to a great deal of poor advice, the economic buyer is virtually *never* in human resources, training, meeting planning, or related support areas.

Questions

11. Whose budget will support this initiative?
12. Who can immediately approve this project?
13. To whom will people look for support, approval, and credibility?
14. Who controls the resources required to make this happen?

15. Who has initiated this request?
16. Who will claim responsibility for the results?
17. Who will be seen as the main sponsor and/or champion?
18. Do you have to seek anyone else's approval?
19. Who will accept or reject proposals?
20. If you and I were to shake hands, could I begin tomorrow?

Key point: The larger the organization, the more the number of economic buyers. They need not be the CEO or owner, but they must be able to authorize and produce payment. Committees are never economic buyers.

III. REBUTTING OBJECTIONS

"Obstacles are those terrible things you see when you take your eyes off the goal," said philosopher Hannah Arendt. Objections are a sign of *interest*. Turn them around to your benefit. Once you demolish objections, there is no longer a reason not to proceed in a partnership.

Questions in Responding to an Economic Buyer's Objections

21. Why do you feel that way? (Get at the true cause.)
22. If we resolve this, can we then proceed? (Is this the sole objection?)
23. But isn't that exactly why you need me? (The reversal approach.)
24. What would satisfy you? (Make the buyer answer the objection.)
25. What can we do to overcome that? (Demonstrate joint accountability.)
26. Is this unique? (Is there precedent for overcoming it?)
27. What's the consequence? (Is it really serious or merely an annoyance?)
28. Isn't that a low probability? (Worry about likelihoods, not the remote.)
29. Shall I address that in the proposal? (Let's focus on value.)
30. Why does it even matter in light of the results? (The ROI is the point.)

Key points: Don't be on the defensive by trying to slay each objection with

your sword, or you'll eventually fall on it. Embrace the buyer in the "solutions," and demonstrate that some objections are insignificant when compared with benefits (for example, there will always be some unhappy employees in any change effort).

IV. ESTABLISHING OBJECTIVES

Objectives are the *outcomes* that represent the client's desired and improved conditions. They are never inputs (for example, reports, focus groups, manuals) but rather always outputs (for example, increased sales, reduced attrition, improved teamwork). Clear objectives prevent "scope creep" and enable a rational engagement and disengagement to take place, resulting in much greater consulting efficiency and profit margins. (Note that items IV, V, and VI—objectives, measures, and value—are the basis of conceptual agreement.)

Questions

31. What is the ideal outcome you'd like to experience?
32. What results are you trying to accomplish?
33. What better product/service/customer condition are you seeking?
34. Why are you seeking to do this (work/project/engagement)?
35. How would the operation be different as a result of this work?
36. What would be the return on investment (for example, sales, assets, or equity)?
37. How would your image/repute/credibility be improved?
38. What harm (for example, stress, dysfunction, or turf wars) would be alleviated?
39. How much would you gain on the competition as a result?
40. How would your value proposition be improved?

Key points:: Most buyers know what they want but not necessarily what they need. By pushing the buyer on the end results, you are helping to articulate and formalize the client's perceived benefits, thereby increasing your own value in the process. Without clear objectives you do not have a legitimate project.

V. ESTABLISHING METRICS

Metrics are measures of progress toward the objectives, which enable you and the client to ascertain the rate and totality of success. They assign proper credit to you and your efforts, and they also signify when the project is complete (objectives are met) and it is proper to disengage.

Questions

41. How will you know we've accomplished your intent?
42. How, specifically, will the operation be different when we're done?
43. How will you measure this?
44. What indicators will you use to assess our progress?
45. Who or what will report on our results (against the objectives)?
46. Do you already have measures in place you intend to apply?
47. What is the rate of return (for example, on sales or investment) that you seek?
48. How will we know the public, employees, and/or customers perceive it?
49. Each time we talk, what standard will tell us we're progressing?
50. How would you know it if you tripped over it?

Key points:: Measures can be subjective as long as you and the client agree on who is doing the measuring and how. For example, the buyer's observation that he or she is called upon less to settle "turf" disputes and has fewer complaints from direct reports aimed at colleagues are valid measures for the objective of "improved teamwork."

VI. ASSESSING VALUE

Determining the value of the project for the client's organization is *the* most critical aspect of conceptual agreement and preproposal interaction. That's because when the buyer stipulates to significant value, the fee is placed in proper perspective (ROI) and is seldom an issue of contention. Conversations with the buyer should always focus on value and never on fee or price.

Questions

51. What will these results mean for your organization?
52. How would you assess the actual return (for example, ROI, ROA, ROS, or ROE)?
53. What would be the extent of the improvement (or correction)?
54. How will these results affect the bottom line?
55. What are the *annualized* savings (first year might be deceptive)?
56. What is the intangible impact (for example, on repute, safety, or comfort)?
57. How would you, personally, be better off or better supported?
58. What is the scope of the impact (on customers, employees, vendors)?
59. How important is this compared to your overall responsibilities?
60. What if this fails?

Key points:: Subjective value (stress alleviated) can be every bit as important as more tangible results (higher sales). Never settle for, "Don't worry, it's important." Find out how important because that will dictate the acceptable fee range.

VII. DETERMINING THE BUDGET RANGE

Too much guessing takes place in the absence of a general understanding about how much the prospect intends to invest (prior to understanding the full value proposition). In many cases, the budget is fixed and entirely inappropriate, and in others it represents a better understanding of the ROI than that of the consultant! (Don't forget, this presupposes you're talking to an economic buyer.)

Questions

61. Have you arrived at a budget or investment range for this project?
62. Are funds allocated, or must they be requested?
63. What is your expectation of the investment required?
64. So we don't waste time, are there parameters to remain within?

65. Have you done this before, and at what investment level?
66. What are you able to authorize during this fiscal year?
67. Can I assume that a strong proposition will justify proper expenditure?
68. How much are you prepared to invest to gain these dramatic results?
69. For a dramatic return, will you consider a larger investment?
70. Let's be frank: what are you willing to spend?

Key points:: There is nothing wrong with exceeding the budget expectation if you muster a strong enough value proposition. But don't even proceed with a proposal if the prospect has a seriously misguided expectation of the investment need or simply has an inadequate, fixed budget.

VIII. PREVENTING UNFORESEEN OBSTACLES

As comedian Gilda Radner used to say, "It's always something." Inevitably, it seems, the best laid plains are undermined by objections, occurrences, and serendipity from left field. Fortunately, there are questions to establish some preventive actions against even the unforeseen.

Questions

71. Is there anything we haven't discussed that could get in the way?
72. In the past, what has occurred to derail potential projects like this?
73. What haven't I asked you that I should have about the environment?
74. What do you estimate the probability is of our going forward?
75. Are you surprised by anything I've said or that we've agreed upon?
76. At this point, are you still going to make this decision yourself?
77. What, if anything, do you additionally need to hear from me?
78. Is anything likely to change in the organization in the near future?
79. Are you awaiting the results of any other initiatives or decisions?
80. If I get this proposal to you tomorrow, how soon will you decide?

Key points:: Make sure that your project isn't contingent upon other events transpiring (or not transpiring). If the buyer is holding out on you, these questions will make it more difficult to dissemble. Build into your proposal benefits to outweigh the effects of any external factors.

IX. INCREASING THE SIZE OF THE SALE

Once conceptual agreement is gained, it makes sense to capitalize on the common ground and strive for the largest possible relationship. Most consultants don't obtain larger contracts *because they don't ask for or suggest them*. You can't possibly lose anything attempting to increase the business at this juncture.

Questions

81. Would you be amenable to my providing a variety of options?

82. Is this the only place (division, department, geography) applicable?

83. Would it be wise to extend this through implementation and oversight?

84. Should we plan to also coach key individuals essential to the project?

85. Would you benefit from benchmarking against other firms?

86. Would you also like an idea of what a retainer might look like?

87. Are there others in your position with like needs I should see?

88. Do your subordinates possess the skills to support you appropriately?

89. Should we run focus groups/other sampling to test employee reactions?

90. Would you like me to test customer response at various stages?

Key points:: If you don't ask, you don't get. Don't throw everything including the kitchen sink into your proposal in an attempt to justify your fee. Instead, "unbundle" what you're capable of providing and add them back in at additional fee.

X. GOING FOR THE CLOSE

Home stretch, but not across the finish line. Runners who slow up at the

approaching tape lose to someone else with a better late “kick.” Run through the tape at full speed by driving the conversation right through the close of the sale and the check clearing the bank.

Questions

91. If the proposal reflects our last discussions, how soon can we begin?
92. Is it better to start immediately, or wait for the first of the month?
93. Is there anything at all preventing our working together at this point?
94. How rapidly are you prepared to begin once you see the proposal?
95. If you get the proposal tomorrow, can I call Friday at 10 for approval?
96. While I’m here, should I begin some of the preliminary work today?
97. Would you like to shake hands and get started, proposal to follow?
98. Do you prefer a corporate check or to wire the funds electronically?
99. May I allocate two days early next week to start my interviews?
100. Can we proceed?

Key points:: There is never a better time than when you’re in front of the buyer and he or she is in agreement and excited about the project. Even without a proposal, beginning immediately “pours cement” on the conceptual agreement and greatly diminishes the possibility of being derailed by surprise.

XI. THE MOST VITAL QUESTION

All of the preceding 100 questions are actually based on the reaction to one question that we often fail to ask of the most difficult person of all. And unlike most of the prior inquiries, it’s a simple binary question, with a clear “yes” or “no” response.

Question

101. Do you believe in yourself?

Key points:: The first sale is always to yourself.

VISIT OUR WEBSITE FOR THESE BENEFITS

- Subscription to our free, monthly electronic newsletters
- Inclusion on our notification list for new products, workshops, and services
- Access to over 100 free, indexed articles
- Access to a variety of other resources for self-development and professional growth

Index

The letters *f* or *n* following a page number denotes a figure or footnote.

A

Accelerant curve, 22–24, 23*f*, 26, 93*n*, 141
Acceptance
  legally binding, 97
  letter of agreement and, 148–149
  proposal and, 77–80, 97–100
Accountability, 88, 94–95
Accounts payable, 67, 79, 84–85
Acquisition, 62, 72, 190
Action
  awareness of, 213, 214*f*
  contingent, 155, 232
  illegal, 166–168
  management and, 107
  preventive, 155, 232–233
The Adventures of Koufax and Buddy Beagle (comic strip), 196*n*
Advertising
  blogging and, 130, 130*n*, 133
  frequency of, 132
  internet and, 16
  newspapers and, 16*n*, 138–139, 208–209
Advice. *See also* Alanism
  brand, 237
  disability, 234–237
  legal, 232–233
  marketing, 208–210
  sales, 17–18
  travel, 197–199
  value, 11, 35, 58
Advisor, trusted, 142
  concierge as, 149–151
  lawsuit and, 232–233
  letter of agreement for, 146–149
  value of, 141

vault item as, 141
Advisory board
business and, 227–231
client on, 228
fees and, 228
meetings and, 228–229
needs of, 231
people on, 230–231
protocols for, 228–230
reciprocity and, 227, 230
referrals and, 227, 230
solo consultants and, 227–231
Advisory work, 24
coaching compared to, 141–144
future of, 151
information and, 202
letter of agreement and, 146–149
price variables for, 143–146
retainer for, 144–145
Affordable Care Act, 179*n*, 263
The Age of Discontinuity (Drucker), 36–37
Agreement. *See also* Letter of agreement
buyers and, 67–68
conceptual, 87–92, 105
services beyond, 78–79
subcontractor and, 193–195
Air Force, U.S., 258–259
Airlines, 42, 42*n*
Alan Weiss on Consulting (Weiss, Barr, Henman & Shahar), 258
Alanism
business advice of, 5, 38, 59, 62, 72, 74, 142, 177–178, 181, 188, 224, 229
consulting advice of, 11, 88, 92, 165, 185, 193, 202
ethical advice of, 171, 176
fee advice of, 69, 81, 93, 96, 100, 198, 211
life advice of, 6, 13, 30–31, 117–118, 122–124, 166, 189, 208, 213, 215, 217, 238
marketing advice of, 16, 18, 21, 84, 138
sales advice of, 67, 143
wealth advice of, 8, 56, 131, 205–206, 219, 233
All for One (Sobel), 271
All the Leader You Can Be (Bates), 248
Alliances. *See also* Collaboration
brand and, 191
commitment and, 190
criteria for, 189
fees and, 191
information sharing in, 190–191

IP and, 237–238
leverage and, 189–191
meetings and, 190
professionalism and, 190
subcontractors and, 191–193
theft and, 237–238
theoretical, 189
time and, 189
Amateurism, 128
Ambiguity, 201–204, 202*f*
Ambiguous zone, 201–202, 202*f*
American Express, 197–198
American Institute of Architects, 17
American Press Institute, 36, 36*n*
Annuities, 234
Anomie, 119*f*, 120
Appraisal, 90–91
Archimedes, 187
Aristotle, 165
Army, U.S., 170
Arrogance, 118, 159
Assessment
power of, 121–123
questions for, 286
ROI and, 286
self, 219–220
value and, 286
Assistants, 223*n*
Attorney, 230
retainer for, 144
trademark, 33–34
Attribution, 232, 237
Auctions, 140
Autonomous control, 111
Avatars, 116*f*, 117

B

Backlog, 237
Balanced Scorecard Institute, 251
Bartering, 71, 198–199
Bass, Andy, 245–247
Bates, Suzanne, 248–250
Be a Change Champion (Gaffney), 256
Behavior, 118, 159
ambiguous, 201–204, 202*f*
self-esteem and, 124–126

Bentham, Jeremy, 165
Berger, Jonah, 14, 16
Bleistein, Steven, 250–252
Blogging, 130, 130*n*, 133
Bookkeeping, 197
Boredom, 239
Bounce factors, 22–23, 23*f*
Boutique firm
  advantage of, 110
  brand and, 178
  income average of, 177
  leverage and, 187
  sale of, 177–179
  success trap in, 188
  valuation of, 180–182
Brand
  advice for, 237
  alliances and, 191
  attraction for, 83
  boutique firm and, 178
  copyright for, 32–34
  creation, 19
  elements for, 26
  equity and, 19–20
  marketing and, 18–21
  McDonald's, 18, 20
  protection of, 20
  pyramid, 19*f*
  theft and, 237
  trademark of, 20, 33–34
  value and, 53, 110
A Brief History of Time (Hawking), 24
Brown, Ali, 252–255
Budget
  allocation for, 72–73
  fees and, 69
  prospects and, 287
  ROI and, 287
Buffett, Warren, 13, 34
Business
  advisory board for, 227–231
  Alanism on, 5, 38, 59, 62, 72, 74, 142, 177–178, 181, 188, 224, 229
  ambiguity in, 201–204, 202*f*
  assistants, 223*n*
  boredom in, 239
  boutique firms in, 177

cell phone and, 227
deal closing in, 26
employee and, 72
issues in, 244–245
labor decrease in, 195
lawsuit in, 232–233
mail handling, 224–225
new, 239
obstacle prevention for, 288
overwhelmed by, 238
parachute, 22–24, 23*f*
practices for, 223–239
priorities for, 225, 238
rejection of, 82
retail, 25, 131–132, 135–136
routine in, 223–227
stationary, 227
subcontractor agreement in, 193–195
success of, 175–176, 176*f*
valuation for, 180–182
Buyers. *See also* Economic buyer
agreement with, 67–68
assertive towards, 38–39
concerns of, 184–185
due diligence by, 182
existing, 48
lifecycle of, 49–51
objection by, 282–283
prospective, 44, 48
qualifying of, 281
relationship with, 45–47, 59
social media use by, 128, 128*n*
strategy for, 49–50
unified field theory and, 25–26
value distance and, 8, 8*f*, 102–103, 103*f*

C

Calendar, 224–225
Capitalism, 101–102
The Capitalist Philosophers (Gabor), 4*n*
Carey International, 197
Carville, James, 14, 28–29
Cash, 98–100, 233–234
Cell phone, 227
CEO Branding (Fetscherin), 248
Challenge the Ordinary (Henman), 258

Churchill, Winston, 154, 180
Clance, Pauline Rose, 119
Clients. *See also* Buyers
advisory board and, 228
confidentiality and, 167–168, 233
crisis and, 204–206
ethics of, 169
expense absorption by, 81
feedback from, 116*f*, 117
global, 84
history of, 65
ideal, 25
illegal activity of, 166–168
issues challenging, 30
objectives, 106, 284
obstacle prevention for, 288
prospects compared to, 41–51
qualifying of, 281
reduction of, 77
relationship dynamics for, 42–44, 43*f*, 67, 198
solo consultants and, 184
touch points with, 51*f*
troublesome, 71
Clients for Life (Sobel), 271
Clinton, Bill, 28–29
Coaching
advisory work compared to, 141–144
one-on-one, 210
time limits of, 142, 142*n*, 144
Collaboration
fees and, 62, 72, 190
formula for, 62
value and, 64
Commitment
alliances and, 190
fees and, 59–60, 60*f*, 71, 104–105, 105*f*
Company
building of, 180
sale of, 177–179
valuation of, 180–182
Conceptual agreement, 105
economic buyer and, 87–88, 90, 92
metrics and, 88–89, 91
objectives and, 88–89, 91–92
proposals and, 87–91
value and, 88–89, 91–92

Concierge
duties of, 150
pronunciation of, 149*n*
trusted advisor as, 149–151
Conference room, 228
Confidence, 46, 118, 159
Confidentiality, 167–168, 233
Consultants. *See also* Solo consultants
assessment and, 121–123
boredom of, 239
definition of, 12, 141
disability and, 234–237
finance of, 233–234
interviews with, 245–278
motivation and, 165
reinvention by, 234–235
self-esteem and, 241–242
subcontractor and, 191–193
Consulting. *See specific topics*
Contagious (Berger), 16*n*
Content knowledge, 5, 9
Contingent actions, 155, 232
Contracts, 80
Contrarian Consulting (blog), 130, 130*n*
Control
autonomous, 111
consulting and, 153–159
gaining, 153–156, 154*f*
losing, 216
reciprocal, 154*f*, 156
self-esteem and, 153, 153*n*
surrendering, 154–155
Conversion
acceleration of, 21–22
prospect and, 21–22
value and, 105–107
Copyright, 32–34
Correspondence, 224
Costs, 60, 60*n*
Covid-19, 42, 141
Creating an Action Imperative® (Pay), 265
Crisis
ambiguity during, 201–204, 202*f*
client help during, 204–206
consulting during, 201–212
Great Depression, 201, 204

internet use during, 207–212, 207*f*
Cunningham, Keith, 262

D

Debt, 234
Decision Chains, 6–7, 7*f*
Delivery
remote, 210–212
revenue sharing and, 62, 72, 190
Dershowitz, Alan, 272–273
Design, 196, 227
Destination, 6–9
Destiny, 231
Disability
advice for, 234–237
consultants and, 234–237
insurance for, 234, 236
retainer and, 236
technology and, 237
Discount, 98–99
Discover Your CEO Brand (Bates), 248
Discretionary funds, 206
Disruption, minimal, 110
Drucker, Peter, 12–14, 14*n*, 36–37
Due diligence, 182

E

Earnings before interest, taxes, depreciation and amortization (EBITDA), 181
Economic buyer, 41, 43, 45
conceptual agreement and, 87–88, 90, 92
sales and, 279–291
Efficacy, 118–121, 119*f*, 242
Einstein, Albert, 24–25
Employee
business and, 72
income and, 64, 64, 179, 179*n*, 195
problems with, 223
The Entrepreneurial Hospital (Miller), 261
Equitable compensation, 55, 101–102
Ethics
Alanism on, 171, 176
Army, U.S. and, 170
client and, 169
expert and, 163–173
fees and, 163–166
legality and, 167–170

philosophers and, 165
Evangelism, 104, 131–132, 207, 229
Evangelists, 42, 50
Execution, 113
Expenses
clarification of, 80
client absorption of, 81
fee addition for, 69
invoice and, 96
margins and, 75
marketing and, 76–77
reimbursement for, 80, 194
Expert
assertive, 27, 38
ethics and, 163–173
THE expert, 12, 12*n*, 27
hallmarks of, 29
IP and, 29
predictions and, 34–36
specialty as, 83
Expertise, 3–5, 12

F

Facebook, 130
Favor, 208, 208*n*
Fearless Leadership (Weiss), 153
FedEx, 104, 196–197
Feedback, 116*f*, 117
Fees, 221
advisory board and, 228
Alanism on, 69, 81, 93, 96, 100, 198, 211
alliances and, 191
bartering and, 71, 198–199
budget and, 69
collaboration and, 62, 72, 190
commitment and, 59–60, 60*f*, 71, 104–105, 105*f*
contingency, 164
currency relation to, 82
discount, 98–99
equitable compensation and, 55, 101–102
ethics and, 163–166
expense addition to, 69
fiscal year and, 78
formulas for, 58, 62
free-to-fee for, 208
high, 65–66, 69, 75

incentives for, 79–80
inflation and, 83
legality and, 164
letter of agreement and, 148–149
maximizing, 55
objectives and, 69
payment and, 78–79, 81, 99–100
premium addition to, 68
printed materials and, 68, 79
pro bono, 74
raising of, 74–75
reasons for, 56–57
rebates of, 77
reduction of, 67–68, 71
referrals and, 63, 76
subcontractors and, 63–64
techniques for, 64–85
time based, 55–56, 163–166
value based, 55–58, 61, 64*n*, 65, 104–105, 105*f*, 266
variables for, 143–144
Field of Dreams (film), 21
Filofax, 225
Finance, 233–234
Fiscal year, 78
The Fish Isn't Sick … The Water is Dirty (Gaffney), 256
Formulas
collaboration, 62
ROI, 58
Freedom, 253–254
Fripp, Patricia, 33, 136, 189

G

Gabor, Andrea, 4
Gaffney, Steven, 255–258
Garland, Judy, 215
Goldsmith, Marshall, 13–14
The Grapes of Wrath (Steinbeck), 215
Great Depression, 201, 204
Growth
consulting and, 243–244
costs and, 60, 60*n*
life meaning and, 213–216, 214*f*
The 1% Solution- Tools for Change, 243
plateau in, 188
schematic for, 175, 176*f*
S-curve dynamic, 188*f*

skills and, 116*f*, 117
techniques for, 175–185
Guide to Increasing Communication Flow Up Down and Across (Gaffney), 256
The Guru, 28*f*

H

Hawking, Stephen, 24–25
Help, 204–206
Henman, Linda, 258–261
Holacracy, 4
Honesty Sells (Gaffney), 256
Honesty Works (Gaffney), 256
Hsieh, Tony, 4
Human Resources, 36, 41, 166–167
Hypertraits, 116–118, 116*f*

I

Illegal actions, 166–168
Implementation, 7–8
Imposter, 118–120, 119*f*
The Imposter Phenomenon (Clance), 119
Incentives, 79–80
Income
annuities as, 234
boutique firm and, 177
employee and, 64, 64*n*, 179, 179*n*, 195
passive, 234, 236
thresholds of, 195
Inflation, 83
Innovation, 217*f*, 218–219
Innovation (Drucker), 37
The Innovation Formula (Weiss and Robert), 37
Insurance, 232, 234, 236
Intellectual property (IP)
alliances and, 237–238
creating, 216–219
expert and, 29
infringement of, 237–238
social media and, 128, 136
Internal Revenue Service (IRS), 64*n*, 74, 179*n*, 195, 199
Internet
advertising and, 16
crisis and, 207–212, 207*f*
leverage and, 208
misinformation on, 129, 132, 132*n*
outsourcing and, 196

plagiarism and, 31
providers, 135–136
surfing of, 226
tech support for, 135–137
theft and, 237
trademarks and, 33
Interviews, consultants, 245–278
Invisible Influence (Berger), 16*n*
Invoice
expenses and, 96
multiples of, 84
pro bono and, 74
IP. *See* Intellectual property
iPhone, 103–104
IRS. *See* Internal Revenue Service

J

Jefferson, Thomas, 118
Jerry Maguire, 189
Judgment, 116*f*, 118
Just Be Honest (Gaffney), 256

K

Kant, Immanuel, 165, 171
KPMG International Limited, 182

L

Labor, 195
Landing in the Executive Chair (Henman), 258
The Language of Success (Wilkerson and Weiss), 275
Lawsuit, 232–233
Leadership Excellence (Pay), 265
Learned Optimism (Seligman), 117*f*
Legacy
creating, 213
life and, 213–221
questions for, 219–220
shelf-life of, 218
Legality
acceptance and, 97
advice and, 232–233
client and, 166–168
ethics and, 167–170
fees and, 164
proposals and, 97–98
relationship and, 190

theft and, 237–238
Letter of agreement
acceptance in, 148–149
advisory work and, 146–149
fees and, 148–149
marketing and, 146–149
prerequisites for, 143–144
reciprocity and, 147–148
Leverage
alliances and, 189–191
boutique firm and, 187
internet and, 208
outsourcing for, 196–199
solo consultants and, 187, 188*f*
subcontractors and, 191–192
Life
Alanism on, 6, 13, 30–31, 117–118, 122–124, 166, 189, 208, 213, 215, 217, 238
evaluation of, 214*f*
growth and, 213, 214*f*
legacy and, 213–221
meaning in, 213–216, 214*f*
valuation of, 215
values for, 220–221
Lifecycle, 49–51
Lifestorming (Weiss and Goldsmith), 13
Limousine, 197
LinkedIn, 209
groups and, 132
posting on, 30, 129, 226, 237
strategy for, 129
Lone wolves, 242
Lynch, Peter, 34

M

Madoff, Bernie, 34
The Magnetic Boss (Henman), 258
Mail, 224–225
Maintenance, 198
Making Rain (Sobel), 271
Malpractice, 232
Management, 107, 179
Margins, 75
Market
intelligence for, 75
retail, 131–135
Marketing, 15

advice for, 208–210
Alanism on, 16, 18, 21, 84, 138
bounce factors and, 22–23, 23*f*
brand and, 18–21
contrarian in, 20
conversations for, 38–39, 46
expense comparison for, 76–77
favor and, 208, 208*n*
gravity, 25–26, 25*f*, 207, 207*f*
letter of agreement and, 146–149
personality traits for, 38
prospect dynamics of, 44–45
publicity and, 137–140, 209, 209*f*
remote, 207–210, 207*f*
unified field theory of, 24–26
vault item and, 22, 23*f*, 24
Maslow, Abraham, 176
McDonald's, 10, 10*n*, 18, 20
McKinsey, 75, 153, 247, 264
Meaning, 161
life and, 213–216, 214*f*
value and, 102–105
Meetings
advisory board and, 228–229
alliances and, 190
brain picking and, 226
issues in, 244
recording of, 228
Mercedes, 5
Merck, George, 170
Methodology
options and, 92–94, 93*n*
referrals and, 50*n*
revenue sharing and, 62, 72, 190
Metrics
conceptual agreement and, 88–89, 91
establishment of, 285
Middlemen, 41
Miller, Lisa T., 261–264
Million Dollar Club, 241
Million Dollar Consulting® College, 21, 23
Million Dollar Consulting® Conventions, 13, 21, 241
Million Dollar Consulting® Mentor Hall of Fame, 21
Million Dollar Referrals (Weiss), 50
Million Dollar Speaking (Weiss), 47*n*, 211*f*
Mindset, 55, 238

Misinformation, 129, 132, 132*n*
Mistakes
correlation and, 4
sales and, 131
valuation and, 180
Morality, 163
Morita, Akio, 103
Motivate Like a CEO (Bates), 248
Motivation
consultant and, 165
psychology for, 117, 117*n*

N

National Speakers Association Hall of Fame, 47
Needs
advisory board and, 231
assistants and, 223*n*
cash and, 233–234
clarifying of, 7–9, 108–109
sales based on, 93, 103–104
value distance and, 8, 8*f*, 102–103, 103*f*
Netflix, 9, 235
Newsletters, 133
Newspapers, 16*n*, 138–139, 208–209
Nonprofits, 96, 140, 171–173

O

Objective apportionment, 62, 71–72
Objectives
accountability and, 88
client, 106, 284
conceptual agreement and, 88–89, 91–92
fees and, 69
proposal and, 73
value and, 69–70
Obstacles, preventing, 288
The Odd Couple® (workshop), 33–34, 189
"The 1% Solution-Tools for Change," 243
The One Percent Solution®, 117
Op-ed, 138–139, 209
Options, 92–94, 92*f*, 93*n*
Organization, 244–245
Outsourcing
bartering and, 198–199
internet and, 196
leverage and, 196–199

relationship and, 196–198
solo consultants and, 196–198

P

Pandemic, 156, 226. *See also* Crisis
ambiguity during, 203
consulting during, 201–212
Covid-19, 42, 141
Parachute business, 22–24, 23*f*
Paul, Saint, 15, 127–128
Pay, Rick, 264–267
Payment
fees and, 78–79, 81, 99–100
retainer as, 144
Peer
assertive, 38, 45
referral by, 16, 19, 44–45
Penn Central, 9–10
People
advisory board and, 230–231
management of, 179
Performance, 217, 217*f*
The Performance Papers (Bass), 245
Periodical, 226
Permission
blanket, 158*f*, 159
gauge for, 158*f*
others allowing, 158, 158*f*
self, 156–158
Philosophy, 1, 107–109, 165
Picasso, Pablo, 165
Plagiarism, 30–32
Plan Lead Grow (Quelle), 268
Podcasts, 134
Ponzi scheme, 29
Power Questions (Sobel), 271
Power Questions to Build Clients for Life (Sobel), 271
Power Questions to Win the Sale (Sobel), 271
Power Relationships (Sobel), 271
Predictions, 274
accuracy of, 29, 29*f*
expert and, 34–36
making, 35–36
thought leaders and, 13
Price, 16, 143–146
PricewaterhouseCoopers, 265

The Principles of Scientific Management, 3
Priority business, 225, 238
Pro bono
  benefits of, 171
  fees compared to, 74
  guidelines for, 171
  invoice and, 74
  nonprofits and, 171–173
  publicity and, 140–141
  schedule and, 172
  taxes and, 74
Problems
  employee and, 223
  innovation and, 217*f*, 218–219
  performance and, 217, 217*f*
  social media and, 128–129
  solutions of, 216–217, 217*f*
Process oriented, 5, 7
Process/content chasm, 9–11
Products. *See also* Services
  price comparison, 16
  relationship and, 42–43, 43*f*
Professionalism, 172, 190
Profit, 61
Profitable Growth/Profitabel wachsen (Quelle), 268
Proposals, 84
  acceptance of, 77–80, 97–100
  components of, 90–98
  conceptual agreement prior to, 87–91
  contract superseding of, 80
  legally binding, 97–98
  objectives and, 73
  prerequisites for, 90
  submission of, 70–71
  time and, 77, 94
  writing of, 87–100
Prospects
  budget range for, 287
  buyer as, 44, 48
  clients compared to, 41–51
  conversion of, 21–22
  marketing dynamics for, 44–45
  qualifying of, 281
  schematic for, 51*f*
Protocols, 228–230
Psychology, 117, 117*n*

Publicity
historical, 137–138, 138*n*
marketing and, 137–140, 209, 209*f*
pro bono and, 140–141
Publishing, 249
remote, 209
thought leaders and, 13

Q

Quelle, Guido, 267–271
Questions
assessment, 286
guidelines for, 280
legacy, 219–220
power of, 121–123
sales, 279–291
self-esteem, 291
value, 105–107
vital one, 291
Quid pro quo, 71, 101

R

Rainmakers, 177–179
Rapid Organizational Change (Bleistein), 250
Real estate, 10, 10*n*
Rebates, 77
Reciprocity
advisory board and, 227, 230
control and, 154*f*, 156
letter of agreement and, 147–148
value and, 59–60, 60*n*
wealth and, 220
Referrals
advisory board and, 227, 230
fees and, 63, 76
methodology and, 50*n*
peer and, 16, 19, 44–45
website providers and, 136–137
Reinvention, 234–235, 239
Relationship
airlines and, 42, 42*n*
bartering and, 198
breakthrough, 42–44, 43*f*
buyer and, 45–47, 59
client dynamics in, 42–44, 43*f*, 67, 198
legality and, 190

outsourcing and, 196–198
products and, 42–43, 43*f*
self-esteem and, 242
subcontractors and, 192–193
Remote
delivery, 210–212
limitations of, 211–212
marketing by, 207–210, 207*f*
networking by, 207
publishing, 209
speech, 211, 211*n*
Resilience, 116–118, 116*f*
Retail
business, 25, 131–132, 135–136
market, 131–135
social media and, 131–134
technology and, 131–137
website examples, 136
Retainer
advisory work and, 144–145
attorney and, 144
disability and, 236
payment and, 144
time and, 144
Retirement, 233
Return on investment (ROI), 101
assessment for, 286
budget and, 287
establishing, 22, 59
estimates for, 107
formula for, 58
office design and, 227
value and, 22, 58
Revenue sharing, 62, 72, 190
Rogers, Will, 239
ROI. *See* Return on investment
Routine, 223–227

S

Sales
advice for, 17–18
Alanism on, 67, 143
closing of, 290
company, 177–179
concluding, 49
death of, 15–18

due diligence in, 182
economic buyer and, 279–291
first, 291
fourth, 66, 206
increase of, 289
mistakes in, 131
need based, 93, 103–104
pitch, 17
questions for, 279–291
rainmakers and, 177–179
recurring, 66
Scandals, 167
Schedule, 172
S-Curve Dynamic, 188*f*
Self-actualization, 176
Self-assessment, 219–220
Self-confidence, 46
Self-empowerment, 157
Self-esteem, 115, 220
behavior and, 124–126
consultant and, 241–242
control and, 153, 153*n*
efficacy and, 118–121, 119*f*, 242
question for, 291
relationship for, 242
Selfish, 220
Self-talk, 116*f*, 117, 117*n*, 242
Seligman, Marty, 14, 117*n*
Seneca, 6
Services, 42, 43*f*
agreement and, 78–79
bartering and, 198–199
full range of, 70
Shipping, 197
Skills, 260
avatar selection, 116*f*, 117
feedback, 116*f*, 117
growing, 116*f*, 117
judgment, 116*f*, 118
self-talk, 116*f*, 117, 117*n*, 242
social, 116*f*, 118
success recognition, 116*f*, 117
Sloan, Alfred, 14*n*, 36
Small Group Communication (Henman), 258
Smug, 118, 159
Sobel, Andrew, 271–275

Social media
buyers and, 128, 128*n*
fallacy of, 127
IP and, 128, 136
problems with, 128–129
retail and, 131–134
time and, 128, 226
Social skills, 116*f*, 118
Solo consultants, 153, 178*n*
advisory board for, 227–231
alone as, 241
benefits being, 184
business practices of, 223–239
clients and, 184
fear in, 183
leverage need of, 187, 188*f*
lone wolves as, 242
outsourcing and, 196–198
power of, 183–185
schizophrenic as, 183–184
speed of, 110
Speak Like a CEO (Bates), 248
Specialization, 11
Speech, 211, 211*n*
Speed, 110
Stationary, 227
Stone, W. Clement, 4
Strategy
buyers and, 49–50
invention of, 14*n*, 36
LinkedIn and, 129
Twitter and, 129
Subcontractors
agreement with, 193–195
alliances and, 191–193
consultants and, 191–193
fees and, 63–64
income thresholds for, 195
leverage and, 191–192
necessity for, 70, 76
relationship with, 192–193
Success, 115
business and, 175–176, 176*f*
recognition of, 116*f*, 117
resiliency and, 116, 116*f*
stages of, 175–176, 176*f*

Success trap, 188
Summit Consulting Group, Inc., 146, 183, 193–195
Survival, 175
Swim with the Sharks Without Being Eaten Alive (Mackay), 4

T

Taxes
  bartering and, 199
  local, 84
  pro bono and, 74
Taylor, Frederick Winslow, 3–4
Taylorism, 3–4
TDTC. *See* Total days to cash
Techniques
  fee, 64–85
  growth, 175–185
Technology, 127
  disability and, 237
  retail and, 131–137
  support, 135–137
TEDx, 130
Terms and conditions, 95–96
THE expert, 12, 12*n*, 27
Theft, 237–238
Therapy, 166
There is always a bigger boat (TIAABB), 219, 221, 238
Thought leader, 12–14
Thought Leadership, 241
Thought Leadership Conference, 13
Thoughts for Tuesday (Bates), 248
Threat, 235
Three Score and More (Weiss), 155
Thrive (Weiss), 176
TIAABB. *See* There is always a bigger boat
Time
  alliance and, 189
  bartering and, 199
  coaching limits of, 142, 142*n*, 144
  fees based on, 55–56, 163–166
  proposal and, 77, 94
  retainer and, 144
  social media and, 128, 226
  value and, 65
  wealth and, 131, 177, 184*n*, 219–220
Tips, consulting, 241–244
Total days to cash (TDTC), 98–100

Touch points with a client, 51*f*
Trademark, 20, 33–34
Travel, 197–199
21 Rules for Delivering Difficult Messages (Gaffney), 256
Twitter, 30, 129, 132, 132*n*
Tyson, Mike, 201

U

Unified field theory, of marketing, 24–26
Upstream, 7

V

Valuation
  boutique firm and, 180–182
  company and, 180–182
  life and, 215
  mistakes of, 180
Value
  advice and, 11, 35, 58
  assessment of, 286
  bartering and, 198
  brand and, 53, 110
  collaboration for, 64
  concept of, 101–102
  conceptual agreement and, 88–89, 91–92
  conversion to, 105–107
  creating, 102, 111
  experience as, 82
  fees based on, 55–58, 61, 64*n*, 65, 104–105, 105*f*, 266
  meaning of, 102–105
  objectives and, 69–70
  perception of, 109–111
  philosophy of, 107–109
  profit and, 61
  providing, 27–30, 45
  questions establishing, 105–107
  reciprocity and, 59–60, 60*n*
  recognition of, 109
  reduction of, 68
  ROI and, 22, 58
  subjective, 75–76
  time and, 65
  trusted advisor and, 141
  vault item as, 141
Value Based Fees (Weiss), 64*n*, 164
Value distance, 8, 8*f*, 102–103, 103*f*

Value proposition, 25
Values, 220–221
Vault item
advisor as, 141
marketing and, 22, 23*f*, 24
value as, 141
Videos, 133
Volunteer, 172
Vulnerable, 257

W

Wachstum beginnt oben (Quelle), 268
Wachstumsintelligenz (Quelle), 268
Watertight Doors, 176, 176*f*
Wealth
accumulation of, 219
Alanism on, 8, 56, 131, 205–206, 219, 233
attitude correlation to, 4
reciprocity of, 220
time as, 131, 177, 184*n*, 219–220
Websites, 134–137
Wharton School of Business, 16, 37
Whistleblower, 167–168
Wholesale, 25, 131, 135–136
Wilkerson, Kim, 275–278
Wire transfers, 84
Workshop, 210–211

Y

YouTube, 133

Z

Zappos, 4
Zoom, 208, 210–211, 237

About the Author

Alan Weiss is one of those rare people who can say he is a consultant, speaker, and author *and mean it*.

His consulting firm, Summit Consulting Group, Inc., has attracted clients such as Merck, Hewlett-Packard, GE, Mercedes-Benz, State Street Corporation, the Times Mirror Company, the Federal Reserve, The New York Times Company, Toyota, and over 500 other leading organizations.

He has served on the boards of directors of the Trinity Repertory Company, a Tony Award–winning New England regional theater, and the GAMM Theatre in Providence. He has chaired the Newport International Film Festival, and he has served as president of the board of directors of Festival Ballet Providence.

His speaking typically includes 20 keynotes a year at major conferences, and he has been a visiting faculty member at Case Western Reserve University, Boston College, Tufts, St. John's, the University of Illinois, the Institute of Management Studies, and the University of Georgia Graduate School of Business. He has held an appointment as adjunct professor in the Graduate School of Business at the University of Rhode Island where he taught courses on advanced management and consulting skills to MBA and PhD candidates. He once held the record for selling out the highest-priced workshop (on entrepreneurialism) in the then-21-year history of New York City's Learning Annex. His PhD is in psychology. He has served on the board of governors of Harvard University's Center for Mental Health and the Media.

He is an inductee into the Professional Speaking Hall of Fame® and the concurrent recipient of the National Speakers Association Council of Peers Award of Excellence, representing the top 1 percent of professional speakers in the world. He is also a Fellow of the Institute of Management Consultants, one of only two people in history holding both those designations.

His prolific publishing includes over 500 articles and 60 books, including his bestseller *Million Dollar Consulting* (from McGraw Hill), now in its thirtieth year and sixth edition. His newest is *Your Legacy Is Now: Life Is Not a Search for Meaning from Others—It's the Creation of Meaning for Yourself* (Routledge,

2021). His books have been on the curricula at Villanova, Temple University, and the Wharton School of Business, and they have been translated into 15 languages.

His career has taken him to 60 countries and 49 states. (He is afraid to go to North Dakota.) *Success Magazine* cited him in an editorial devoted to his work as “a worldwide expert in executive education.” The *New York Post* called him “one of the most highly regarded independent consultants in America.” He is the winner of the prestigious Axiem Award for Excellence in Audio Presentation.

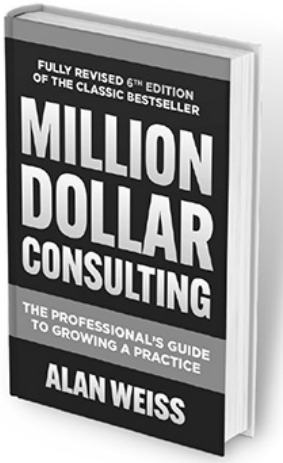
He is the recipient of the Lifetime Achievement Award of the American Press Institute (API), *the first-ever for a nonjournalist, and one of only seven awarded in the 65-year history of the association*. He holds an annual Thought Leadership Conference that draws world-famous experts as speakers.

He has coached former candidates for Miss Rhode Island/Miss America in interviewing skills. He once appeared on the popular American TV game show *Jeopardy*, where he lost badly in the first round to a dancing waiter from Iowa. Alan has been married to the lovely Maria for 52 years, and they have two children and twin granddaughters. They reside in East Greenwich, Rhode Island, with their dogs, Coco and Bentley, a white German shepherd.

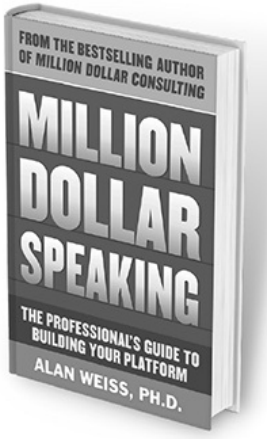
Mc Graw Hill

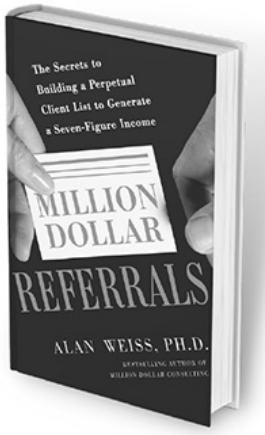
Because learning changes everything.®

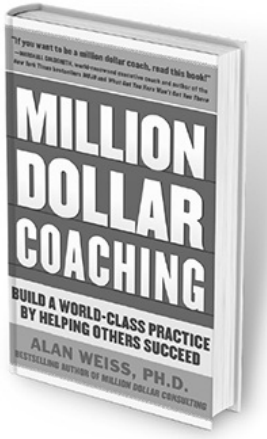
Million dollar strategies from consulting expert Alan Weiss!











AlanWeiss.com