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Tailoring expansion to achieve your and employees' life goals



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BUSINESS
GROWTH

Many small professional service firm owners dream of exponential growth and the day they can remove the adjective "small" from their narratives. This includes consultants like me, accounts and bookkeepers, financial planners, lawyers and paralegals, and similar firms in the "knowledge" sector.

But what if we reframed the notion of success from "growth at all costs" to "smart growth?" Over the last 35 years, I have slowly and steadily grown my consulting practice into a highly respected 15-person consulting firm, and I've arrived at success on my own terms.

To grow your professional services firm at a smart rate, take stock of what you truly wish to achieve through expansion. Rapid growth may promise more, but it may not yield greater profit margins and it almost always guarantees more risk and less life balance.

From the beginning, I measured my firm's success by being able to provide hands-on consulting service to my clients while also managing the firm. I also wanted to achieve a sustainable balance between my work life and my personal life, as well as have the time to build strong relationships with my clients and my employees. I realized by avoiding the growth mandates imposed by institutional investors and setting our own financial goals, my consultants and I can do the work we love and focus our full attention on our clients' needs.

Five tips for growth

I have five tips for the small business owner who wishes to remain in control of his or her firm's destiny for the long haul.

- Assess your goals to recognize when you have achieved success on your own terms. Are you looking for personal relationships with your clients, bigger profits, greater name recognition, the ability to work part-time, or the possibility of early retirement? Once you have prioritized the factors crucial to your success, use them as a compass to guide your choices regarding business expansion.

- Allow your product or service line to evolve as your company progresses. An industrial engineer fresh out of college in the early '70s, my expertise lay in streamlining large processing operations. I played to this strength and worked exclusively for the region's largest employers at the outset of my career.

Today, my consultants and I have leveraged our expertise and our clients' requests to expand our services. We now provide project strategy and project implementation leadership, which is valuable to organizations of any size. As a result, we have expanded our client base to also include mid-size firms and philanthropic organizations.

- Hire only the best, even if it means turning away business. When a client is clamoring for more help, the temptation is great to bring onboard any "warm body" to meet the growth demands of your company.

Always see your staff as an extension of yourself. If you have any doubts that an interviewee has the education, experience, or people skills to take your place, then don't make the hire. Anything less is not fair to your clients, and it is far better for the reputation of your company to turn away assignments than to provide a client with an incompatible employee.

- Let your clients' successes be your only marketing investment. I think the quality of a firm's work and the relationships it builds are far more powerful than any marketing campaign. Many consulting firms promote their client engagements through expensive advertising campaigns and dedicated sales people.

For larger firms, this can be a necessity in order to keep their project pipelines full, provide assignments for all their people, and meet their investors' demands for greater profits. In staying small, we avoid that need to sell.

Our consultants team up with our clients' senior management team and together, they leverage the strengths and skills of their clients' internal employees. In this relationship, our clients get highly experienced consulting leadership while keeping the project costs down and retaining ownership of the business solution. This uniquely modest and pragmatic approach is so universally appreciated that all of our clients are the result of referrals and repeat business.

- Focus on your employees' personal needs. Work-life balance is not some unattainable ideal. Long before "flex-time" and telecommuting became fashionable, we were leading the consulting industry in offering our professionals the tools and opportunities to choose between part-time and full-time assignments. For myself I have been able to have the time to enjoy my hobbies of piloting small planes and sailing and to return to my consulting work each time with fresh energy and renewed perspective. Other consultants at my firm take advantage of our flex-time policy to travel the world, collect art, and enjoy Northern California's great outdoors. Consequently, in an industry rife with turnover, our employees have an average tenure of 13 years and a few of our employees have worked with us for more than 25 years.

I am proud to look back over the years and realize that my simple and effective "smart growth" plan has produced such long-term and fruitful relationships – relationships that have provided real value for both our clients and for our associates.

Sit down today and outline the factors that are crucial to attaining business success on your own terms. You'll be glad that you did.

About Bob Cliff

Bob Cliff leads Cliff Consulting, Inc., which has evolved into a highly valued and experienced team of project leaders who help clients with business process improvement, information systems implementation, and organizational change. Contact him at www.cliffconsulting.net