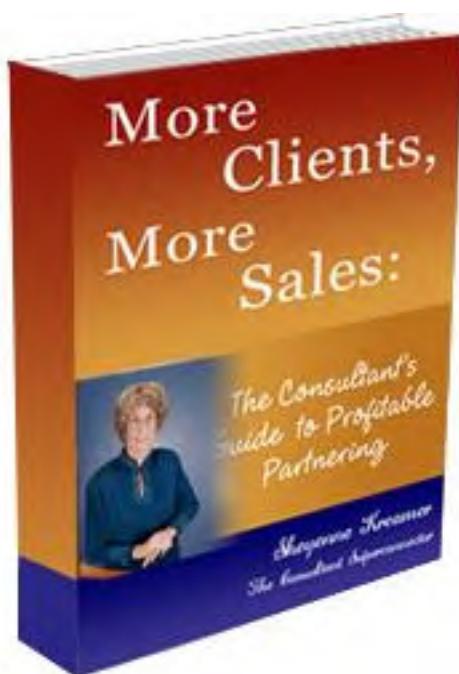


More Clients, More Sales: The Consultant's Guide to Profitable Partnering



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Introduction



Ever since I first entered the world of independent consulting, I always had one goal for myself – to become the first person called in everyone’s “Rolodex”. Yeah, things have changed quite a bit in the last 20 years – has anyone seen a Rolodex lying around recently?

But seriously, isn’t that the dream of any “free agent”? Ultimately aren’t we all searching for that perfect world where we don’t have to spend tons of time chasing prospects? Don’t we all yearn for that time in our careers when people pick up that “rolodex” (now

pronounced Smart Phone) and call us whenever they have a need they don't have time or expertise to deal with?

How much more productive could we be if our time was totally spent doing presentations and providing our product or service to our client? How much more money could we make? How much more time could we take for things like vacations and family?

Granted, there are advantages to having been on your own for a while. You build testimonials. You build your network. If you're on top of things, you get really good at asking for referrals. And you get them. But even then, you sometimes find yourself with an extended period of time between projects, or between sales. Never fun.

And if you're just getting started, what do you do if you've been locked up in corporate America so long that you don't have a network of contacts on the "outside"? What if the only network you have is family and friends, and they don't care about or don't understand what you're doing, or even why they should consider helping you?

The bottom line is this. It doesn't matter what your experience level is. You will always be happier, healthier, richer and more balanced when you've come to a place of having prospects coming to you.

Sound far-fetched? Not really. Especially now. Our changing economy is ripe for free agent, independent professionals, and ripe for seeing all types of new partnerships develop. Partnerships. They are becoming a key to success for many people – is it your turn?

Before we explore that question, let's make sure we're on the same page with our definition of "consultant".

Independent Consultant – One Definition



Let's just be clear about how I use the term consultant. I spent 7 years working as a technical recruiter. I am very familiar with the placement of "contractors". I've heard from a number of people recently that I would refer to as "independent contractors" rather than "independent consultants". Here's how I divide them up.

In the recruiting industry, contractors were typically placed on assignment for a very specific reason. A client had already identified a pain, a need, a lacking skill set in his or her organization. He or she knew how they wanted to solve the problem, and they were just looking for the specific skill and/or experience to relieve their pain.

There's nothing wrong with seeking this type of work. In fact, there are a lot of places that "contract work" gets posted on the Internet. It's a great way to find things you are qualified to do. As long as you don't mind participating in some pretty heavy competition.

In my opinion, here's the downside (other than the competition). In my experience, it would appear that corporate America has lost a lot of its' ability to think creatively. Which can severely limit the possibilities that are introduced into an organization – possibilities that could generate a quantum leap forward, rather than just an "OK solution". This is where consultants can shine.

Independent consultants, when they are at their best, become the problem-solvers. Their job is to interview the prospect to learn as much as possible about their pain and what it's currently costing them. Data collection may be necessary. The consultant can then draw from their personal experience, and possibly the experience of other associates, to create a solution unique to this prospect. They analyze. They propose a solution. They sell their product or implement their service. Considerably different than contracting.

And considerably more powerful to you. You now have the ability to create opportunity where none existed before. This is true “job creation”.

So What's So New About Partnerships?



I know you're asking – what on earth can you tell me about partnerships that's new? The answer: nothing. And everything. We know that partnering in business goes back a long way. We also know that partnerships can be anything from a very formal legal entity, to a loosely worded agreement that expires after a given amount of time.

Large corporations have really gotten into the swing of things in the last few years. How many times have you heard about “bundled packages of services”? Admittedly, not a lot of news here.

But here is what is changing . . . the types of businesses and organizations that can become a potential partner.

Go back to Customer Service 101. The first rule: “It is always easier to retain a customer than it is to find a new one.” The corollary to this comes from Marketing 101 and it states: “It is always easier to sell more products to existing customers than it is to find new customers.”

Here’s the good news about these truths. The more difficult the economy becomes, the more open people become to offering additional products and services to existing customers. Also known as “creating multiple streams of income”, businesses can become quite eager to think along these lines when traditional revenues decline.

Can't imagine where you would find such partners? Stretch your mind a bit. Think about businesses who already have the relationships and contacts you're looking for. And here's something to strain your brain – they don't all have to be "for-profit" businesses. Stay with me here – I'll tell you about four different groups that I've worked with, and why.

Group 1 - Staffing Companies & Independent Recruiters



I know, I started out sounding a little less than enthusiastic about the work recruiters do – basically filling direct hire and contract openings that someone else has already defined. But . . . recruiters can also become our best friends.

First, let me be clear about one thing. Not all recruiters are created equal. During my time in staffing and recruiting I was thrilled to be able to meet and work with some of the highest quality recruiters in the country. I also had the distinct displeasure of competing with some that really scared me.

The recruiters we work with have quality relationships with hiring managers. That does NOT mean they are necessarily retained-search recruiters. Although it's true that recruiters on retainers have very strong relationships with managers, I've met many recruiters who work mostly on a contingency basis that have also earned great trust with their clients. Their honesty, their ethics and their ability to work with two customers simultaneously (employer and candidate) are the key ingredients for finding suitable partners.

Don't get me wrong – there are times when a consulting assignment can be found in the human resource department (that's where my first project was!), it's just not the norm – unless you are an HR or organizational development consultant.

Here's the important thing for you to remember. When the economy is good, recruiters get very busy doing direct-hire placements. Some specialize in contract placements, in good economies and bad. But consulting is a new idea to most of them. One that is likely to get more attention when their revenues are down.

Here's another important note. Don't expect a recruiter to know how to present you. They have to be trained. Remember, their world revolves around having a job order and being able to match your skill set to it. Since we're talking about a process that creates a job order (project), and is focused on problem-solving and your ability to get desired results, you're asking them to step into uncharted territory.

The good news is . . . many of them are trainable!

Group 2 – Media Entities



Let's get real about media entities – especially those in the print media – newspapers, magazines, etc. The Information Age has changed the game for these types of businesses – forever. Many are looking to reinvent themselves, just to stay alive. Remember when I said that “multiple streams of income” make up the new game in town? This is not just “nice to have” for these guys – especially in a tough economy. Let me give you a few examples to chew on.

We have one local magazine that decided they are going to be a full-scale marketing solutions provider – not just a magazine with an online presence. Did you get that? Full-scale marketing solutions. That means they are partnering with marketing consultants that can do everything from logo design and branding to a multi-media

advertising campaign. They publicize their expanded ability to provide marketing services to their current client base, and generate additional revenue for themselves (a brokerage fee) while helping consultants find projects.

A local newspaper that targets the business community has recently started partnering with consultants. For their traditional business community, they have started hosting seminars in various locations on topics related to building your business. For a newer niche they have recently uncovered (the unemployed), they have started hosting seminars on networking and how to use the paper to uncover the “hidden job market”.

This type of relationship may not lead directly to customers, but consultants understand the value of building credibility and a prospect list by doing presentations in your local market.

Here's one more example, great for consultants working with a specific product. There are some publications that will consider running an ad for you on a “split-the-profit-on-a-sale” basis. If they

have advertising space that isn't getting sold, they don't have a lot to lose. You will likely need to be able to talk about your track record in selling the product. But that can be said for anyone you are looking to partner with.

Group 3 – Joint Venture Partners & Referral Teams



You may already know a fair amount about Joint Venture Partners and/or Referral Teams - the concepts are not new. JV situations have become very commonplace on the Internet among consultants and coaches who are working with a similar client base. Referral Teams such as Business Networks International (BNI) can be found

in almost any city. My focus here will be on finding or creating the relationships that actually work for you.

My husband provides a great example of joint venture relationships that worked very well for him. He owned an office equipment business for 14 years. His focus was selling and servicing copiers and printers.

At one point he had built great relationships with people who sold or refilled toner cartridges, fixed computers, fixed printers and installed telephone systems. As he worked on the machines, he was always asking questions to discover what other needs they might have – which could become referrals to his JV partners. These professionals did the same for him.

If he had stayed with the business, the next step he could have taken would be to create a newsletter database with his clients, and make a formal introduction for one or more of his partners – recommending them to his client base. The part to keep in mind is – you want to work with people who will do for you the same things you do for them.

Obviously, you want to work with people who already have a client base. Which is what they are also going to look for from you.

The Referral Team environment can be tricky. You either need to be hand-picking a team to work with that you personally feel comfortable will work as hard to find referrals as you do – or – find a team that is willing to train its’ members in how to do this effectively. I have identified most teams as falling into one of 3 categories:

1. Team members mostly “listen” for clues that someone they are talking to might have a need for someone else in the team.
2. Team members learn to ask questions of people they are talking to, they uncover needs, and those needs become referrals to the team.
3. Team members begin to look at themselves as their own “virtual company” with a set of “solutions” that everyone in the team should be helping to sell.

The more ownership everyone in the team takes for the “asking process”, the more successful the team will be at generating referrals, and sales.

Group 4 – Non-Profit Organizations

Creating for-profit/non-profit partnerships is an idea that has been around for a while as well. Ben & Jerry's Ice Cream – always a leader in community support as part of their business model – paved the way for non-profits to create a for-profit subsidiary – namely, a Ben & Jerry's franchise.

The franchise became an employment opportunity for many of the non-profit's clients, and the profit from the franchise was funneled back into the non-profit to allow them to continue to provide services. The model created a non-profit entity that ranked high in self-sustainability, regardless of the economy, available grant money or donations.

When the economy is healthy, this model starts to fade in popularity, but whenever the economy is shaky, the “non-profit/for-profit hybrid model” regains momentum. As one executive director recently observed, “we must either raise funds or earn funds – if we can't raise them, we will find a way to earn them”.

As a result of this research, our company launched a concept several years ago that we called “shared fundraising”. The basic idea was to bring a variety of small businesses to a non-profit to do “shared fundraising events”. This can work equally well for both product and service-based consultants. The non-profit’s job is to promote the event to their supporters, their clients and in the community. The for-profit’s job is to close sales, and be willing to share some of the profit with the non-profit entity.

Obviously, if you are a corporate or small business consultant, there are various types of non-profits that can be more beneficial to you than others. We have worked with a local professional organization that has been willing to be a promotional sponsor of several seminars and training programs put on by our local consultants. They have a database of over 4000 local professionals.

In return for their willingness to promote a consultant program, the non-profit receives 10% of the proceeds from the training program. This same group has allowed us to talk to their member base to sell

products on a consultative basis. In these cases we commit to splitting profits on the sale with them on a 50-50 basis.

In Summary

As you can see, the opportunities for partnership development are endless, and the worse the economy is, the greater the opportunity becomes. We believe the toughest part for most people in building effective, productive partnerships is the challenge involved in taking the time to develop a trusting relationship. Delayed gratification is not one of the strong points in our society today.

It definitely becomes easier when you can partner with someone who already has a track record in partnership development. Better yet when you can tap into somebody else's existing network. You have to earn that right as well, but the effort can save you tons of time and lost productivity. Happy Partnering!