

Is Hiring a Business Consultant Right For You?

Turning a profit is hard. The statistics prove it: More than half of all startups fail within 5 years.

An even worse fate than outright failure is just barely getting by, I.E. earning enough to pay the bills but no more. Worry, stress, restless nights, dedicated employees with doubt in their eyes.

The problem almost always comes down to this: The owner, while a true expert at his / her bailiwick, is far from an expert in business. Was there ever any real training in that?

You've probably watched the TV show Restaurant Impossible where Robert Irvine whirls in with his freakish biceps, bashes down some walls, has come-to-Jesus talks with staff, rebuilds, and produces a business miracle! It's reality TV of course, highly edited to show you what is sensational rather than what is important, but there are some lessons to be learned none the less. Namely that we all need help. And if we don't get it, we'll likely underperform regardless of how hard we work or how many hours we log.

Being featured on Restaurant Impossible won't happen for most entrepreneurs. But getting help is available to all. Business consultants provide that service.

Step one is to accept that with help you could increase profit and enjoy life more (trust me, you can.)

Step two is the issue of cost. Business consultants are not cheap, and for good reason. They've spent decades acquiring specialized knowledge and experience. Also, people don't value what comes free or cheaply.

Step three is to understand the rules:

- * The return on investment should be at least 3x. For example, if you spend \$20,000 on a business consultant you should see *at least* a \$60,000 boost in revenue.
- * The problems with your business originate at the top. If you are the owner, the problems start with you. Be prepared for a generous serving of humble pie as the business consultant does his/her thing. More importantly, be prepared to change.
- * The process of change takes time. It took years to get where you are. It will take a couple or few years to right the ship. Fortunately, the process is a gradual one. Changes should be slow and incremental.
- * Some staff will buy in, some won't. Employees are naturally skeptical. The business consultant must be so effective and trustworthy that he/she earns their respect. Building trust takes time.
- * The business consultant's job is to tell you what you *need* to hear, not what you *want* to hear. You're spending big bucks for this – pay attention no matter how difficult.
- * No business consultant has all the answers. If one tells you they do, or that the process is quick and easy, move on – that person is a liar. Businesses, being made up of people, are too complex and too

varied to fit any pre-conceived template. A good business consultant will have lots of ideas and will make recommendations – things you have not thought of, are not familiar with. Some will work, some won't. Some will spark positive thought in an unexpected direction.

* There are many ways to pay a business consultant: hourly fee and percentage of profit are two. Each has its pros and cons.

* You should expect to spend at least \$15,000 spread out over several years – and that's for a very small company. Costs for larger companies will go up from there. To spend less would mean that the consultant isn't investing enough time to do it right. Remember it's a multi-year process.

* The initial consultation should be free. It'll take a couple hours. Each party will be vetting the other. It must be a win-win fit.

* It's not critical that the business consultant be an expert in your bailiwick. Sometimes fresh eyes can see the forest for the trees even if the eyes are not those of a horticulturalist.

* You'll have to peel back the onion layers of your company, exposing the raw, naked material underneath. It might get ugly but it's necessary.

* The business consultant must be in it for *you* first and foremost. You should feel a deep, caring connection. If instead it seems like it's all about him/her or their fee, move on.

So there you have it. Hiring a business consultant isn't for everyone. But for those who are ready and go about it the right way, it *will be a life changer*.

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