

**Maximizing Results Through People**  
**A CEO to CEO Quarterly Newsletter**

**5/15/06**

**Consultant Transition at BWA**

Dear Fellow CEO:

We are in the final stages of training of two new consultants – Dave Poole and Paul Dumouchelle; and we'll likely bring two additional consultants on board in the next 18 months. I thought I'd share with you the evolution of our consultant development process – from its first iteration more than a dozen years ago to its current status. Hopefully, this will be both interesting and insightful and provide you with ideas you can use in your own businesses. I'll never be sure we've got it right, but I'm hoping we're pretty close to what's best for the company, our clients and our nascent consultants. Perhaps our learning curve will aid you in future similar activities.

In the middle of 1993, I reached a saturation point. I was our only employee and was servicing 55+ clients covering 10+ states and there just wasn't time to sell – or do much of anything else. I was wrestling with whether I wanted to continue to operate individually, or become a consulting business. Then I got a call from the licensee in West Michigan asking if I'd be interested in buying his business – which would add another 20+ clients into the mix. While servicing almost 60 clients was more than one person could effectively do – 80 would be impossible. The decision was clear: I'd try to build a business. I frantically began looking for a consultant while continuing to function as one. It took about 6 months, but I finally brought Gavin (no longer employed at BWA) on board in January of '94.

His training program was developed ad hoc. It involved working shoulder-to-shoulder with me as I serviced, trained and sold prospects and clients. When he seemed to know a subject, he'd start to train me in return – to assure that he could deliver our services to our clients. After several months, he got good enough to take the lead on sales presentations, service visits and seminars. I'd tag along and provide constructive feedback after the event. Eventually, he was given a group of clients to service on his own.

While the consulting business I'd envisioned would allow me to concentrate on developing and increasing our service offerings while managing the newly minted staff, I couldn't begin to do that until all of my clients were spun off and my time was freed up. Thus, the next 5 years was a painstaking process of hiring consultants and training them using the "Gavin approach" in an effort to completely transition my portfolio of clients to the newly minted consultants. When it was complete, I was glad to have been done with it. Patience is not my forte, especially over 5 years.

Because we'd spent 8 – 12 months training each new consultant prior to introducing them to clients, the transitions of clients from me to the new consultant generally went pretty well. They had to prove they knew their stuff to me prior to having the opportunity to sell, service or train prospects and clients. That didn't make all the transitions easy, however. I remember instances with each transition where clients would tell me, "I don't want some "rookie" handling our account!" I'd ask that the client at least give the rookie a chance and after a while, almost all of the transitions stuck and worked out just fine. These same clients would tell me in jest (I think) that their current consultant was much better than I ever was. Sometimes, the new consultants even brought a fresh approach to the client (which was appreciated) that I hadn't seen or delivered. And, in both cases, that's the way we hoped it would be.

Our business model is an interesting one in that the saturation point for individual consultant looms large at about 50+ clients. At that point, their ability to grow their business is severely diminished – they just don't have the time to continue to sell prospects while servicing and training. That said, experience has shown that new consultants struggle mightily building up a business from scratch without a "book" of business to inherit on completion of training. New consultants need opportunities

to practice their craft and maintain their confidence while they're selling to build their practice. Thus, to grow our business we needed to calve new consultants from the successful existing consultants in a way that benefited both while leaving the client satisfied with a level of service designed to amaze – a tough order.

In 1999, we had our first attempt at a consultant-to-consultant transition. John Ranalletta had expanded his client base to the saturation point – he had reached 50+ clients. We developed a mechanism combining stock and cash compensation where we hoped it would be beneficial for John to spin off a group of clients to the new consultant we hired – Todd Gross. Todd trained, primarily under my wing, but also with the help of John and our other consultants, and eventually was ready to take on the responsibilities of managing a territory and servicing a group of John's clients. Again, generally, the transition went smoothly. Again, there were clients who complained of having to work with a "rookie". Again, we asked that the "rookie" be given a chance. And again, we had some come back and tell me how much they liked Todd once they got to know him. The transition worked pretty well.

As we continued to add staff, one thing happened that probably wasn't a good thing. I removed myself further and further from the training of the new consultants – letting our existing folks handle that load. I'd had my fill of shoulder-to-shoulder training over the first 5 years of transitioning consultants. On reflection, that was a mistake. While our people are all smart, hard-working and interested in the success of the company, the lack of my hands-on involvement had costs. Most importantly, I did not develop the trust and strong relationships with the new consultants that I was able to develop with those I trained shoulder-to-shoulder. I think these new consultants felt more adrift and apart from BWA than those with whom I'd spent so much personal time. Additionally, while each of our consultants has a very strong fundamental understanding of the P. I. technology, my minimal involvement reduced focus on the basics of P. I. Finally, I had to answer the question, "What could I spend my time on that was more important to the development of the business than the development of our people?" I needed to be involved – like it or not. With Dave and Paul, I realized their training was too important a task for my removal from the process. So, with our newest additions, I've been intimately involved in each stage of their evolution, with the help of all of our people – and the result is they're doing quite well.

As they're both going through the final stages of their training – providing service and training to some of our clients, learning the sales process, and gaining a hands-on tutorial from our consultants on how to deliver "amazing" service, I want you to know that should you be introduced to a "rookie", that "rookie" has lots of experience in delivering P. I. before he got to the point of coming to visit you. We believe he's a proven professional that will bring value to your firm. I hope, if you have an opportunity to meet Dave or Paul, that you'll give them a chance.

Thanks for listening.



Bob Wilson, President  
Bob Wilson & Associates, Inc.