

RECENTLY PUBLISHED & RECOMMENDED BOOKS ON CONSULTING

REVIEWED BY REES MORRISON

What's the Big Idea? Creating and Capitalizing on the Best Management Thinking

Thomas H. Davenport and Laurence Prusak
with H. James Wilson (Harvard Business
School Press, Boston; 2003;
ISBN 1-57851-93-14) \$27.50

Consultants traffic in ideas, and this quirky, fascinating book breaks new ground with the broad notion of *idea practitioners*. Davenport (Executive Director of Accenture's Institute for Strategic Change) and Prusak (Distinguished Scholar at Babson College) have for years excelled as idea practitioners. Idea practitioners include managers, academics, business pundits, and consultants who seek out and apply business *ideas*—approaches to improving business performance and management. What's an example of a business idea? The book's final chapters consider two of the most influential ones: reengineering and knowledge management. The authors compile and refer to several dozen other influential business ideas.

The authors' style is honest and not overreaching. They proclaim that "there is no empirical evidence that simply adopting new business ideas leads to stronger business performance" while underscoring the concept that business ideas *can* make a difference, sometimes by improving organizational performance and sometimes by legitimating the organization in the eyes of the public and analysts. This book has a calmness and thoughtfulness lacking in the

strident evangelizing of most books by consultants: "There is no simple answer to the problem of balancing rhetoric and reality in the management of new business ideas."

What's the Big Idea? suggests that three themes describe nearly all business objectives: improved efficiency, greater effectiveness, and innovation in products or processes. These objectives mean doing things right, doing the right thing, and doing something new. They discuss a taxonomy of business management ideas ascending to these themes.

For consultants, this book collects a powerful set of business ideas. It creates a framework for how consultants can evaluate business-improvement ideas and incorporate them into their service offerings. The authors invoke the concepts of genuine innovation and "applied memory"—thinking mindfully and learning on the fly about how to apply what you know to new situations. Most of what consultants do uses applied memory. One chapter explores how to decide which ideas are worthy of attention. "Those who consistently apply multiple points of view will almost invariably be more successful in social and intellectual endeavors than those who—on account of obstinacy or ignorance—apply just one."

The chapter on gurus is fascinating. Gurus might not create business ideas, but they certainly package and broadcast them. Almost all gurus do some research, writing, speaking, and consulting. The authors rank the top 200 business gurus (Davenport is 24

and Prusak is 99) and discuss the phenomenon of consulting firms creating research centers or think tanks to develop new business ideas. Consultants who aspire to be gurus have some constraints—typically, they lack time to conduct research and produce articles and books, and they often need to keep quiet about proprietary methodologies, lest competitors appropriate them for their own use.

The chapter on how ideas interact with markets gives insights. The authors explain six reasons why managers consistently buy books on management ideas: uncertainty, coercion, legitimization, conformity, bandwagon effects, and economic heuristics. All of these reasons explain why executives grab at consulting ideas.

One chapter discusses how consultants can identify ideas that fit a client's organization. They call this process "translation." Consultants need to grasp translation in order to make realistic recommendations for change. Commonsense ideas are presented about how to get an idea adopted in a company—the ultimate goal of most consultants.

A reader could criticize the book for attempting to corral such a diffuse, changing, and individualistic group of people—called "idea practitioners"—into one category and then analyzing that ephemeral notion. But I disagree. The authors have done what good sociologists do: They have defined a category and given the rest of us a framework for appreciating a new approach and then benefiting from that insight.

Davenport and Prusak even created a template for reviewing business books using three basic criteria: a book's functionality, its style, and its intellectual rigor. I score this book high on all three—it is rich with useful ideas, its presentation is refreshing, and its arguments are clearly stated. For all consultants, reading this book would be a good idea.

Marketing Your Consulting Services: A Business of Consulting Resource

Elaine Biech (*Jossey-Bass/Pfeiffer, San Francisco; 2003; ISBN: 0-7879-6543-X*)
\$42

Biech, a veteran trainer and consultant who has published several books for consultants, has written a practical, easy-to-read workbook on marketing. She defines *marketing* as focusing on the many people and organizations a consultant wants to reach, whereas *selling* focuses on just one person or organization. As the title would indicate, the book is mostly about marketing (reaching many people about your services), but Biech also discusses selling (converting a prospect to a client). She addresses well many of the misconceptions and fears consultants have about marketing—for example, the perception that truly professional consultants are above the grubby business of selling; and another, that marketing takes too long and too much money to be justified.

As is standard fare for books of this genre, Biech includes chapters on assessing your strengths and weaknesses and comparing them to those of your competitors. Her underlying message is to think through everything about what you are doing: your management plan, your customer

base, your financial situation. If you lack a strategic understanding of your services, how can you market and sell them? Part of this self-examination is determining your personal preferences and ultimately developing a marketing niche.

The book is aimed specifically at solo consultants, as it advises, for example, to discover “what’s unique to you.” Biech addresses one-on-one selling (how to handle objections, responding to concerns about firm size, handling client questions about your competition, asking clients to pay for sales calls, and so forth). Four of the most common mistakes Biech witnesses during sales calls are that the consultant talks too much, jumps in with a solution too early, fails to build the relationship, and is unprepared.

One chapter covers the image we send to the market, much of which is conveyed by our stationery, presentation materials, brochures, and business cards. Biech believes strongly in the personal touch, such as using envelope stuffers with invoices to introduce new services. She advocates sending holiday greetings and novelty gifts. Many of us might not be comfortable with the degree to which she gussies up marketing.

Three chapters concern building a potential client base. Biech lists and discusses 36 marketing tools, divided into those that are “personal” (such as speeches, joining organizations, and obtaining referrals) and those that are “promotional” (such as newsletters, websites, and ads). One chapter describes a marketing plan and the three C’s of marketing: *commitment* to your plan, *consistency* in delivering your plan, and *creativity*. The author recommends selling new services to current clients first as the easiest route to building your portfolio of business. Her rule of thumb is to invest 10% of

your gross on marketing, and I like her idea for developing an “annual marketing planning calendar” to remind you to perform tasks on time.

Biech advocates putting as much information into proposals as possible. The more you can show prospective clients that you understand their needs and wants and can satisfy them such that value exceeds cost, the more likely they will hire you. She also makes a practical suggestion about prioritizing your prospects, such as assigning 50% of your marketing effort to your number-one prospects, 25% to the next group, and so on.

This book is energizing. It offers practical ideas in practical prose—lots of lists, acronyms, and memory aids. “Acquiring a new client requires 10 times the effort of acquiring repeat business,” Biech observes; and about websites, “less than 5% of the readers will scroll beyond what they see on the screen.” She takes positions and exhorts. “The more specialized you are, the more difficult it is to obtain business; the more generalized you are, the less credible you will be in potential clients’ eyes.” She stresses the merits of explaining the value of your benefits to the client over explaining your fee and reminds consultants not to “quote your price before you are ready.” I disagree with her claim that “your personality, not your expertise, will land most contracts.” This suggests that the best way to sell is with charisma rather than with intelligence and experience. But generally her advice makes us think, and she states it clearly. A quiz at the end of each chapter tests readers’ absorption of the book’s key points. It is as if Biech is at your shoulder, guiding and prodding you to do the marketing you know you need to do, and telling you how to do it.

Persuasive Business Proposals: Writing to Win More Customers, Clients, and Contracts, 2nd Ed.

Tom Sant (AMACOM, New York; 2003; ISBN 0-8144-7153-6) \$17.95

Reading this book should stimulate all consultants to rethink and improve their proposals.

Sant, a proposal consultant, wags his finger at seven sins of proposal writing that most need improving: (1) not focusing on the client's business problems but sounding generic; (2) not having a persuasive structure; (3) not differentiating oneself from competitors; (4) not offering a compelling value proposition; (5) not highlighting your key points; (6) not writing succinctly; and (7) not avoiding sloppiness in basic mechanics.

In describing the value of proposals to consultants, I found interesting Sant's failure to recognize that a proposal sets the scope of work and expectations. I have always viewed the proposal less as a persuasive tool than as a joint statement of intentions and a scope and risk manager—but perhaps only because I haven't listened to Sant!

The book has excellent sections on how buyers make decisions. Proposals should especially focus on three of them: the brand effect of recognition; single-factor decision making—in which a single criterion is adopted as the most useful indicator to sort out the options; and the buyer's estimate of the expected rate of return.

An effective proposal, according to Sant, does not simply convey information; it must also persuade. Consultants should follow his four steps: Show that you understand the customer's needs; describe the outcomes or results the customer wants to

achieve; recommend ways to achieve those goals; and prove you can do it by providing references of past successful projects you've worked on.

Sant adds detail and examples galore. For example, he calls the following a hackneyed opening that is inappropriate and weak: "It was a pleasure meeting with you last week, and I appreciate the opportunity you gave me to present my proposal." Weak because the tone is one of subservience rather than equal partnership—as in, the mighty prospect favored me, lowly consultant, with the opportunity to toil even more and produce a proposal.

Sant supplies suggestions to keep a consultant on-target to prepare a client-centered proposal—such as: Keep from bragging about your company and from dumping technical information into the proposal; and present your ideas from the most to the least important, as best you understand your prospect's priorities. That knowledge doesn't come from ESP—it is the result of active listening, good questions put to the prospect, and empathy. Sant does not recommend proposing increasing levels of work at increasing prices, as he believes that would require consultants to abdicate their responsibility to objectively propose the best course of action for the client. Many other propositions can also erode consultants' objectivity.

Sant moves from the early portions of the book that concern the persuasiveness of a proposal into a long stretch that discusses how to manage the process of preparing a proposal. These pages would be useful for consultants who churn out massive proposals that involve many people responding to a complex RFP. For those, he advocates creating a center of excellence for proposals and proposal metrics.

Throughout the book, consultants will find new ideas and confirmation of familiar ideas—such as: A buyer will select you if your solution offers the biggest difference ("delta") between value and cost. The lowest-cost proposal is not always the successful one. Or, adding a graphic can increase the persuasiveness of your message by 47%. Also, rather than banal headings and titles (pricing, timing, and staffing), use strong language such as "6:1 return on investment in a short period with experts." Avoid the clichéd, all-purpose closing that everybody uses: "If you have any questions, please feel free to call." To close effectively, state when you will call the prospect to discuss next steps—and don't forget to ask for the business.

This book has a commendable mix of readability and usability. Part of its value is in the examples of well-written proposals and proposal letters that amply support Sant's contention that "writing a winning proposal isn't a matter of content. It's a matter of structure and process." Not to say that format and process trump thoughtful content, but a lack of structure and process hugely diminishes the effectiveness of the content. In fact, Sant would agree that a proposal, on its own, never wins business. A prior relationship, effective branding, and information-gathering all play more crucial roles. For a task that nearly every consultant must confront and must perform with skill, Sant gives both a useful framework and practical tactics to accomplish it.

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