

So, You want to be a Consultant: 10 Secrets for Success

By Liz Goodgold

AAAH! You've made the decision to leave the safety net of a steady paycheck and venture into the world of consulting: working in your jammies, playing tennis every morning, and of course, the chance to triple your income. Yes, all of these options can become your reality *if* you know the secrets to success and the pitfalls to avoid. Having worked as a consultant for over 10 years and spoken to thousands of successful entrepreneurs, please let me share the top 10 secrets that can lead to success in consulting.

1. **Treat It Like a Business** - Repeat after me: consulting is not a hobby, nor is it a transition step as you look for a new job. It must be your focused, long-term decision. Trust me, if you want to be accepted as a consultant, it is imperative that from the get-go, you treat it as a business. Immediately, create the line of demarcation between church (business life) and state (personal life). Necessities include a separate checking account, business credit cards, and detailed bookkeeping.
2. **Create A Network of Trusted Advisors** - Building a strong business requires laying a solid foundation. Having a team of experts assisting you at the outset with legal requirements, possible liability issues, overdraft protection, financial guidance, and an IT (Information Technology) expert who makes "mouse calls", will help you deal with real-world problems as they arise.
3. **Charge Appropriately** - Most newbie consultants underestimate the amount of time it will take to *get* the business, get *paid* for the business, and actually *do* the business. Do not simply take your former annual salary and divide by the number of hours worked in order to determine your hourly rate. You are selling *value* that is a culmination of your years of experience and you should be rewarded accordingly. Furthermore, maintain fee integrity: do not lower your fee unless there is an alternate form of compensation.
4. **Never Stop Marketing** - Even if the foreseeable future is packed to the gills with clients, do not stop your marketing efforts. If you do, you will feel the effects in 6-12 months and will literally have to build momentum all over again. Marketing today prevents famine tomorrow. And, of course, your efforts

afford you the opportunity to trade up your client base and focus on the most profitable business.

5. **Don't Print in Bulk** - With today's rich media and constantly changing environment, it makes no sense to print hundreds of brochures, biographies, or even client lists. Instead, spend wisely on business cards, the one printed item critical to first impressions. And even here, limit quantities based on realistic expectations, not lofty dreams. Make sure to load your website with easily printable data. In electronic communication, you can simply attach necessary PDFs or in the case of proposals, custom create and color print only what you need.
6. **Always Have a Signed Contract** - Although many business deals may be concluded over a handshake, I insist on signed contracts and so should you. A solid contract clearly spells out deliverables and helps to manage expectations so that you can exceed them.
7. **Don't Nickel and Dime Your Clients** - Create a policy now for how you will deal with travel expenditures, overnight delivery, messengers, fee-based on-line research, and other incidentals. I make it a policy to never charge for postage, copying, or other minutiae. These types of bill-backs to your client tend to cause more ill-will than you can ever recover. Having a clause in your contract that all expenses over \$100.00 will be approved in advance by your client also ensures that there will be no surprises at the end of a billing cycle.
8. **Volunteer for One Philanthropic Effort** - Pick a group or cause that you are passionate about and donate your expertise to the Board. If, for example, you are an accountant, offering to handle the books for a charity is a great way to give in-kind. It also demonstrates your core competency to high-level board members. If you can perform your task so brilliantly for free, the organization can easily imagine what you can accomplish when you are actually *hired* for an assignment!
9. **No "Picking Your Brain" Allowed** - You'll get this request often: "Please, can I pick your brain?" The answer is always "no". Your most valuable and limited inventory is your time and intellectual property; giving it away is giving away your profits. You can, however, give away a small, free sample (similar to

offering a small taste of Mrs. Fields' cookies), but in order to get the baker's dozen, a purchase of 12 is required.

10. **Be Cautious With Meals** - Wining and dining can initially seem like a great idea for establishing a firm relationship. However, it also can be tricky. If you are taking out a client, establish the rules: you can charge for your time, you can expense the meal or you can charge for both. And, there are occasions when your time *and* meal are your gift to the client as a special thank you. Remember: when networking with colleagues, the last thing you want to do is to continue to pay for expensive lunches; the net result might be gaining weight while losing money!

So, go ahead and start your profitable business today. Recommended resources:

1. **Million Dollar Consulting: The Professional's Guide to Growing a Practice** by Alan Weiss (**Paperback** - Aug 5, 2002)
2. **Million Dollar Consulting (TM) Toolkit: Step-By-Step Guidance, Checklists, Templates and Samples from "The Million Dollar Consultant"** by Alan Weiss
3. **Value-Based Fees: How to Charge and Get What You're Worth (The Ultimate Consultant Series)** by Alan Weiss (**Hardcover** - Jan 16, 2002)

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