

This article is brought to you by [Management Consulting News](#). Feel free to distribute the article to others, but please respect our [terms of use](#).

If you'd like to subscribe to our free, monthly email newsletter, sign up at www.ManagementConsultingNews.com.

Comments are welcome, so please send them along to the [editor](#).

Enjoy the article!

.....

This Year, Why Not a Breakthrough Strategy?

By Mary Adams and Michael Oleksak

The economy is slowly improving and many consultants are breathing a cautious sigh of relief. But what comes next? The world has changed dramatically over the last few years and we all need to change with it. Of course, change rarely happens without effort.

To be a winner in this new environment and experience a breakthrough year, you will need to improve or alter some aspect of your business. What should it be? To help you figure that out, we advocate a three-step sequence: gather information; develop insights; and take action.

Gather Information

Information is the fuel for breakthrough strategies. You must bring fresh ideas and thoughts to your strategy to achieve a new level of performance. To get started, explore trends in the consulting industry and in your own consulting market, and take a look at the track record of your firm.

Trends in the Consulting Industry

Macro changes in the consulting world affect almost all of us. Consider these trends:

- Confusion continues in the marketplace over the role of consultants. The word consultant is often used to describe anyone who works on a temporary basis. Especially in IT, for example, consultants may be project-based, technical workers rather than business advisers. Thus, it is more important than ever for management consultants to be extremely disciplined (and vocal) about their role as an objective observer, facilitator, and catalyst for change.
- Management knowledge is widespread. Well-educated clients are not interested in consultants who tell them what to do. In truth, this was never an effective consulting strategy. Good consultants help clients find their own best solutions. Greater penetration of management knowledge means that there is less room for consultants to shortcut the process and tell the clients the "right" answer.
- That said, clients often hire consultants because of their familiarity with new approaches or techniques. Many clients worry that there is something they do not know—some innovation they might miss out on. So new theories and techniques can be an important selling point for consultants as long as they don't fall into a preaching, rather than helping mode.

- IT consulting has captured market share from management consulting. Some of the biggest projects and fees are in IT. Based on stories we hear from colleagues, there are significant opportunities for linking these two disciplines in the future. Many of the failures of IT occur because technology is pursued without a solid understanding of the client's business model or processes. Management consultants can and should help bridge this gap between IT and clients' broader business needs.

Developments in Your Consulting Market

While general market observations will help you think about your business on the macro level, it is equally important to gather fresh information about your own specialty or geographic market. Consultants routinely advise clients to address such challenges, but often neglect this research for their own businesses. This can be a dangerous omission, especially in a changing market.

To update your intelligence on your market:

- Take a look at your competitive landscape. Visit the Web sites of key competitors and consultancies in related fields. Google your areas of expertise—what comes up on the first few pages?
- Talk to some of your key clients (current or past) on a strategic level. Ask them questions such as: "Where is your market heading?" "What are your biggest challenges for the future?" "Is the way you use consultants changing?" "What do you see as our consulting firm's strengths and weaknesses?" If you aren't comfortable having these conversations yourself, hire or ask someone else to do it. Just make sure that person can speak at your clients' level.
- Read something new that is outside your comfort zone. Sign up for newsletters or buy books in a new field. It is easy to screen books by reading reviews on Amazon and other sites.
- Take advantage of online magazine indices. Many local libraries offer free access to good indices that can be searched via keywords. This is a great way to find information from specialty publications.

Track Record of Your Firm

The final way to round out your research is to spend time on internal examination. Lay out your financial statements year to year. Look at your average billing by client. If you have several lines of business, compare them year to year.

Also look at the cost side. Are you getting a good return on your marketing and sales investments? If you are not spending on marketing, should you be?

Look beyond financials as well. Measure your firm's intellectual capital. How does your firm size up relative to:

- Intellectual property and business processes
- Management and employees
- External capital, including network, brand, and customers
- Business model, including your marketing, sales, project management, and client relationship management

Your firm's intellectual capital is the foundation of your future success. Do you have the resources and talent in place to push your performance to a new level this year?

Develop Insights

If you have read this far, you may be wondering where the breakthrough comes from. Don't worry...we've now come to that part! This is the irony of breakthroughs and innovations: They may happen in a sudden flash, but usually it takes a lot of hard work to achieve any insight that makes you look at your business in a new way. If you skip the step of gathering and analyzing information, you may never stimulate that creative breakthrough, or you may make a decision you later regret.

After you have immersed yourself in analyses of your market, clients, and firm, take a step back. Close the files and leave your desk to get some perspective. Sometimes sitting on an airplane, running, or walking gives you the opportunity to synthesize what you have learned and find the right answer. If you have a large firm or are a person who values "talking through" problems, use a facilitator or take some respected colleagues to dinner. However you do it, find a way to see the forest for the trees.

The right answer for a breakthrough strategy is one that focuses on the high-value intersection between market needs and your strengths. Draw a Venn diagram to identify that intersection. Fill in the two circles with needs and strengths. What are the highest value solutions in the area of intersection? Is there any reason why those solutions shouldn't be the main focus for your business?

As you decide how to move forward, remember that many innovations start out as experiments. If you have identified a new opportunity, don't abandon your core business immediately. Test your new idea in the market. If it works well, reevaluate whether to stick with both businesses or to change gears.

When you know what you want to do, the best way to make it happen is to create very specific action steps. Each step should have a single responsible party and a target date for completion. Giving everyone a call to action is the most powerful way to kick off a new strategy.

Take Action

Breakthrough strategies are only valuable if they lead to breakthrough results. Hopefully, you have energized your firm by learning and talking about your market opportunities. The right action plans will give you a clear roadmap for the coming months.

Accountability is essential. This can take the form of a calendar tickler for a single-person firm or a regular follow-up meeting to keep everyone in a larger firm on track. Follow-up sessions are also important to measure your progress and adjust your strategy as you learn new lessons or get new information.

Fueled by fresh information, your firm can develop a breakthrough strategy to jumpstart a growth spurt in your practice. Use information to inspire a creative process that finds the highest value intersection between the market's needs and your strengths. Link your strategy with action through clear action steps. Continue to learn, adapt, and grow to achieve a breakthrough strategy this year.

.....

Mary Adams and Michael Oleksak are principals at Trek Consulting LLC, a firm that helps companies develop innovative strategies for facing challenges of growth, change and succession. You can find out more by visiting www.trekconsulting.com.