

EPISODE 3

Sales Closure Code - The Consulting Curve Podcast

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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 from corporate to consulting.

Kevin: Welcome to another episode of the Consulting Curve with my good friend Peter Selby. Peter thanks for joining us again this week.

Peter: Pleasure to be here, it was always good conversation around this stuff. I love it.

Kevin: I look forward to this every every couple of weeks. And this is episode three of our series. And just recapping quickly, episodes one and two. A lot to cover. I mean, we this, this is really all around the whole, like the new economy advising in the new economy and, and this entire series and we started off just really touching briefly, just what does it look like to advise the new economy? And what were some of those sub points that you mentioned? You know, like, just companies really needing assistance competition. The LinkedIn consultants are certainly increasing with demand, how to be better equipped, and then in episode two, we really talked about the brand, you know, what does it look like to represent the company or the have the company represent you, you know, in this space, and really kind of weigh the idea of lone wolf versus being part of a community. And really the whole idea behind this podcast is the community approach to clients and consulting. So really touched on that in some good ways. But this week, we're kind of taking a little bit of a detour. And we're going to talk about the sales closure code. So Peter, what is that exactly? For our listeners that are wondering?

Peter: Well, this is all about the technique you use to get to business decisions. And, you know, this whole series is all about the learning curve, that you do as a consultant or becoming an advisor from a different position in life, be it employment, or, or whatever it may be. And one of the first problems that you come up against is obviously closing out opportunities, and I want to go work for somebody, you might have a good target that you're working with, or a good organisation that you want to work with, or a good relationship. But people get caught up, quite often, in fact, nearly always in the sales process. And the trick to this, what the trick is the right word, but certainly the required technique, it needs to be reliable, you need to be able to reliably convert opportunity. And it also needs to be able to do it rapidly. You know, we see a lot of

people get caught up in the long process, and putting a lot of work into converting an opportunity. And that's all unpaid time. And quite often goes nowhere if it's not done properly. So having this very high, very rapid and reliable sales conversion is critical. If you've got a lot of competition, and let's face it, buyers have a lot of choice. Even if you're well differentiated, being able to break get yourself to a rapid business decision is absolutely essential. A lot of competition around you. Does that make sense?

Kevin: Yeah, absolutely. And I know that we talked a little bit in episodes one and two, just about the increased competition, you know, just in the space as a whole. I mean, whether it's the big firms, or whether it's the lone wolf shops out there, or even small agencies that are competing with you, but it sounds like to me that that. And maybe I'm oversimplifying this, but is there a almost an algorithm to sales? Is there almost, I mean, you use the word code. Is this almost like a mathematical equation?

Peter: No, it's not mathematical. I mean, we have a very systematic approach that we call our code, which is a process that we teach people to get to rapid business decisions. But whatever system you're using, the point is it needs to be a system, it needs to be reliable, and it does need to be rapid. And you're right, you know, the competition level is higher than it's ever been. We've got you know, the age of resignation happening all around us in just about every Western economy. You can think of executives resigning in the first place. They had his LinkedIn and put consultant on their profile, you know, so that competition is definitely growing, especially in the independent space. So therefore, you've got apart from just standing out from the crowd, you've got to find a way that gets the client into a rapid decision process and takes them on a journey. And then I'll give Do the opposite of that, to try and make sense of what I'm saying, imagine a proposal. And we treat proposals. I mean, some industries demand if you're going to do business in government and defence, etc, you're kind of bound by that process. But in most industries, when people say they need a proposal, they don't they, what they're actually saying is I like to put the decision often later, or I'd rather not make that decision. Right. I'd rather make that decision when you're not around, or I'd like to compare your price with other people's because you're not differentiated enough. You know, when we kind of teach people proposals, just trick the word proposal as a swear word, and try and avoid it at all cost. And the reason for that is you're dragged into someone else's process. So it you know, and your proposal could be on the table for a significant amount of time before someone's going to make a decision on it, it's normally compared with others. And guess what's the first thing they compare, when they compare it with others, even if they say they're not going to, they are going to they go straight to the price.

Kevin: Race to the bottom, so to speak.

Peter: And also, the most fundamental reason why you want to avoid proposals is at the moment that the decision has been made, you are no longer influencing the situation, you're relying on a document to do that on your behalf. And that is hit and miss at best. Now, as soon as you submit a proposal, you've reduced your opportunity to close out that assignment by at least 50 to 70%.

Kevin: And that, that is I mean, we're talking about the sales code today. So our sales close your code. But so when you're talking about when you're when you're teaching advisors, you know how to how to consult well, and you're saying avoid the proposals, what are the alternatives?

Peter: Well, the alternative. So the opposite to a proposal, which is someone else's process is having a clear process of your own, that can clearly articulate your offer or your solution. And the client can see the benefits at every step. So it's visual, right the way through. One of the big problems in the world of consulting, and we have touched on this before, is the lack of trust in the industry. Because, you know, the reputation of large consulting houses, no matter who they are, is not great in the industry, people, consultants are considered a bit like flies, once you get them in, you kind of shake them off, you know, they're going to charge as much as they can and drag work out and all the bad connotations that go with consulting. Now, whilst that behaviour is not necessarily there in the independent space, it's perceived as being there. So you're already got a barrier, a trust barrier you're trying to deal with. So to be able to give the customer or the potential client, absolute clarity about the beginning, and the end of the journey removes a lot of the risk from their perspective. And don't forget, a professional services environment is about trust, right?

Kevin: Right.

Peter: At the end of the day, what a can, it's going to sound over simplistic, but consultants are actually only selling one thing. And clients are only buying one thing. And it doesn't matter what industry are in how specialist you are. And that might sound bizarre. But at the end of the day, a consultant selling money and a client's buying trust, let's see, so simple as that. So if you think about the trust that's required, it's at two levels, it when you're entrusting somebody with your business, you have to be able to trust them on a personal level. And you have to be able to trust that they can solve your problem with no risk. Absolutely. Critical that both those boxes are ticked. So even if you know somebody well. And they trust you implicitly, but they're not absolutely convinced you can solve their problem, you won't convert. On the other hand, if they're convinced absolutely, that you're brilliant at this, and you can solve the problem, but they're not sure they actually like your personal level or trust, you're still not going to get the work. It has to be both of those things.

Kevin: So how do you overcome the objection? Like if I'm a, let's say, I'm kind of mid-level C's, you know, low C suite, whatever. And, and it's like part of our process and in the business that we have to have proposals, we have to have competitive bids type thing like so how do you get around that if you if you treat proposals like they're the plague?

Peter: By we just don't do so we may ensure that

Kevin: There is a way to get around them.

Peter: Yeah. I mean, we ensure there is enough clarity and deep understanding of the journey that customers go through. There's nothing to write a proposal about. Now sure, before we say Often engagement, we're quite happy to write a detailed methodology of the approach. But we'll only do that once we're engaged. The problem with a proposal is you put hours and hours and hours of work into it, no one's paying non-revenue producing it. And we never know if you're ever going to get paid with that you've just uses the chances of doing that by submitting it in the first place. So we absolutely don't do proposals. Unless we're in an industry, like I say, government or something where you've got no way around that. And you have to be cognizant of that to do business in the industry. And that's just part of an assignment. Normally, in the government space, and unless you've got some extremely deep relationships, your best 30% chance of winning anything, right, there's normally two or three other people

as came around. So when I'm talking about having a rapid sales conversion process, this also means you want to have a reasonable conversion rate. If you're only winning 20% of the stuff you don't ever talk about, you're not gonna be able to get working quickly enough to make much money, because you're going to spend too much time talking to people. So you do need a reasonable conversion ratio, a win rate, if you like. But most importantly, of all, you need a rapid decision. So even you know, for complex assignments, we will normally about businesses using the second conversation.

Kevin: Is that because of your track record, or is that because of the process, or is that a combination of the two?

Peter: It's more of a process than the track record to be fair, because quite often, if it's a new customer, you know, the other thing to remember, in the consulting space, even if you've got a good network, and you've been in business a while, if you're an independent, most of the world's never heard of you, no matter how good your marketing, no matter how good of work you've done, no matter how many customers you've got, if you think about the consulting names that roll off your tongue, the sort of top 10 consulting as is because they've got a global presence. They've been around for 200 years, and you know, they're well understood. In the end of the tenant space in your area, you're probably well understood in your region. But most of the world's never heard of you. So your sale process has to rely, you've got to assume that they've never, you don't have a reputation to go in with. And therefore you've got to remove the risk in your process. Does that makes sense?

Kevin: That's for sure I'm out there. But no, no, that's exactly what I was asking. Yeah,

Peter: This is the biggest problem we see. And the only way to do that is to deeply understand your customers view. This isn't about your solution at the end. And the other the other lesson for consultants here is nobody cares the slightest about your solution at all, nobody. Not one person, that, okay, what they care about is the outcome. And we see it especially, you know, I guess it's a more common problem in the technical space where you might have a software solution or a very complex solution. Companies fall in the trap of falling in love with their solution. And forgetting the customer really doesn't care anything about that. So you can't align the outcomes of your solution from a positioning perspective, concisely enough if you don't deeply understand your customers problem in the first place and their view of the world. And you know, how often you see people rushing in talking about what they can do for people when they don't really understand what people want? Or even need, like a hammer looking for a nail?

Kevin: Exactly. If you're a hammer, everything looks like a nail. That's for sure. So when you're you talk about the process that you have is the does the process kind of Trump the situation that you're going into? Or is the process adaptable? You know, for whatever situation you encounter when you when you're consulting with a company.

Peter: It's part of the process. So the first step of all of this is understanding the customer and understand really understanding, not just a problem, but the problem from their perspective.

Kevin: Right.

Peter: Because...

Kevin: They may not even know what the problem is.

Peter: But often me...

Kevin: Probably more often than not, I would think that they don't know this, the real problem.

Peter: Part of our conversion code drop, there are steps in. And part of that step is how we do the discovery with people to get to that. Yeah, quite often the client doesn't know the client might be focused on the wrong thing. Quite often, there's a certain outcome that's killing them. And it could be profit or growth or some element of an operational thing that is driving them crazy. And that's what they're focused on. But the root cause of that outcome could be something completely different.

Kevin: So when you're when you're consulting with a company and you're like Your first step is that it's a kind of the discovery process. You're they getting to know you in that process as well?

Peter: Well, they actually get to know us quite well, just through the engagement and securing work process. Because if they don't, they won't trust you enough.

Peter: Right. Yeah.

Kevin: Again, go back to the points about trust.

Peter: Yeah. Why back into

Kevin: You mentioned earlier in our chat, I think you were you're talking about three facets of what the solution had to be. And I got down reliable and rapid there was I thought there was a third that you had mentioned.

Peter: That it's really, it's got to be risk free from the customer's perspective. Process has to be reliable and rapid. Yeah.

Kevin: So unpack that...

Peter: I didn't understand reliable to reliable doesn't mean yes, particularly right, reliable means you reliably get to a decision. It's not always going to be yes.

Kevin: Right. Right.

Peter: But the better your process, the more chance you haven't been? Yes, of course. But it's reliably getting to a rapid decision.

Kevin: So what do you mean risk free?

Peter: From the customer's perspective, if they're having to take a risk to engage you in their mind, they're not going to engage you would do your tampering with their business. And quite likely, if it's a CEO you're dealing with in a corporation, you're, you're tampering with their career, right. So you know, they're really not going to engage you unless they, they trust you both personally, and they trust that you can solve the problem. And it's not going to be a risky, bumpy road on the way, which is why it has to have extreme transparency. And they're not and people aren't used to that, by the way, you know, we go to we go to sales meetings and see the surprise on people's faces, that we're not hiding anything, or it's crystal clear what's going to happen from start to finish and

what's going to happen at each point and what the benefit is, and surprised that it's almost disguise for real. It's because people are not used to that they used to. There's always been this element of blackbox about consulting, and people consider it being it gives them security and IP that the client can't know everything, but it's actually a misnomer.

Kevin: You know, we don't want you to peek behind the curtain; you may find out that it's a little short man that just flipping switches like Wizard of Oz here.

Peter: You get your little man out and put him on the table.

Kevin: That's exactly right. Let him see behind the curtain. Peter, I just love the whole overview that we talked about today. And if there's there's one major takeaway that I really want to drill down on is this idea of kind of a proposal free strategy, and advising or in consulting. So...

Peter: That's where, exactly...

Kevin: So the but if I'm if I'm just starting out in this space, that would seem like that would be more difficult to just walk in and say, you know, and they've asked for a proposal and say, Sorry, we don't do that. And they're gonna go, we don't even know who you are, you know. So how do you kind of get over that hurdle?

Peter: Well, if they asked for a proposal, you failed at your position. Okay. So your positioning has to put you in, in a place that no one no one else is, you have to be this dis category of one this, this unusual approach that is seen as so transparent. The clients not going to ask you for a proposal. If they're asking you for a proposal. You haven't differentiated. You can be compared with others. So it's already too late by that point.

Kevin: So is it it's not just semantics. So it sounds like to me when you are when you're sitting down on the client you Coming in, you're sitting down, you're kind of walking through the process, that that almost kind of sounds like a proposal, like a sales proposal. But what you're talking about is you're just saying this is I'm just walking you through the process of our solution here, what's, what's really the difference?

Peter: I'm showing them how I'm going to solve their problem. Still about my solution, that's,

Kevin: That's a major difference. That's a major differentiation.

Peter: And, you know, it's, it's got to be focused around their problem. And first of all, you've got to identify that problem, and the client has to agree that that is the problem from their perspective. But once you've done that, then this is how we solve that problem. Now, the clients either that's great, where do we go from here? Or they're not interested? Now? I don't really like that I do. Right? No problem. Yeah, you know, you're not there to try and sell yourself, you're about to solve a problem. And that's a significantly different approach. And I gotta say, for people just starting out, it's also alien, it's not the normal way you think of going in and doing something, it takes a degree to do that. It's taken us a while to learn this over the years, you know, it's not something that straightforward. Because the natural thing is to try and sell. In fact, you know, that the most common thing that happens in engagement process, consultants give away free consulting, without meaning to they go into consulting work as consultants help people. So this problem gets described, they start solving it there. And in that, of course, all that's doing is really giving IP away.

- Kevin:** Yeah, long before any contract signing.
- Peter:** You increase your chances of being engaged. And that's the misnomer that goes with it. You know, if you have to give away your solutions to show how much you know about something, you're either not an authority on your topic, or you don't feel that you are, and you're trying to justify yourself. And clients pick up on that. Again, you're reducing the chance of being hired.
- Kevin:** Every episode, I kind of go into learner mode, I mean, halfway through the chatting, I'm just I'm asking questions, because I want to learn and I know our listeners do as well through this whole process. But this has been a fascinating episode. And just the whole idea of just the sales, the sales, closure code, I love the word you use, you choose to this is our code. This is our source solution. And we have, you know, certainly codified it, you know, and they it's very clear, it's adaptable, it fits the, you know, the client's needs. And and it really puts you in a position like you said earlier, it's it's risk free for them. It is and it's reliable and rapid, you know, the solution. And I think the other key takeaway that I had remember in the you said earlier, is that they don't care about the process of the solution. What they care about is the outcome. And that is that such, so crystal clear into really affirming what you were talking about the whole, the solution has to meet their need, or it doesn't, it's just worthless.
- Peter:** Yeah, look, at the end of the day, if there's one takeaway for people, or customers in the when you're selling a service, or buying trust, that's all they're buying.
- Kevin:** That is, that is certainly going to go into solve their need first saw their knee. Peter, wrap us up today, what else what else you their final closing thought as we're wrapping up?
- Peter:** I think that the closing thing here is whatever system or code that you use yourself, it doesn't need to be rapid, I think, in this data connected world where decisions are getting made so much more quickly. And purchasers have so much more buying power and choice than they've ever had. You've got to get to rapid decisions. Otherwise, you get strung out in processes that can take weeks before and you know, there's nothing worse than having invested both physically and emotionally in an opportunity for weeks to find you haven't been haven't been able to close it out. There is no worse feeling. So just got to stay out of that process that that a long drawn out process is critical in the new world and the new economy.
- Kevin:** Our target every time we chat, our target is to leave people with tangible takeaways. And I think they're there three or four really, really good kind of golden nuggets that you've touched on in this episode and another great episode on the consulting curve, that community approach to clients and consulting. Peter thanks again. We look forward to seeing you again.
- Peter:** No worries, thanks. Always great. It was good fun.