Develop Clients for Life

(PART 2) BUILDING A NETWORK OF PROSPECTIVE CLIENTS

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How do you manage and develop relationships over time? It's essential to be a great listener, build trust, and bring big-picture thinking to your engagements, as I described in Part 1 of this article (see *C2M* 14:3). But the most successful consultants I have studied go further. They actively *affiliate* and build their long-term network of prospective clients. When they first start working with a client, they ensure that they *break through* in multiple ways so that they are consistently asked back. They invest in *growth* of the relationship. They *sustain* their relationships over many years, whether or not they are working with a client. And finally, they *multiply* their best relationships (see Figure 1).

STAGE 1: *Affiliate*

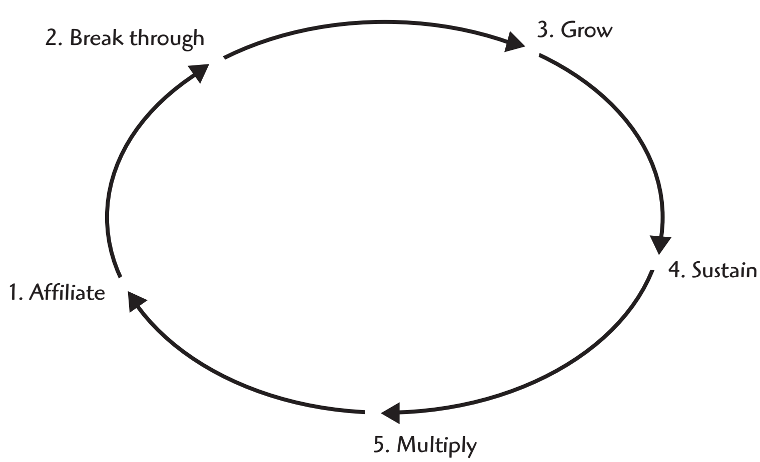
Experts network; advisors build long-term relationship capital with a variety of key figures.

Any client relationship starts with first meeting the person. Affiliating, thus, is basically about building your long-term network as a consultant. We need to answer three questions when talking about the challenge of building a long-term network: Whom do we want to affiliate with? How do we do it? and How do we then create leads from our network?

For the first question, I recommend that you think more broadly than just about clients. Specifically, you need to cultivate the follow-

Do you have what it takes to build and sustain your relationships with clients?

Figure 1 STAGES OF RELATIONSHIP GROWTH



ing five figures in your professional life. Taken as a whole, this represents your "relationship capital":

- *Clients.* These are the people and organizations we consult to.

- *Counselors.* Counselors advise and mentor us during our careers, providing support, encouragement, and guidance. A number of new studies have demonstrated the importance of mentors in one's professional career, and this is especially true for women and minorities who have traditionally had fewer role models to guide them.

- *Catalysts.* A rare breed, these individuals can introduce us to others and make deals happen. Catalysts have a particular personality and way of operating—they can be impatient and even difficult—but having a relationship with the right catalyst can transform a business opportunity overnight. Catalysts can come in many guises: they may be bankers, venture capitalists, retired executives, board members, agents, and so on.

- *Collaborators.* These can be business partners or individuals we might hire for our organization. An accountant might be an important collaborator for a financial advisor, for example, just as family practitioners are collaborators for the medical specialists they recommend to their patients. Your collaborators could include other service professionals, bankers, the heads of professional associations, and so on.

- *Companions.* These represent the final category of relationship capital. Companions are family and friends—a class often ignored by today's workaholic professionals—who nurture our emotional and spiritual side. Companions help us to be effective with our clients in many direct and indirect ways. Above all, they provide needed balance to our lives, giving us the emotional stability and strength to deal with difficult moments at work. They also often serve as *counselors* to us, acting as sounding boards and providing calm advice when we are puzzled or uncertain about a particular situation.

So how do you build this network? There are many different approaches to networking, and many books on the subject. They all revolve around connecting with a variety of contacts and potential buyers, and then being as helpful as possible to them.

My own research has led me to two very clear conclusions about this first stage of relationship development. First, most consultants start building this network too late, and they underestimate its importance to their long-term careers. Second, you have to create what author and consultant Alan Weiss very aptly calls a *marketing center of gravity.* This means creating a reputation for yourself as being extremely skilled and knowledgeable in one or more specific areas. Having a marketing center of gravity means that people come to you and, institutionally, that they come to your firm. Interestingly, if you work with a larger firm, you can thrive without developing much personal marketing gravity early in your career. This is because you tend to work under the wing of older, more experienced partners, and your firm's brand name may in itself attract leads. As your career progresses, however, it becomes essential. Ironically, the strength of the institution can create complacency within the individual consultant, yet in the long run, that strength is entirely dependent on those individual consultants becoming well known in the marketplace.

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There are a variety of strategies for creating marketing gravity. One of the most time-honored and still highly effective approaches is to write articles and books and to speak at conferences about your area of expertise. As I said, however, most consultants wait until late in their careers to begin this process. Other traditional means include joining and becoming active in professional associations, engaging in high-level, pro bono volunteer work (serving on nonprofit boards, for example), teaching, writing "white papers," securing TV

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and radio appearances, creating products based on your consulting work (such as assessment tools, tapes and videos, and expert software), and so on. Anything and everything should be employed to establish your expertise and authority among your target client audience.

The final question—how to develop consulting opportunities from this network—becomes almost a moot point if members of your network are aware of your distinguishing competencies and expertise, and if you consistently go out of your way to help them. A former client is in-between jobs—so you help him polish his résumé and introduce him to executive search firms. A former classmate is appointed to a new executive position—so you send her an article you've written that may be of interest and offer to brief her over lunch. Another contact is looking for business partners, and you help make an introduction.

In summary: If you add together a rich personal network, recognized distinguishing competencies, and a lifelong practice of helping people in your network succeed, the result will be a steady stream of consulting opportunities. It doesn't hurt, either, if you are occasionally willing to ask for referrals, leads, and related opportunities!

STAGE 2: *Break Through*

Experts do a thoroughly professional job; consultants who build enduring loyalty go beyond "good work" and systematically break through with clients in a variety of ways.

Once you've been hired, you have a very short period of time (weeks or months) to convince your client that you should be asked back at the end of the engagement. The most basic way to do this, of course, is to deliver exceptional quality and to improve your client's business in a recognizable way. You need to go further, however, than simply doing a solid, professional job. Here are some of the most basic ways of breaking through at the beginning of a client relationship:

- *Do a great job on the core deliverables*—but then go beyond them and add surprise and personal value. Most consultants focus exclusively on deliverables—on what I call *core value. Surprise value* is value you add that goes beyond the project objectives. You might suggest a solution to a problem that the client hasn't asked you to solve. You could identify some issues that the client was completely unaware of (such as customer dissatisfaction or high cost in a part of the business). You might counsel the client about his direct reports. You add value that in a sense surprises your client. A third level of value that helps build loyalty is *personal value.* Every individual client you work with gains something from his or her work with you. One client might want to learn everything about your methodologies and intellectual capital, and therefore ask to spend time absorbing these. Another client might see your project as a springboard to a major promotion. Yet a third might have a teenage son who is applying to your alma mater, and you offer your advice to the son over lunch.

- *Provide high levels of client service,* including responsiveness, accessibility, and "ease of use."

- *Reframe the client's issues.* Help the client to identify the real, underlying problems as opposed to just the symptoms.

- *Create an emotional connection based on trust and authenticity.* An emotional connection can be established through such things as face time, honesty and openness, and authentic dialogue. Believe it or not, a strong disagreement, argument, or confrontation can also achieve this, assuming there is a satisfactory resolution to the dispute.

- *Move fast.* Completing a project faster than the client thought possible—or than competitors had proposed—can in certain instances be a point of differentiation.

- *Learn fast.* Often, gaining an immediate and intimate knowledge of a client's business and organization can help you, in the client's eyes, to break through. One of clients' biggest concerns about consultants is, "Are they really going to invest the time to get to know my organization and culture?"

■ *Be bold and help to lead the client's agenda.* Solid workmanship is important, but it doesn't always excite clients. Clients often appreciate boldness—the willingness to take a stand and perhaps offer a contrary perspective—over blandness.

At the start of every new client relationship, you have to ask yourself: How will I truly distinguish myself with this client? In what ways can I break through and ensure that I am asked back again and again?

STAGE 3: *Grow*

> Experts try to sell follow-on work at the end of the assignment; consultants who are advisors begin laying the foundations for relationship growth on day one, and they use a variety of strategies to achieve it.

Once you've broken through and earned repeat business, you face another hurdle: How can I develop this relationship? Often, you enter on a narrow platform, perhaps even taking on a relatively small project. The challenge is to turn a small, initial project into a broader relationship that endures over time. There is no simple formula or "black box" approach for building relationships. My own client research—which comprises interviews with several hundred corporate executives, including 50 CEOs—has led me to believe that there are five basic building blocks for relationship growth.

Being There: Staying on the Radar Screen

When clients facing a problem consider hiring an outside consultant, they typically gravitate to people and firms who are on their radar screen at the moment. You need to be there when the "red issue" comes along—when the dam breaks, so to speak. You have to make sure that you're *always* on the radar screen. This means:

■ Carefully sustaining your core relationships over time with a systematic program of contact and sustaining activities

■ Being there to help clients with important issues, not just for the big sale

■ Making strategic investments of your time to stay current with clients and be of assistance, even if you aren't under contract

■ Sticking with a current client versus going on to the "next big thing." One of the enemies of long-term relationships is the feeling that one's career will be better served by moving onto something different that you perceive as better.

Building Perceived Breadth: Ensuring Clients Understand Your Full Capabilities

One element of trust is a client's perception of your competence. If you allow yourself to be pigeonholed at the start of a relationship, you'll very likely miss out on many future opportunities to serve your client on other issues. Early on—starting with the very first sales meeting—you have to undertake a balancing act: to represent highly specific, tangible expertise while coming across as a "deep generalist" who can also contextualize the client's issues and see the big picture. You do this, in part, by asking knowledgeable, thought-provoking questions and relating brief examples of other client work you've done that illustrate your depth and your breadth.

Developing Deep Client Knowledge

Once you're inside the organization, you have the opportunity to develop deep client knowledge. This intimate knowledge can represent a powerful entry barrier for competitors who lack your understanding of the client's needs and can be achieved at three levels: the client as a person, the client's business and organization, and the company's environment and industry.

Understanding Client Needs

It's important to know your client, but you have to go further and specifically tune into client needs and issues that you may be qualified to address. You can tap into these needs in a number of ways:

■ Get to know buyers who are outside the specific project you're working on.

- Always be on the lookout for events that trigger client needs, such as reorganization, M&A activity, shareholder pressure, deregulation, industry changes, competitive incursions or new product launches.

- Learn to identify buying signals and to turn implicit needs into explicit ones. Companies have lots of problems, but they won't hire you to fix all of them. The pain of the current problem must be clear and quantifiable, and the payoff from fixing it must be significant.

- Be on the lookout for appropriate migration paths, such as working with a new executive or a different business unit, focusing on a new issue, bringing in a new service offering, moving into implementation, and coaching on an ongoing basis.

- Constantly seed new ideas. The idea you put forth might not be exactly on target, but invariably it will get clients talking about what is really bothering them.

Understanding and Managing Buying Influences

Once you have identified a specific need and are discussing a proposal to help address it, you need to employ a variety of skills and strategies to actually land the business. Many selling systems and multistep approaches have been developed to move an opportunity through the selling process. One fundamental step is the management of buying influences, especially for a complex sale to an organization. The four basic buying influences, or buyers, are:[1]

- *The economic buyer.* Usually only one individual can give final approval to buy. He or she will be concerned with the bottom-line and organizational impact of the work—ultimately, on ROI.

- *The user-buyer.* The user-buyer—and there may be several—makes judgments about the impact of your work on the problem or issue to be addressed. For example, for a project focused on improving manufacturing productivity, the economic buyer may be the CEO while the user-buyer is the VP of operations or manufacturing.

- *The technical buyer.* These individuals can say no, but not yes. Their focus is matching capabilities to the job at hand. They ask, "Does this meet our specifications?" Procurement managers are a type of technical buyer.

- *The coach.* A coach acts as your guide for the sale. He or she is focused on helping your proposal succeed. An ideal coach comes from within the client organization but could also be found elsewhere (such as within your own organization if you work for a firm).

As you develop an opportunity with a client, you'll need to identify and ideally meet with each of these buying influences to understand their objectives and their attitude toward your proposal.

STAGE 4: *Sustain*

Experts move on quickly to the next interesting project; advisors add new clients but systematically sustain their relationships over time.

Many consultants lament their inability to manage and sustain their relationships over time. "I'm so busy delivering work to current clients that I don't have the time to keep up with my network and build for the long term," is a typical complaint. Here is a simple framework that will help you to implement a sustaining program.

First, let's set aside current clients. You see them frequently, and sustaining those relationships is a very different task from keeping up with nonclients.

Looking at the rest of your network (non-current clients), think about "core" and "non-core" relationships that you have. Executives in the core category should have some or all of the following characteristics:

- Economic buyer or influencer
- Possibly related to a target client you want to work for
- Potential future leader
- Referenceable—thinks highly of you

- Has or could have personal chemistry with you.

Core network relationships might number between 10 and 30, probably no more. Remember that they should not include just potential clients, but also catalysts, counselors, and collaborators.

A core sustaining program might include:

- An in-person meeting once a year
- One or two phone calls per year
- Attending a sporting, cultural, or other such event together
- Sending articles and books of interest on a regular basis
- Providing introductions that might be helpful to that individual
- Steering business opportunities to the client
- Co-developing intellectual capital, participating in research, and coauthoring articles and books
- Asking for advice or counsel on a selective basis, such as having a former client review an article you've drafted, or getting input on a research project you're designing.

Your noncore relationships may number in the hundreds or even exceed a thousand. To this group, you might send a year-end holiday card and perhaps mail a reprint of something you've written each year. If you have a newsletter, you would want them all to be subscribers. The sustaining process for noncore relationships needs to be as automated as possible. By the way, just because they are noncore doesn't mean they aren't important. The radar screen theory of buying says that it's critical to stay in front of as large a group of prospective clients as possible, all the time.

Naturally, some relationships fall somewhere between core and noncore. That's a judgment call you have to make. You might choose, for example, to have a core group of 40 or 50 but with differentiated activities for "A" and "B" relationships (for example, you visit 10 a year, and call or write the other 30). The important thing is to prioritize and to have a clear program of personalized sustaining activities that you can commit to with a small group of potential or past clients.

STAGE 5: *Multiply*

> Experts focus on further developing their expertise; advisors develop their ideas with their best clients and actively leverage these clients' goodwill.

How do you leverage your most seasoned relationship capital? In surveys I have conducted with seasoned consultants, they typically indicate that 75% of their current clients would "unhesitatingly" recommend them to a colleague. In any given year, however, how many consultants actually ask a client for a referral? Referrals, clearly, are a key way to "multiply" your existing relationships. Other ways of multiplying your influence through existing clients could include:

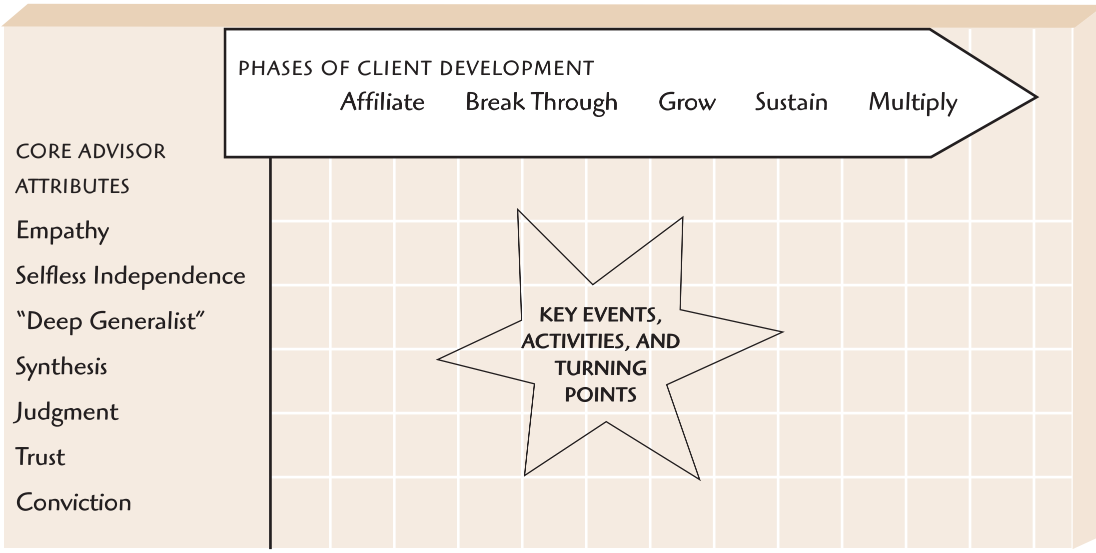
- Cosponsoring or participating in research
- Coauthoring articles or books
- Enabling your methodologies or approaches to become standard practice within the client's organization
- Gaining client participation in advisory and feedback panels.

The essence of sustaining and multiplying is to help clients with their interests and needs, in any way you can. It's about what you can do to help them, which then leads to a long-term relationship with healthy reciprocity.

Summary

Managing relationships through their life cycle requires (1) building individual skills that help position you as a trusted client advisor—the *personal attributes* described in Part 1—and (2) employing specific strategies—the *stages of relationship growth* described in this article. If we put these two halves together into a whole, we have a context for thinking about the daily milestones that we work through with our clients.

Figure 2 DEVELOPING CLIENT RELATIONSHIPS



Looking at Figure 2, we bring to bear the core advisor attributes (left), which enable us to evolve and grow our client relationships (top). This plays itself out through the various day-to-day events and milestones listed in the middle of the chart.

At a practical level, relationships are built on many small, successful interactions. You help a client reframe an issue. You get a client to align with your point of view. You slowly build trust. You convince your client to introduce you to another top executive. And so on. It's essential, through all this, to take a long-term perspective.

In thinking about the process of building long-term relationships, I'm reminded of a story told about the great French marshal and statesman, Louis Hubert Lyautey. He once asked his gardener to plant a tree in his garden. The gardener objected, telling Lyautey that this particular type of tree would take nearly 100 years to reach maturity. "In that case," the marshal responded, "there is no time to lose. Plant it this afternoon."

So don't procrastinate or get discouraged. Start today and apply these ideas and strategies to your own client relationship. ■

Note

1. These buyer definitions were originally developed by Miller and Heiman in *Strategic Selling.*

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