Building Long-Term CLIENT RELATIONSHIPS
WELCOME – OUR AGENDA

- Putting Things In Context
- Getting Started
- Targeted Engagements
- Relationship Building
Part 1

Putting Things In Context
THREE ASPECTS OF BUILDING A SUCCESSFUL PRACTICE:

• GETTING APPOINTMENTS (MARKETING)
  • GETTING CLIENTS (CLOSING AN APPOINTMENT)
  • KEEPING A CLIENT (MAINTAINING YOUR RELATIONSHIP)
# The Relationship Cycle
## A Formula for Repeatable Success

## I. Relationship Development
- Understand the customer:
  - Goals, objectives
  - Technology plans
  - Process alignment

## II. Relationship Definition
- Define performance areas
- Finalize specifications
- Define expected outcomes
- Commitment
- Perform test -- pilot
- Confirm specifications
- Adjust business processes

## III. Relationship Test
- Outcome review
- Quality survey review
- Plan to move forward
- Execute Plan
- Project management
- Executive review
- Feedback

## IV. Rollout
- Feedback
- Define
- Rollout
- Test
- Initiate

## V. Relationship Feedback
- Feedback
- Define
- Rollout
- Test
- Initiate

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**Note:** The diagram visualizes the cycle with arrows indicating the flow from development to definition, then testing, and finally feedback. Each stage is interconnected, showing a continuous process of understanding, defining, testing, and refining the relationship.
Preparation

Become The Generalist
SOME KEY ASSUMPTIONS

• YOU ARE A GENERALIST

• 90% OF YOUR CLIENTS ARE NOT SOPHISTICATED

• MOST ISSUES AND SOLUTIONS ARE GENERIC

• YOU CAN ANTICIPATE ISSUES AND PREPARE STANDARD SOLUTIONS
THE THREE KEY ISSUES YOUR CLIENT NEED TO ADDRESS

• NO CASH – A FINANCIAL FOCUS

• MORE SALES – A MARKET FOCUS

• MORE TIME – A PEOPLE/MANAGEMENT FOCUS
NO CASH - FOCUS IS FINANCIAL

• To Diagnose Correctly, the situation must be reviewed from both an income statement or cash flow perspective and a balance sheet perspective:

  • Cash Flow
    • Pricing Problem
    • COGS Problem
    • Other Expense Problem
    • Working Capital Issue
      • Cash, Receivables, Inventory, Payables

  • Balance Sheet
    • Capital Asset Issue
    • Liability Based Issue
    • Equity Based Issue
USEFUL TECHNIQUES - ADDRESSING THE FINANCIAL ISSUE

- Be Able To Differentiate The Different Causes And Solutions Of Funding Problems:
  - Short Term vs. Structural Issue
  - Business As Usual vs. Growth/Expansion
  - Startup vs. Going Concern
  - Asset, Liability, Equity Based Options

- Develop Your Ability To Read And Analyze Financial Statements

- Be Able To Quickly Put Together The Fundamentals Of A Business Plan

- Be Able To Project and Establish Pro-Formas Under Different Scenarios

- CONSIDER THE ISSUE OF BUSINESS VALUE
MORE SALES - FOCUS IS MARKET

- Diagnosis Involves Determining The Underlying Reason For Inadequate Sales:
  - The Market Shift Issue
    - The Customer Issue
      - The Product Issue
      - The Sales Management Issue
USEFUL TECHNIQUES - ADDRESSING THE MARKET ISSUE

- Enhance Your Ability To Properly Diagnose The Issue:
  - Be Able To Conduct A Market Analysis
  - Be Able To Conduct An Industry/Competitor Analysis
  - Be Able To Conduct A Customer Survey
  - Be Able To Perform Sales Management/Performance Reviews
  - Be Able To Review Budgets and Results of Marketing Techniques and Expenditures

- Crafting Solutions:
  - The Market Shift
  - The Customer Issue
  - The Product Issue
  - The Management Issue

- KNOW HOW TO DO A MARKETING PLAN
  - START WITH THE MARKET, FOCUS ON THE CUSTOMER, MOVE INSIDE
Proper Diagnosis Entails Review Of The Following Areas Of Potential Problems:

- MANAGEMENT PROCESSES & ORGANIZATIONAL STRUCTURE
  - The life-cycle correlation; planning/objective setting methodologies
- WORK FLOW AND OPERATIONAL PROCESSES
  - Controls; Operating Procedures
- STAFF CAPABILITIES
  - Matching The Employee View With Company Needs
- GOVERNMENTAL REGULATIONS
USEFUL TECHNIQUES - ADDRESSING THE PEOPLE/MANAGEMENT ISSUE

• Enhance Your Knowledge Of The Fundamentals Of Management and Organizational Structure.
  • Management Issues Faced in Various Stages Of The Business Life-Cycle
  • Issues Associated With Delegation vs. Control
  • Proper Techniques for Planning, Objective Setting, Communication, and Performance Review

• Know Some Techniques For Conducting Assessments:
  • Management Assessment Tools
  • Employee Survey And Assessment Tools
  • Work Flow Analysis Tools

• Establish Some Approaches For Addressing Common Human Resource Issues:
  • Hiring Staff
  • Compensation, Benefit, and Incentive Plans
  • Performance Evaluation and Compensation Reviews
  • Employee Disciplinary, Warning, and Termination Processes
  • EEOC and Discrimination Policies and Processes
  • Employee Handbooks, etc.
SOME VALUABLE TOOLS

• Use IIB Web Resources
• Use Your Local College
• Review The Basics Books
Part 2

Getting Started
The First Month

• Getting To Know Your Client
• Getting To Know The Business
• Educate Your Client
• Set The Review Process
Know Your Client

- Know His Background
- Know His Personal Life
- Know His Motivations
- Know His Fears

- BECOME A TRUSTED FRIEND
Know The Business

- Business Audit
- Financial Statements
- Marketing Materials
- Customer Lists
- Revenue by Customer
- Employee Manuals
- Compensation & Benefit Plans
The Owner's Questionnaire

- General Information
- Personnel
- Sales & Marketing
- Operations & Planning
- Accounting & Finance

- KEY POINT ANALYSIS
Educate Your Client

• Get Agreement On Diagnosis
• Get Agreement On Priorities
• Get Agreement on Approach
• Get Agreement On Targets
• Get Agreement On Working Relationship
Set The Review Process

• The First Monthly Meeting
  • Review Progress
  • Set Next Month’s Agenda
  • Fix Responsibilities
  • Set Objectives
  • Present Invoice
Part 3

Targeted Engagements
The Consulting Program Summary

- Identify Target Programs
- Set Benchmarks
Program Profiles

- Business Planning
- Personnel/Human Resources
- Sales & Marketing
- Operations
- Accounting & Finance
- Succession Planning
Part 4

Relationship Building

Honing Your People Skills
What We’ll Cover

• Benefits of showing A+ people skills
• Being authentic
• Building client trust
• Listening effectively
• Behaviors that lose clients
What Topics in This Segment?

- Benefits of active listening
- Barriers to listening
- Good habits
- Exercise
- Self-assessment
What Are People Skills?

- the ability to be authentic
- to put ideas into words
- to listen attentively
- to give support when needed
- to disagree acceptably
- to maintain a relationship
What’s In It For You?

- Have your skills better used
- Become more of a partner
- Avoid no-win engagements
- Get support from clients
- Increase leverage with clients
- Build trust with clients
Five Ways to Lose Your Client

1. Act distant, remote.
2. Keep your client in a passive mood.
3. Assume the client will do...
4. Pretend to “know” the answers.
5. Be quick to criticize.
Let’s Illustrate Authenticity

• Client says:

This business audit shouldn’t take you too long. A day or two and you’ll be done. I wish I had some time to spend with you, but I have some critical priorities I must get to. My partner can help you. Also, don’t take too much time from any of my people. They are under a lot of pressure.
Here’s an Authentic Response

• Business adviser says....

You are treating this audit as though it is unimportant and small. Like a trivial matter. If it is an interruption, maybe we should reassess the timing. I would like you to treat it with more importance.
What Does Being Authentic Look Like?

• You put into words… what you’re experiencing
• You say what is happening
How Well Do You Listen?

- Practice effective listening skills
- Avoid barriers to listening
- Suspend judgment until understanding…
- Seek to clarify
- Process information fully
Did You Know?

Nonverbal cues provide 93 percent of the meaning exchanged in any interaction: 35% from tone, and 58 percent from gestures, expressions, and other physical cues.

Dimensions of Trust

- Integrity
- Competence
- Openness
- Loyalty
- Consistency

Ways to Enthuse Your Client

1. Create a need — WIIFM
2. Develop the client’s PR (personal responsibility)
3. Get excited
4. Give deserved approval
5. Respect client’s motives
Give Your Client Support

You build trust for and commitment to you and your work by appreciating your client and showing him or her respect in little ways. These actions will enhance the passion your client will show for “getting on with the program.”
Tying All This Together

• Here’s a picture of a successful “life” adviser

Who is he?
Wrapup

• YOUR ACTION PLAN

• POST SEMINAR ASSIGNMENT