



FROM THE DESK OF BOB WILSON

Maximizing Results Through People
A CEO To CEO Quarterly Newsletter
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Switching Tactics

Dear Fellow CEO:

In all of our businesses, there are processes we've developed that have served us well creating revenues and / or profits. We come to depend on them as tried and true mechanisms of success. While it is natural for us to keep processes that have driven sales, profits and / or cost reductions we should, at the same time, always be evaluating, "Can we do this better? Are there other ways of solving this problem? Are there other processes that should replace this one?" Hopefully, we each strive to add to and when necessary, replace our arsenal of successful processes. But, how do we know when what we're using is no longer appropriate? This is an especially difficult issue if we are the ones who invented the process in the first place. That additional ownership can ratchet up the level of difficulty when evaluating whether or not to change. At some point, we must admit that what we invented no longer works. But how and when do you decide to switch tactics? And how do you decide what tactics to switch to?

In 1986, when I bought the license to sell Predictive Index and started finding and developing P. I. clients, I went with what had worked in the past doing similar spade work as a New Product Development Manager for another company. I went to the library, found lists of potential buyers, drafted an introductory letter and started cold-calling CEO's. It was grueling, unpleasant work, but I stuck with it and developed our business faster than any licensee had previously. (You may remember that call – 17 of our current 150 clients were sold via my cold-calls in years past.)

As we brought on new consultants, our first training job was to incorporate the value of P. I. into their already powerful skill set. As you know, our consultants are all extremely smart, seasoned executives who bring significant added value to you, our clients. Their primary role is to consult, and, in order to consult, they must have clients to consult to. So, client generation must be part of their efforts. Thus, after learning P. I., we would acquaint them with our tried and true client development process – cold calling. While referrals from happy clients have always been our most productive way of adding customers, cold-calling has been the way to get going in the beginning or when the well of referral prospects ran dry. Certainly, we learned other ways of bringing on new clients and our consultants each added their own twists. We solicited referrals, gave speeches, networked, wrote articles for trade magazines and dropped in unannounced (the ultimate cold-call). Nothing worked really well, but consultants who were just building up their client lists had plenty of time between added value endeavors to try different alternatives of client development as opposed to waiting for the phone to ring. And when all else failed, the letter and the cold-call was the final alternative. Our success ratio was never good, but if we worked it hard enough, business would come. I knew that as an ultimate truth.

Through the end of 2000 our business was growing at a tremendous rate – an average of more than 30% annually for the previous 7 years and 2000 was the second straight year of > 40% growth. Cold-calling was a last resort and put off until there was absolutely nothing else that could be done for client generation. And, why not? The phones were ringing with referrals and general interest. But, in January 2001, things changed. Our new client faucet turned off. Consultants were checking their phones for a dial tone to make sure that it still could ring. The dial tones were there, but the phones weren't ringing. Everyone had inventory (time, for us) to build their businesses. So, I believed we needed to get back into the cold-calling mode.

This was hard for our consultants. Some had gone one, two, or even as many as three years without having to make the dreaded cold-call. But, there weren't many alternatives. So our administrative staff went to the library and got new lists and the consultants wrote new letters and the campaigns and the

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resultant pains were begun once more. The consultants reported that things had changed. People weren't listening. They couldn't get people on the phone, let alone get appointments. We tried different letters and voice mail messages. We included articles or referred to the web-site. Still, the consultants were having no success.

I listened, but I needed to prove to myself that the process was no longer viable. I took two of my old and successful letters from the past, added a couple of new twists, sent them out and started smiling and dialing shoulder to shoulder with the consultants. I wanted to show them that I could take the pain and turn it to gain.

After several full days of calls, I had nothing to show for my efforts. Not even one appointment. Yes, I had a couple of nibbles. A couple prospects said they'd look at our web-site or wanted me to call them back in a month or two. But, for the first time in my experience, cold-calling was yielding no results. None. The process wasn't working.

I can guess why. Our local economy is predominantly manufacturing based and still fighting recession. From my own experience, I know CEO's are inundated with sales calls from so many different directions – mail, phone, e-mail, and uninvited visits, everywhere – that they become immune to listening to new pitches. "If I don't know you, I probably don't need to." On top of that, everyone is so busy that there's not time to listen to something untested, unknown.

I reluctantly came to the conclusion that our cold calling process to generate new clients is not working in today's market. So, what can do we do to generate interest among prospects for our services? The process must be changed. How do we find a replacement for this failed process?

We gathered our significant intellectual resources and tried to figure out how to replace it. We brought our consultants together to consult – us. We asked what new avenues could we develop to generate new business? And, probably to no surprise to you, we came up with several excellent answers.

Here are the solutions that we intend to immediately test in the effort to build new, successful client development processes:

1. One of our clients utilizes our services as part of an educational program they offer to their clients. We come in and plug P. I. into specific problem issues our clients' clients struggle with. This program has allowed us entree to several new prospects. Could we suggest this same idea to those others among our clients that offer business-to-business products or services? Could this become a value-added service for our clients and a way to generate business for us? We intend to contact several clients and find out.
2. We have had several invitations to conduct educational programs for Chambers of Commerce. The Chamber charges a small fee (\$40, for example) to attract attendees who hear us present on topics such as "Why is it that the harder I push my people, the less productive they become?" at no cost to the Chamber. Why don't we market this idea to every Chamber of Commerce and Economic Development Agency in our territory? Each of our consultants will make these efforts.
3. We have given a number of Rotary Speeches to mixed success (15 minutes is not a lot of time to get a point across) over the years. Conversely, Rotarians are always looking for presenters that bring value to their members. Can we, by marketing to Rotary specifically, develop a program that creates interest in 15 minutes? Through a number of iterations we might find something that works. Todd Gross and Jeff Moore will meet with the Rotary speech coordinator for Indiana and try to start lining up appearances.
4. One marketing effort we have never tried is the "Event". This is where several speakers from a specific industry are invited to talk about their use of a service (in this case, ours). Significant efforts are extended to attempt to fill a room with the desired audience around a breakfast, lunch or dinner and a mutual interest in hearing the speakers. I will begin work on an event aimed to take place in April.

5. Several of our clients have asked us to conduct pro bono team building sessions for the non-profit Boards of Directors they sit on. These have yielded valuable leads into prospect companies we had no access to. Can we determine if our clients participate in the boards of non-profit organizations and if so, see if they would have an interest in such a team building event? Our consultants will begin to solicit interest immediately.

Will one or more of these efforts be successful? Will they provide a new client development process to replace cold calling? Who knows for sure, but I think so. If these don't work we'll go back to the drawing board. If they do, we'll probably continue to tweak them looking for better alternatives. Should we have started the process sooner? Probably, but it's better late than never.

What can we all learn from the experience? Former good ideas, even if they are yours, can become bad ideas. Former good processes, even when executed well, can become processes that no longer work. When that happens, we've got to face the cold hard facts. It's nothing short of stupid to keep doing something that isn't working without looking for a better solution. So, when a process that you need to work stops working, gather your best people together (and maybe your P. I. consultant as well) and ask the question, "What should we do now? How can we replace this process with something successful?" You'll probably come up with the right answer when you put your strongest people on the problem.

I hope you have gotten some value for your business from this note. Thanks for reading.

Sincerely,



Robert S. Wilson, President
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P. S. If you have any client development ideas you think would help, or just a thought or comment, please e-mail them to bwilson@bobwilsonconsulting.com.