

EPISODE 1

Advising in the New Economy The Consulting Curve

Tue, 8/9 12:33PM • 15:54

Introduction: Welcome to another episode of the Consulting Curve. The community approach to clients and consulting brought to you each week by Biz Drivers.biz founded by Peter Selby, a trusted profit and growth advisory to companies and consultants around the world. Tune in each week and learn how you can take that journey.

Kevin: This is Kevin Pruitt, I want to welcome you to the pilot episode of the Consulting Curve with my good friend Peter Selby. Peter, thank you for joining us on the Consulting Curve.

Peter: Glad to be here really looking forward to this series actually.

Kevin: We're just talking off. Yeah, for sure. We were talking before we hit the big red record button and just looking at some notes and what a journey we're going to take in the next few weeks, few months. And but to set the stage a little bit in the Consulting Curve, the community approach to clients and consulting. Peter, talk a little bit about kind of the genesis of the podcasting and maybe the idea behind it.

Peter: Sure, yeah, look, uhm. The, I mean, the name of consulting curve really comes from the learning curve that goes as people move into the advisory world, and it's, it's a lot harder than people think. And we certainly, you know, we have a whole section of our advisory business set up to help people do this. And that's there, because the journey is, is quite difficult, you know, and especially, we specialise really helping executives and executives come out of their roles, after years in corporations quite often, huge networks that come with, you know, been successful, over those over those times. And then walk into this world where they have no resources at their disposal, the, you know, the people that used to do do things, and that could be delegated to aren't there. And this huge network is actually a lot smaller than people realise. If we think of the Pareto law, the 80-20 rule that's in every field, you know, only 20% of the network are ever going to do business with them. And about 80% of the benefits. So people's networks run out much, much quicker.

Peter: So, you know, with all that going on, and then we, you know, you're seeing the news in the US and Australia and the UK, is a great resignation, you know, everybody's rethinking their careers post COVID. And is there a better way? Do I really need to go and have this high pressure role in a corporate environment? I've kind of having the time I've had at home has made me rethink what I need in life, and just incredible

numbers of people resigning, people standing up as consultants, it's the whole landscape changing. So the thinking here was to discuss some of these topics in a, in a live situation like this help people along the journey, we'll get some people maybe come along and give their stories of how they've transitioned. And she'll be a great topic. I mean, it's huge.

Kevin: It certainly is. And and what's interesting is that you kind of set the stage for what we wanted to talk about today. I mean, what a great segue, you know, talking about the great resignation, where, you know, what does it look like, you know, and what does advising in the new economy really look like? When you hear those words, what comes to mind?

Peter: Interestingly, companies are more connected than they've ever been. So if you think of the new economy, what we're really talking about is, I guess the fourth industrial revolution is data, big data driven, connected markets where things are moving much, much faster than they ever were before. Companies have to be more agile companies really need to be on their toes to stay ahead of the competition in their markets, there's more disruption than ever before. So companies are looking for deeper insights as a, as a result of that. And consultants then have to be able to move with all this. And of course, that's another space that's moved very quickly. So you know, the thing that springs to mind for me is, as an advisor, you need to have your finger on the pulse a lot more than you ever did before, you need to have more customer solutions than ever before. You know, customers are really looking for demonstrated processes, you know, deeper IP, they're trying to get deeper insights, and trying to move faster. And then you compound that with the fact that platforms like LinkedIn, have kind of commoditized the consulting space, it's very low. So whilst there's more companies than ever before looking for help, there are more people to provide and you need to really stand out from the crowd. So it's quite a different environment.

Kevin: I think back at, you know, when I studied economics in university, I mean there was always this kind of push, pull this the supply side the demand side, you know. When you think of consulting in this new economy, what is kind of the supply side and demand side? How are they kind of inversely related when it when you're talking about, you know, more companies need help, but yet there's more consultants out there, is it just an equal rise? Or you kind of see an ebb and flow?

Peter: I think it's, it does have ebb and flow for sure. But I think, right now, the power is with the buyer, right. So, you know, in this connective world, buyers have more buying power than they've ever had, because they're connected to so many I mean, you know, people can make huge buying decisions with the press of a button on their mobile phone, while they're sipping their favorite latte in a cafe somewhere, you know. So it's a different environment from that perspective. And the thing is, with advisory services, clients are looking for a lot more depth, I guess, and a lot more innovation in solutions, they're looking for commercial innovation, they're looking at, you know, the whole idea of just turning up and charging a day rate, and hoping you can compete with everybody else, are really over. And the, I guess the industry is just waking up to that fact. So there's a lot of whilst I say, there's a lot more consultants sort of registered now than ever in history before that, a lot of them are also struggling because they can't differentiate, you know,

Kevin: It's like the old adage, the starving artists, you know, when they're just artists

everywhere, but nobody's actually earning a living type thing. But when you when you, you know, you talked about companies, you know, needing those types of insights, they actually, I mean, everything is kind of this, this quantum speed, you know, that the speed of business has changed rapidly, even, even in the midst of COVID. I mean, the information they need, how rapidly they needed, the accurate data, you know, they need at their fingertips. So how do you see the advising space or the consulting space? How do you separate yourself, I guess, as a consultant in this kind of rapidly changing environment?

Peter: I think the answer to that is you don't. In fact, you embrace it even more, you know. One of the interesting, I mean, the consulting industry has a limited amount of trust in it. And that's come from that the old model, where the idea, especially some of the larger consulting companies, is keeping their customers very separate. The process they take you through is almost a secret until they get there and you know, is this got this black box element to it. And I think that's that, that's disappearing. So you need to be able to embrace customer communities in a consulting company, which is a new idea, I think, for the industry. And we've been doing it quite a while actually, we've had all our customers connected for a long time, and they gain a lot of benefit from talking to each other, but you've got to be able to have a very open format of business to be able to embrace that. But I think it's going to become a requirement rather than a standout. You know, so they're the sort of changes as, as businesses become more connected, I think the people that serve them need to become more connected with their customers, you know, does that make sense?

Kevin: I mean, it's absolutely, I mean, I want to ask you about that, that idea of this kind of open handed community that, that you have that, you know, that some people I think would be threatened by that. Or they may, they may see that, like, you know, I don't want to, you know, open pull back the curtains, you know, you might see behind the workings of the inner workings of the Wizard of Oz here, you know, so to speak. But so what are the benefits? And what have you seen as a benefit of this open community, this really sharing economy?

Peter: Look, I think there's there's two communities, there's two approaches to community that we really promote. The community of advisory services in themselves. So certainly the people that are, we have, we have a service called the Executive Advisory Board, that is a collection of advisors that work together for greater good. So there's a community of supply, and therefore a community of pipeline as well of opportunity. But on the reverse side of that coin, the customers get a lot from being connected. Because they they've got consistent access to best practice, they can see how other companies are doing things. We actually have a platform for it. So they can trade with each other on the platform as well and promote each other's services. They give each other discounts, all sorts of things. But the benefits, apart from I guess encouraging trade is the fact that there's this 24/7 access to different companies around the world doing different things, different best practices. There's always a bunch of advisors in the background that people can touch and ask questions to share documents, all that sort of stuff, but that kind of environment if you think about it incorporation. So really, we're there for donkey's years. So corporates have had, you know, customer product communities for a long, long time, and it's just never spread into the advisory market. And I think for the reasons, you've just said, you know, there's this secretive element to it that feels threatened by opening it all up. But we've definitely seen customers really benefit from it.

Kevin: I mean, you mentioned the idea that companies are demanding more, they're demanding better services more efficient, more effective, you know, just kind of more and more and more all the time. But I think this, this open community also kind of feeds that in a good way to that, that exposes them to, you know, it's almost like we're in this together, you know, we're walking in this with you, instead of this kind of ethereal, mysterious advises consultant that shows up and hides in a in a boardroom or, you know, a closet for a week, and then comes out with this magic solution that nobody knows if it's going to work or not, you know, so to speak. But, you know, I'll talk about that a little bit about just how the community feeds the than the demand of companies to have, you know, to increase your service.

Peter: Yeah, look, the one of the big benefits they get from this, if you think about a particular piece of intellectual property or process that we may have, that we take a customer through to solve a certain type of problem. Whilst that methodology is the same, no matter where we take it, how it's applied is very different. Of course, the outputs from it are very different, depending on what that company is doing. So the other dimension that customers get is they can see how this particular piece of intellectual property works in a completely different type of business. So we're about to do, let's say, we're going to optimise our supply chain in our company. But hey, look, we can see where this has been done with another customer in a completely different business. And that's and that had this particular output. So it, it stretches the ability to see what you can do with a particular solution. And, you know, interestingly, when we set up as a company back in 2008, and the first few years, was all around developing IP, we realised, use that just relying on our experience wasn't enough customers need a process to go through, they need something that's demonstrated that will work that they can be driven as a roadmap through to an end position. But as soon as we then connected all the customers and that was more recently, probably five or six years ago, we started doing that. What we hadn't foreseen was people then seeing, well, this company that does something completely different to us has had this result by using this tool. We haven't thought of that result. So we're, we want to use that tool in a different way than we were thinking, you know, oh, wow, you know, it's a different insight. Now, when companies are looking for more and more insights more rapidly, of course, that feeds that very well. But it's also easy to sit here afterwards and say, this is the benefits they're getting. We haven't foreseen all of this upfront, we just thought it was a good idea to connect our customers more than anything else.

Kevin: Yeah, I mean, I see, I see two huge benefits, and they kind of work in tandem with each other. It's not just the kind of, you know, the client can actually see the solution. But it's not just you telling them it's also their other clients that are that are kind of verifying that, yeah, this, this was true. And you can see, you know, as we're in community with you, you can see the benefits and how our business has changed. And it's just not the consultants, you know, just not taking your word for it that that happened.

Peter: Yeah, that's right. And interestingly, that's really only one element to the other side that's evolved. Because we put this on to a private platform, if you like, sort of secure environment. We see customers actually trading with each other on it. So they'll, you know, they'll, they'll give other men, other customer members discounts to try and promote growth as well. So and then they can apply those tools in that environment. So it kind of the whole thing feeds itself and it's whilst it's a bit unusual at the moment, I honestly think if you're trying to step in the advisory world and certainly build a resilient advisory practice, you're going to have to at some point, connect your customers.

Just everything is connected now,

Kevin: Right? If you don't, they will. And they will connect without you in the equation.

Peter: Exactly.

Kevin: They will connect with someone for sure, for sure.

Peter: And if they can't connect through you,

Kevin: Absolutely. Well, Peter, I appreciate you taking the time just to kind of lay a great foundation for this this podcast series. And, you know, we've got so many things I mean, you know, from sales to business practices to just process and, and community that we're going to talk about in subsequent episodes. But, Peter, I really appreciate you just kind of laying this this, like I said, this foundation of, you know, advising in the new economy, what does it look like? And I'm really looking forward to our audience, really hearing exactly what's going on, but you know, behind the curtain of these drivers So, Peter, thanks again and we'll speak soon.

Peter: Excellent, thanks. Thanks, Kevin for your time, and I'm really looking forward to this. It's going to be fun.