



Professional Services
Business Development

10 IMMEDIATE ACTIONS TO GENERATE REVENUE & CASH

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10 IMMEDIATE ACTIONS TO GENERATE REVENUE & CASH

It is now more than a decade since the Great Financial Crisis yet many professional firms are doing exactly the same things as they were back then when it comes to trying to grow their practice. The buying and selling of Professional Services has dramatically changed in these intervening years and now so must you if you wish to stay relevant.

Technical ability is no longer a guarantee of financial success. How do I know this? Well I see very average people driving supercars and excellent practitioners struggling to make ends meet. So there has to be something else at play. What hasn't changed in a world of change is that without sales you will go out of business. Nothing happens if nothing happens and you can no longer just tell people you are better than the next professional and expect them to believe you. They won't. Unless you take a number of actions which are highlighted here in this ebook.

Most professionals tell me they grow their practice with word of mouth referrals which is great as they are free and generally convert at better rates than other marketing leads. However, you can only grow your practice at the rate that others are prepared to talk about you and that is dangerous as you are not in control.

When working with firms on why they win work, I tend to get 3 stock answers.

- 1) Price and value – Nonsense, there is always somebody prepared to go cheaper than you.

- 2) Quality of the staff. Nonsense, very hard to prove, most professionals have the qualification certificates. I have never heard a business leader tell me their team is poor. (Well I have but not in public).
- 3) Quality of service – Ah the ubiquitous service line. But most don't measure it, so it is very hard to prove.

In any case, a client will only benefit from these 3 outcomes AFTER they have made their purchasing decision which is too late in the buying process to change the decision.

The financial performance of any professional business is dependent on only two things.

Operational Competence multiplied by marketing. In other words, how good you are at what you do multiplied by how good you are at telling people about how good you are at what you do. Most professionals are not good at the second bit and so that is the greatest area for improvement and subsequent driving of growth.

Read on to find out how you can gain competitive advantage.

1. CLIENT PROFILES & TARGETS

In Today's modern world, the expert gets hired before the generalist. Therefore, you need to have a good understanding as to what you want to be famous for and what the profile of your ideal client looks like. You wouldn't look to a General Practitioner rather than a specialist if you required surgery, would you? No one wants to hire somebody who knows just enough.

Once you have decided who the perfect client might be, learn as much about their world as you can. Read books about their type of business and fully understand what their pain points might be that you can help them with. If you want to become the 'Go To' person for dentists, you need to read a book about how you run a dental practice.

What websites do they visit? Which trade journals might they read? Who do they follow on social media? Which trade associations do they attend? Where do they meet in groups etc Many professionals waste an inordinate amount of time talking to prospects who either have no need for what they are offering or cannot afford the rates of pay they are asking for.

If you look towards a sector specialism strategy, remember it is hard to be seen as an expert in more than 3 or 4 areas. If you are not sure which direction to take, study your existing client base and look for the 80/20 rule. In other words what do the top 20% of your clients who drive the most revenue and profit look like. What do they have in common?

When it comes to targets, if your business only measures billables then little else will get done or change. You need to have both financial AND activity targets. Where do you want the business to be in three years' time? One year's time? So, what do we need to be doing now to ensure we get there?

Set time aside every week (at least 2 hours if you can) for business development activities. I suggest you avoid Mondays and Fridays as there are often too many distractions. Book the time in your diary and treat it with the same respect as client time. Try and write an article AND get out from behind your desk to build relationships with clients, prospects and referrers alike. In a recent piece of research, it was found that 70% of new clients are onboarded at a face to face meeting so you need to get out there to make things happen.

To aid you in your targeting try to limit yourself in any given month to what I call the 555 method. List the specific names of the 5 clients you could get more work from if you invested more time with them, 5 prospects who match the ideal profile and now appear on a pursuit list and the 5 referrers with whom you should invest more time. Done.



I wrote an article called 'Eat your Way to Success' where I suggested there are 15 opportunities in a week to have lunch, breakfast and a coffee/beer with interested parties. If you just did 3 per week that is approximately 150 business meetings per year and this level of activity alone should guarantee you double digit growth. If you improve your messaging when you get to these meetings, then the world really is your oyster.

Marketing is about client attraction at the lowest possible cost and therefore you must understand the lifetime value of a client as this should set the acquisition cost or the amount you are prepared to spend to start a relationship with a client that matches this ideal profile. Too many practices set a marketing budget at the start of the year and when it is gone, it is gone. Much better to set a target for the number of clients you need to hit your growth aspirations and how much you are going to spend to become visible to them. Then you just have to decide how to spend the budget! Your options are plentiful.

Finally, I am amused by the number of businesses who have a growth target each year of 10%. Maybe they are not that good at maths? To hit a figure like this you can get lucky by having a large client or two have a particularly busy year, but it is unlikely to challenge you to make the fundamental changes to your daily routines that are required for sustainable future growth. Do you think Google sit around the boardroom table and discuss strategies to grow by 5% or 10%? No! They are discussing how to grow the business tenfold. This requires a totally different mindset.





2. CLIENT REVIEW MEETINGS

You will have heard so many times that your best source of new work is from those who already know you, like you and trust you. It's also well recognised that the best type of leads for new revenues are warm referrals so it is always a good idea to put yourself in the best position to ask for one, by going to visit your existing clients. Believe me, good things happen when you go and talk to people, but you should always have a business objective for the visit. This could be either to ask for a specific referral, ask for a testimonial or case study to use in your marketing or to cross sell another product or service your practice offers. Do you know the percentage of wallet spend your practice gets from the client? Do you know their total budget for services like yours? How big a slice of the cake are you receiving?

One piece of advice with clients is never go MIA. Missing in Action. Too many times I hear tales of woe around 'I got too busy' and all of a sudden it is way too long since you have caught up with those who do most to contribute to your practice. And don't kid yourself with 'I speak to them all the time on the phone'. This is often conversation purely of a transactional nature and does not allow you to fully explore the aspirations and goals of your client organisations for the upcoming weeks and months. If you do not find this out, you will miss out.

If you are unsure how to make time for this, start by grading your client contacts in a basic spreadsheet A, B and C. A graded contacts might be worth a reach out every month, B every Quarter and C, at least once per year.

Remember the point made in Client Profiles & Targets, if you do average work for average clients are you really worth referring?



3. HOW GOOD ARE YOU? HOW DO YOU KNOW?

If you only do what is expected of you, it is no longer good enough to attract a referral which is recognised as the number one way to grow a professional practice. Remember the clue is in the title 'Professional Services'. You are in the service business! Consider yourselves in the role of a triage nurse and it is your 'bedside manner' that will get you rave reviews from delighted clients. How do you make people feel?

How do you make people feel?

If all businesses are so client focused, then how come we all experience such poor service delivery in our day to day lives? When was the last time you were so delighted with your bank, accountant, lawyer, internet provider that you wrote a letter of thanks? You must make yourselves easy to do business with and measure your client satisfaction rate. If you don't measure it. You can't manage it. It's that simple. The business cemetery is full of those who failed to listen.

Even if you choose not to use the respected Net Promoter Score methodology, you should send out questionnaires to gauge satisfaction around availability, turnaround time, accuracy and quality of the work, methods of communication and overall Value For Money.

Please, please, please consider that professional Practices are 80% people and 20% everything else. Employee engagement is absolutely key to success. Disengaged staff do NOT deliver client service levels worth referring. If you do not hold a staff satisfaction survey at least once every two years, then you should. I have always found these to be an excellent internal exercise to drive motivation.

Many firms tell me they go the extra mile, but I have found that to be quite a lonely place!



4. THE EXPERT MODEL

This is where the real magic happens for building a thriving, sustainable and profitable professional practice. This is where the really successful excel and is the main difference between winning and losing. Ignore at your peril.

It has often been claimed that to be seen as an expert in a given field you must undertake 10,000 hours of practice. Even at a healthy 1500 hours of billables per year that would take you nearly seven years before you were considered an expert. However, there is much that can be done to speed up the process. You don't have to write a book, good though it is (I know how much time this takes from painful experience) and you will be very pleased to learn that the majority of the methods that work, take a time commitment rather than a huge amount of cash.

We don't have the luxury of space here to get into all the detail as it requires another ebook in itself to do it justice, but here are the outline activities that perceived experts all undertake to help them achieve their status and credibility in the market. They basically speak, write and network on and off line where their target clients and referrers hang out.

Speaking – Public speaking, seminars, elevator pitches, audio recordings and interviews, webinars and podcasts.

Writing – Books, eBooks, website copy, Press Release/advertorials, direct mail, email, blogs/articles/white papers, trade journals, newsletter, case studies, testimonials, biography and research documentation.

Networking – Networking events, Social Media particularly LinkedIn & YouTube, Trade shows and conferences and the best of them all (drum roll please) the good old-fashioned Private Dinner. Nothing beats it for getting top quality, busy executives together in your company.

Remember, a wise man knows everything, a shrewd man knows everybody. Do not underestimate the power of having large networks. Can you remember the last 5 individuals you met at a networking event well enough to contact them in the future? Have you kept in touch with them well enough so they will remember you?



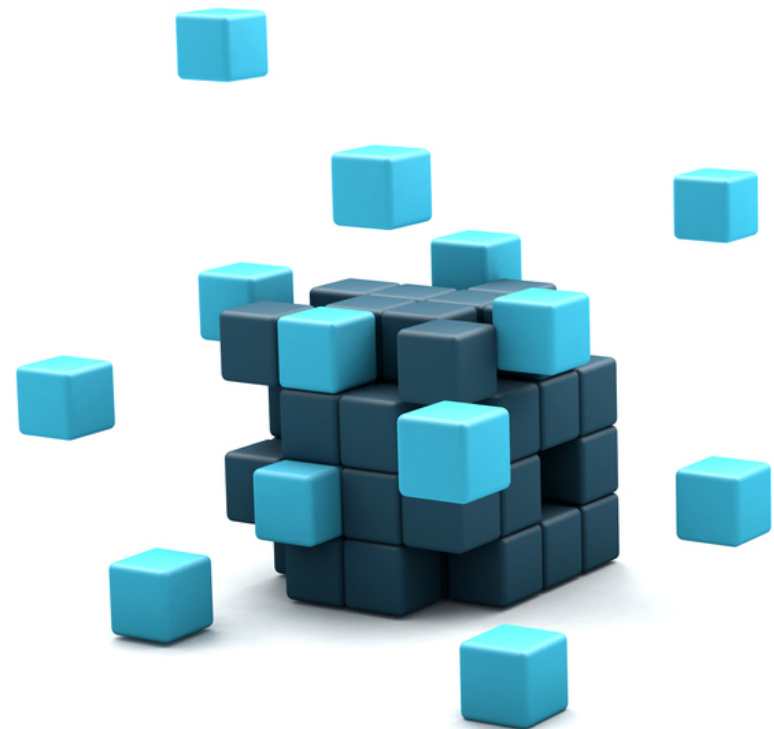


5. STRATEGIC VENTURES

This is a real opportunity for you to achieve exponential growth. Essentially instead of your 'Go To' market model relying on you alone and being 1 to 1 you become 1 to many by enlisting the help of Joint Venture Partners who don't compete but want similar clients to yourself. You will soon learn that some of your most valuable contacts are not always your paying clients.

For many years now I have helped lawyers and law firms to grow their practice. As a result, I have built relationships with other suppliers of services to these legal entities. Bankers, accountants, Insurance Brokers, software, hardware, website builders, recruiters, HR professionals who already enjoy some great relationships with my target clients.

If you wish to become the expert accountant into dental practices, start by building relationships with others who play in that area such as providers of X-Ray machines. They will already have your prospects as clients! I always think of the phrase 'Givers Gain'. Try and start any strategic venture by offering value and connecting others to your network.





6. THE MESSAGE: WHAT ARE YOU SELLING?

I get it. I am very empathetic to you telling me you didn't go to university and do professional qualifications just to be a salesperson. However, think about this.

How much did your practice spend last year on generating inbound leads in to your business? Advertising, sponsorship, hospitality, website, Google adwords, glossy brochures etc. And how much did you spend on training you and your team to convert those very same leads you have generated? I thought so. Not so much. In the hyper competitive world we now live in, if you cannot write down and verbalise why you are better than the next person, you will always struggle to do the deal.

Life becomes so much easier when you have learned how to explain your value. Do you play golf, go sailing, or even sing? Do you have a coach to make you better? Even Novak Djokovic, Lionel Messi and Virat Kohli have a coach. Forget Richard Branson. Good salespeople are all taught. Anyway, stop selling and start helping people to buy.

In some ways, you have no excuse as so much training is now freely available on the internet covering sales and presentation skills. However, I want you to just consider this one aspect for the moment. Remind yourself who is the best business development person or 'rainmaker' you have ever come across in your working life. Now think of all the adjectives and descriptive words that would position them best. Personable, confident, empathetic, goal orientated, passionate, friendly, positive, tenacious etc. All of these are concerned with mindset rather than skillset. It all starts

with a 'can do' attitude and whilst personality helps, I have worked with lots of introverts who have gone on to be excellent practice builders having utilised what they have been taught.

Don't get bogged down with the myth that selling is a numbers game. If you knock on the right doors with the right message you will give yourself an unfair advantage. Listen more, talk less. People often say to me, 'Alistair, you have the gift of the gab, I bet you are good at that selling game'. My answer is this. I can hold my own, but mainly because I ask better questions, so I get better answers.





7. SOCIAL MEDIA

In 2008 when I started my consultancy practice, social media was still in its infancy and nobody really considered it to be an integral part of growing your reputation along with your business. Today that has changed, and it now can play a relatively low-cost way of putting out your intellectual property in front of those looking to access it. However, social media is something where you tend to get out of it, results directly proportional to what you put into it. If you just play with it for half an hour on a Friday afternoon it is unlikely to work for you.

LinkedIn has become the best free (virtually) Business to Business tool for 20 years and yet so many professionals still do not know how to engage with it properly. Twitter, Instagram, Facebook and YouTube can all play a role in creating your brand image both for you as an individual and the firm as a whole. These are two separate brands to consider.

For all you naysayers around, Bentley recorded their advert for their latest model on an iPhone and mixed it on an iPad. If it is good enough for a near A\$1m luxury car, it will be good enough for you.

I never recommend actions that I have never done myself. A few years back I won a very significant consulting project as a result of a tweet that a potential client read and then followed the link back to my website. The system works if you do it well.



8. MARKETING LADDER SYSTEM & PRICING.

Experts don't charge low fees. There are 3 main types of Professional Services Practices. The top 20%, the so-called experts who have a licence to charge top dollar, the bottom 20% who sell on price, often made possible via superior technology and the remaining 60% in middle who really struggle to differentiate themselves at all. This can be a world of hurt and I strongly advise you to get out of this grey, woolly and nebulous market sector as quick as possible.

All markets of the world are polarising. Take cars for example. Ferrari, Bentley and other luxury manufacturers are doing well. Tata of India have little problem selling cheap cars to the masses. But what of Ford and Holden in Australia? Neither could make money as they tried to be everything to everybody. Not a game to be in. In ladies' fashion, brands like Louis Vuitton and Chanel are recording record profits and there is always a market for Supre and Lowes catering for the no frills market. David Jones and Myer are struggling to make money at all as they continue to have to discount to attract customers in that horrible mid-market position. Professional businesses must learn from this. Avoid a commodity mindset. Price is the only deciding factor when you let it be.

Do you have a low risk sample size offering, to attract new clients to try you out? When you get to Woolworths or Coles and you are given a small piece of cake to try and you say, "yes, now where is the full size one I can buy," what does that look like in your business? And can clients turn left at the top of the stairs? In other words, what is your 'First Class' service option? Do you charge a premium for it?

I have worked with bankers and accountants over the years who still do not get the connection and effect of both pricing and gross margin. You can earn higher prices by specialising and adding more value to the client and use marketing to get better quality work. You are often told that professional firms work loosely on a 33% gross margin and if you wish to earn a salary of \$100k you should bill \$300k. Well for the ease of the mathematics in an easy example, let's make that number 30%.

If you put up your prices by 10% you can lose 25% of your volume and still make the same Net Profit. Conversely, in hard times professionals are discounting by 10% to win the available work which means you need to produce another 50% volume to make the same amount of cash. Nuts!

In layman's terms, put up your hourly rate/project quote by 10% and you can take Friday off. Alternatively, you can discount by 10% and work Saturday, Sunday and half of Monday to make the same amount of profit. You choose.

One thing you should always be prepared for is to defend your price. Rehearse your response to the inevitable objection that you know is coming, your too expensive.

One way to get over price objections is to offer a Guarantee. How many times have you had to refund a client in the last 12 months? If the answer is none then why wouldn't you consider it? Food for thought.





9. COMPELLING COPYWRITING SKILLS

People do not buy professional services, they buy the result of their delivery. However, on inspection most firms are pretty ordinary when it comes to describing what they do on websites and other marketing collateral. If you are genuinely great at what you do, why don't you win more of the available work? Talk results not process.

Check to see if you have a 'beige brand'. Do the 60 second sense test on your website, brochures, tenders, adverts, email blasts and ask yourself would you buy you? If you took away your logo on the Homepage of your website would it be obvious to visitors who you are, what you do, who you do it for and what results clients achieve? Does the way you communicate do justice to your business?

I am sick of reading 'We are a partner lead, client centric business with pragmatic thinking, offering holistic solutions....NO, NO, NO!

And whilst I am on my high horse please don't start every sentence and paragraph with I, Us, Our, We etc. Copy is for the benefit of the visitor, not the host.

Good copywriters are not cheap but worth their weight in gold. I know people who win 4 out of every 5 tenders they write. It is a real skill and you should not be just copying and pasting the contents of the last losing tender into the next template. If you would like to be referred just ask.



10. ENGAGEMENT

The clue is in the title. Professional Services. You must make the delivery of your service timely and exceptional. Word of mouth referrals often drive a practice and so excellent client service becomes the most cost-effective route to new business by far.

Sometimes this next comment renders me unpopular with Executive Boards. Remember, clients will not fall in love with your firm until the staff do. Service is key. Consider every day as like running an emotional bank account. Great service delivers deposits and bad experiences on say reception, on the phone, collecting cash can all result in a large withdrawal. Make sure you don't go overdrawn.

Service and staff satisfaction should always be the No1 priority of the business. Most measure profit first. Putting profit above client satisfaction gives a result for Today but is usually unsustainable in the long run. Imagine how different some firms would be if bonuses were paid based on client satisfaction.

If you don't already do the following, here are some quick wins. Have a service charter which tells a new client how they can expect to be treated. Return phone calls within an hour, emails within 4 hours etc. With the help of a team it is all possible. Send agendas in advance of client meetings and ask them to add a topic they would particularly like to discuss.

Communication is a two-way street and should not be a lecture from their adviser. Send minutes and action points from your meetings within 24 hours. Make rolling appointments for your next visit to convey to the

clients how important they are to you. Ask for regular feedback via a Client Listening Programme or at least a survey.

Mirror success by benchmarking your clients experience with those of your competition. Compare what they get in comparison to a local competitor, a large national provider and the expert in your field who you would choose to work with if you required your own type of service. This is usually a great learning exercise.

Consistency is important. Every person, every day in everything you do for a client.



AND FINALLY

Growing firms and practices is not a spectator sport. DO, don't just talk. Speed is key as it provides you with momentum. Allow me to use just one consultancy phrase, 'Culture eats strategy for breakfast'. Hope is not a strategy. Don't try and do everything yourself. Ask experts to help.

Make the tough decisions, take responsibility and have accountability for your actions. Sort the underperformers. Staff, services, clients and suppliers. Despite what most people think, 84% of billionaire's are self-made. The difference between winners and losers is the taking of massive action now!

Don't give up too early. You will never know how close you are to winning on the day you give up. There are a number of things we have covered in this ebook which will require you to go beyond your comfort zone. What would you try if you knew you couldn't fail? Think of kids on computer games. They try and fail endlessly before getting to the next level without letting their ego get in the way.

You cannot do Today's job with Yesterday's methods and still be in business Tomorrow.

Over to you.





Professional Services
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