



## ALIGNING YOUR PRACTICE TO THE 21<sup>ST</sup> CENTURY

### Introduction

At the annual meeting of the International Society of Hospitality Consultants held in October 2006 in Miami, Florida, a workshop and brain storming session was held to discuss consulting best practices. The following is a summary of the ideas developed and presented by members.

### ***Create a 20-Lane Highway for the 21<sup>st</sup> Century***

No matter how big or small you are today, your success will benefit from better systems tomorrow. Take time to develop your systems and infrastructure for the success you are going to have. Be very clear on what you want to be and do (Mission) and stay on point in everything you do, say, and promote. Be sure that each of your marketing materials (keep in mind, every document is marketing material) is integrated and conveys a single and consistent message. What are your “guiding principals”; what’s the company objective; what will you do and what won’t you do; what are the ethics? The message needs to be crisp and crystal clear and carried by everyone at every level of the company. Now that you have a mission and a cultural backbone, study the market and focus on target markets and prospects with laser-like attention; use rifle shots, not shotgun blasts!

### ***Be Excellent!***

This is not a quote from a Bill and Ted movie; this is a minimum price of entry into our level of consulting. Deliver superior work and you won’t need to search for new clients. There is no single marketing effort you can undertake that is more effective than positive referrals from happy clients. Assume that your first bad job puts you out of business; a reputation for sloppy work is as dangerous as a reputation for excellence is positive.

### ***Reality Check – Relationship Management***

Remember the Pareto Principal? The Pareto Principle, often called Pareto’s law, generally states that a relatively large percentage of anything is trivial (represented by 80 percent) and a relatively small percentage (represented by 20 percent) is vital. It’s commonly referred to as the 80/20 rule; 80 percent of your business should come from 20 percent of your existing clients. That means, among other things, stay in touch with former and current clients. It’s much easier to please an existing customer than to find new ones. In fact, one of the ISHC founding members noted that a “cared-for client” is worth three referral leads and one new assignment. The message is: take really good care of every client you have – more (clients) is not necessarily better. And, think about it... happy clients are a great source of referrals.

### ***Hire the Right Clients***

This was a universal theme from all tables. Listen to your instincts; a problem prospect will be a problem client. Again, Brudney says, “*There is only one thing worse than having no business at all: having a bad piece of business*” – Hints that they may be the wrong client?

- Gross editing of the proposal and standard limiting conditions
- Chopping the fee but not adjusting the scope of work

- Stating they don't pay retainers
- Multiple unproductive meetings and phone calls
- Demands for answers before the assignment starts
- Telling you what the answer is before you start the assignment
- They don't return your calls
- Important dates ignored: proposal due and expiration dates passed, no retainer returned with a proposal, standard limiting conditions ignored
- Playing you against your competitors to negotiate fees

Follow your gut instincts. If a prospective client sounds like they don't really want to hear what you have to tell them, just tell them you are fully booked and can't help them.

### ***Get Quoted in Local and National Press***

This was a big theme that all members embraced. Getting quoted positions you as an “expert source” and the publicity and public relations are invaluable. It doesn't cost anything to get good exposure. The question is... how do I get recognized by an editor or reporter and get quoted? The answer, provided by one of our members specializing in public relations is as follows.

*“Whenever you see an article that involves your specialty, write a note to the editor of the publication and tell them you are an expert, include your bio, and volunteer to be an expert source in the future.”*

Better yet, hire a public relations firm to get you exposure; you have more credibility when a third party talks about you (instead of you).

By the way, this also works for television, seminars, e-publishers, etc.!

### ***Speak Up!***

More free exposure! Never miss an opportunity to speak at forums and conferences. The exposure is exceptional and it supports your expertise. A word of caution: don't fly under a flag of false colors – speak within your area of expertise only. Negotiate the topics you are going to speak on at conferences and resist the urge to take a speaking engagement that doesn't showcase your talent, for instance, if you specialize in luxury hotel marketing, turn down the offer to speak about marketing for all-suite hotels. The audience will associate you with the topics you talk about.

### ***Make it Easy to do Business with You***

Setup your website so that you can “fill in the blanks” when you are on the phone with a prospect. Input understanding of the assignment and client expectations, scope of work and fees, and let the potential client download it at their end instantly. In addition, setup your website so that a client can fill in the blanks and email you with an inquiry.

When you find a prospect on the phone, at an event, or a social function (unexpectedly), after you have identified what the prospect's needs and wants are (and there is a huge difference between those two), don't over-talk and don't over-sell. Give the prospect your website address or give the prospect your business card and invite the prospect to visit your website (so that the prospect sees if what you do, etc. matches the prospect's needs and wants). You can talk after the prospect has done that and knows more about you. The website should validate your credibility, effectiveness, and worth.

### ***Market Yourself within ISHC***

Get to know your fellow ISHC members and what they do. They are the best of the best in hospitality consulting. Your clients will be impressed when you tell them, *“I don’t do XYZ but I have an associate in the ISHC who does.”* Delivering top-quality client service will be enhanced by having an “A-Team” on every assignment.

### ***Form “Talent Teams”***

This is a derivation of “Market Yourself within ISHC” but with a subtle twist; when you pursue an expansive project collaborate and form a team of ISHC qualified experts and present them as a team to the client. You can be the Principal (using your own private label) on the job and team quarterback – everybody wins. Several members also say they have permanent alliances with members that have complimentary skill sets. One final way to provide comprehensive service is to sub-contract parts or all of an assignment.

### ***Market the ISHC – Leverage (and Promote!) ISHC Brand Name Recognition***

This is an ISHC Marketing Chair mainstay. The ISHC designation is effectively a “good housekeeping seal of approval” to you as a member. Market your inclusion in the ISHC in every professional activity you partake in. Wear the pin, put a link on your website, add it to professional designations, put it on your signature line in letters and proposals, after your name on business cards, and tell all your prospects and clients that you are a member of the organization. Explain what ISHC does and what it means in the hospitality industry.

### ***Don’t be Shy – Use the Power of the ISHC***

If you have e-mail, just about once a week you get a request from a member in a blast message asking for help or advice on something they are working on. Members tell us that the response from these e-mail blasts is very strong and it helps them extend their reach and provide better customer service. We are also told that based on responses some instant alliances have been formed to better serve the client with top-notch ISHC consulting.

### ***Stay in Front of Clients and Prospects***

Top of mind awareness is critical to attracting new business and reinforces existing client relationships. This was coined “relationship management.” Anytime you see something that may be of remote interest to a client, send them a copy with a post-it attached and your business card...*“Thought you might be interested.”*

### ***Be Disciplined***

Thou shall not begin an assignment without a signed engagement letter, standard limiting conditions, and a retainer. Several members noted that the assignment (and proposal) should clearly state that the clock doesn’t start ticking until the client has supplied all the information requested.

A sub-set under this is to set the rate you believe you are worth and ask for it. If the potential client wants to reduce price, you need to change the scope of work. You can also change delivery dates (use time that might otherwise not get sold). You can also move from writing a narrative report to a bullet point summary or PowerPoint electronic presentation. You may also want to “yield manage” your time and establish minimum total fee thresholds (there are only 2,080 theoretical work hours in a year).

Explain to the client that the retainer is **not** a credit issue; it is there to assure your independence and objectivity. Tell them that you have no doubt about their ability or willingness to pay but **never** start a job without enough money in the bank to assure that you can tell the client exactly what you think without worrying whether you are going to collect.

### ***Bam! Kick it Up a Notch!!***

Simply stated, charge what you are worth and review your fee schedule no less than annually. One ISHC attorney member advised that an expert witness' credibility is questioned and you actually may get rejected if you appear too inexpensive. It's far easier to pass through an increase every January than double your rate one time every five years.

### ***Under Promise and Over Deliver***

Said alternatively, say what you'll do...and do it. First, clearly understand the assignment and the deliverable and make sure the client is in agreement. Late reports, inaccurate calculations, and missed deadlines will cost you valued clients.

A sub-category of this is that you should remain within or very close to your areas of specialization. It is ok to stretch yourself to expand expertise, but taking on assignments you are completely unqualified to perform is client suicide (and unethical).

### ***Retain the Retainer***

Make the assumption that there is add-on work and tell the client you want to retain the retainer so you are ready to begin immediately when asked. Words of caution, when extending assignments, send a clarifying letter that expands the Scope of Work.

### ***Your Silence is Deafening***

Communicate with clients, keep them posted on progress, and if there are problems or concerns tell them sooner than later.

### ***Join the Club***

This had two components: Internet marketing and referral groups. The Internet discussion was that members have found on-line discussion groups and referral groups. One member recently established the *Hotel Blog*. There are also members that belong to referral groups of affiliated professionals (architects, interior designers, development consultants, etc.).