

BUILDING A SUCCESSFUL CONSULTING PRACTICE

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Consulting. Unplugged.

- What is a consultant?
 - An individual who provides professional advice or services in a particular field for a fee, but normally not as an employee of the engaging party
- Consulting, in the business context, means the giving of advice for pay.
- What is your niche?

Consulting Fields

<input type="checkbox"/> Accounting	<input type="checkbox"/> Gardening
<input type="checkbox"/> Advertising	<input type="checkbox"/> Grant writing
<input type="checkbox"/> Auditing	<input type="checkbox"/> Human resources
<input type="checkbox"/> Business	<input type="checkbox"/> Marketing
<input type="checkbox"/> Career development	<input type="checkbox"/> Public relations
<input type="checkbox"/> Communications	<input type="checkbox"/> Publishing
<input type="checkbox"/> Editorial services	<input type="checkbox"/> Technology
<input type="checkbox"/> Executive search	<input type="checkbox"/> Writing

Initial Considerations

- What certifications and special licensing will I need?
- Am I qualified to become a consultant?
- Am I organized enough to become a consultant?
- Do I like to plan my day?
- Am I an expert when it comes to time management?
- Do I like to network?
- Have I set long-term and short-term goals?

First Things First – Create A Life Plan

- Your Ideal Life
- Your Loves: What You Really Like Doing
- Your Skills & Capabilities: What You Do Well
- Your Track Record: What You Have Experience Doing
- Your Ideal Work Style
- Your Manifesto
- Key Moves to Get You Where You Want to Go

Benefits

- You will be your own boss
- Low overhead expenses
- Hard work and long hours directly benefit you, rather than increasing profits for someone else
- Flexibility
- Earning and growth potential are far greater
- A new venture is as exciting as it is risky
- Home office probably tax-deductible
- Running a business provides endless challenge and opportunities for learning

Why Businesses Fail

- Lack of experience
- Low sales
- Insufficient capital (money)
- Over-investment in fixed assets
- Poor inventory management
- Poor credit arrangements
- Personal use of business funds
- Unexpected growth
- Poor location
- Competition
- Sources: Small Business Management by Michael Ames & The Do It Yourself Business Book by Gustav Berle

Why Would Someone Hire You

- Expertise
- Problem identification
- Supplement staff
- Change catalyst
- Objectivity
- Training/teaching
- Dirty work
- Bring new life
- Influence others
- New business ideas

Business Plan Defining Dozen

- 1) What's your business idea?
- 2) How does your idea address a need?
- 3) What business model suits you best?
- 4) What's so different about what you offer?
- 5) How big is the market and how big will you grow?
- 6) What's your role going to be?
- 7) Who's on your team?
- 8) How will customers buy from you, and how much will they pay?
- 9) How much money do you need, and how much will you make?
- 10) Where's the startup money coming from?
- 11) How will you measure success?
- 12) What are your key milestones?

Writing a Business Plan

- Executive Summary
- Description
- Products & Services
- Management & Organization
- Marketing Plan
- Operational Plan
- Personal Financial Statement
- Startup Expenses & Capitalization
- Financial Plan

Setup

- Legal Aspects – Contracts & Agreements
- Business Registration
 - Employer Identification Number (EIN)
- Certifications/Licensure Requirements
- Organizational Structure
 - Sole Proprietorship
 - Limited Liability Corporation/Partnership (LLC/LLP)
 - Partnership
 - S Corporations

Marketing

- Competitive Research
- Target Customers
- Trademarks
- Branding & Identity – brochures, web
 - What your services are
 - Why you are the best
 - Why you should be hired
 - Biographical information
 - Other clients

More Marketing

- Cold calling
 - ▣ Prepare a script, face-to-face goal, be creative
- Advertising
 - ▣ Paid, word-of-mouth
- Newsletters
- Public speaking
- Client referrals

Finance

- Capital
 - ▣ Savings
 - ▣ Loans – collateral, guarantees
 - ▣ Grants
- Accounting
 - ▣ 12-Month Cash Flow
 - ▣ 12-Month Sales Forecast
- Credit
 - ▣ Billing & Invoicing

Sales

- The more money people pay for a product or service, the more they expect to get for their money
- Finding Common Ground
 - ▣ Research
 - ▣ Benchmarking
 - ▣ Payment structures and plans
- Setting Fee/Rate Structures
 - ▣ Hourly fees
 - ▣ Project rates
 - ▣ Retainer basis

Human Resources

- Intellectual Capital
- Employees
 - ▣ You can save time and \$ by hiring for routine tasks
 - ▣ Different perspectives
 - ▣ Payroll & insurance implications

Technology

- Administrative Systems
- Disaster Recovery
- E-Commerce
- Web Presence
 - ▣ Search Engine Optimization

How to be successful

- Integrity - Practice with ethics
- Design for success
- Quality - Perform as a professional
- Be yourself, be distinctive, be useful
- Tolerance of non-steady income
- Continuous learning
- Minimize expenses
- Increase expose

Words To Live By

- "Make your vacation your vocation" -- Craig Mehlo
- "I have nothing to offer but blood, toil, tears and sweat." -- Winston Churchill
- "Find something you love to do and you'll never have to work a day in your life." -- Harvey MacKay
- "I enjoy my work so much that I have to be pulled away from my work into leisure." -- Ralph Nader
- "The big secret in life is that there is no big secret. Whatever your goal, you can get there if you're willing to work." -- Oprah Winfrey

Resources

- Internal Revenue Service <http://www.irs.gov/businesses>
- Small Business Administration <http://www.sba.gov/smallbusinessplanner>
- Service Corps of Retired Executives - <http://www.score.org>
- Small Business Television - <http://www.sbtv.com>
- Business.gov
- Startup Nation - <http://www.startupnation.com>
- Association of Professional Consultants - www.consultapc.org
- Consultants Mall - <http://www.consultants-mall.com>
- ConsultingCentral - <http://www.consultingcentral.com>
- Vault - <http://www.vault.com/hubs/502>
- Consulting Magazine - <http://www.consultingmag.com>
