

Good clients buy you for results, not price

Consulting to Consultants

By LYNDA FALKENSTEIN, Ph.D.



Q: I am a general partner in a national executive recruiting firm. Our problem is that we want to transition from contingency to fee-based billing. And we want to do it fast! We are very concerned, however, that we will scare away our existing clients and lose our competitive edge with potential clients. What do you think?

A: I am glad to hear of your move. Across the country, professionals are moving to fee-based compensation instead of or sometimes in addition to contingency billings. Although your concern is a logical one, it is important for you to remember that good clients buy you for results, not for price alone. If your marketing strategies demonstrate that you can enhance your client's success potential, how they pay you will be of far less concern to them than you presently think. Whatever marketing strategies you implement at this time, be sure they emphasize your successes, successes and successes.

Q: From time to time I hire subcontractors to work with on various projects. Although I think most of them are highly ethical, I sometimes have a nagging feeling that sooner or later one of them will go around me and negotiate business directly with my client, taking away that piece of my business. Do you have any suggestions on how I can prevent this?

A: Your concern is a realistic one. Odds are pretty good that if you work with enough people, at least one of them will turn out to have questionable ethics, maybe none at all. Odds are even better that it will be the last person you ever imagined. There are a few things you can do to protect yourself

thoroughly selfish individual. First, get yourself a good noncompete agreement. Have everyone – including your secretary – sign it. Granted, a noncompete agreement can't guarantee that someone won't attempt to rip you off, but it can slow them down considerably. Secondly, make it clear to any associates you hire what you consider the basic rules to be from the beginning. Third, if your nagging persists, make an appointment with your lawyer.

Q: I'm interested in giving speeches to promote my consulting services but I'm a reluctant writer, at best. Getting the right words down on paper is just painful, but I know I have to do this if the speech is going to be worth anything. Can you offer some suggestions to help me out?

A: I have one recommendation. Do what the vast majority of key leaders in business, industry, government and entertainment do: hire a speech writer. Sit down with that person and describe what you want from the speech – what you want it to do. Lay out your ideas, what type of person you are, what type you are not. Most of all, tell your speech writer about the people who are going to hear you. What are they like? A good speech writer will not invent ideas for you. That person will be your wordsmith, taking your ideas and simply shaping them into a form that will work for you. Don't forget that your speech writer is a professional, just as you are. Plan to pay professional fees for a professional job!

Lynda Falkenstein offers business advice on several aspects of consulting to those interested in becoming a consultant as well as those already in the field. To submit questions, readers may write to: Lynda Falkenstein Ph.D. 2000 S.W.