Chapter 7

Defining the Problem and Writing a Winning Proposal

In This Chapter

- Meeting your client prospects for the first time
- Creating partnerships with clients
- Writing great proposals

Every business process has a beginning, a middle, and an end. The consulting process is no different. It begins with defining the problem, moves through the stages of collecting and analyzing data and making recommendations, and then ends with implementation. Because the first step — defining the problem — sets the stage for all the other steps that follow, it is particularly critical.

For most consultants, this initial assessment takes place in a one-on-one meeting with the client-to-be. Although this meeting is usually in person, it can take place over the phone or even in writing, through letters or e-mail. For most purposes, a face-to-face meeting is best because it allows you to develop a much stronger relationship with your client and a much deeper understanding of your client's problems than you can get from other methods of communication. However, a face-to-face meeting may or may not make sense depending on the value of the work, how far away your client is located, and the prospects for future work. Regardless of which method you ultimately choose, your meeting has three key purposes:

- To identify your client's problem
- To determine whether you can be of help to your client
- To develop rapport with your client

Note that this simple list of purposes for your first meeting with your client is appropriate for *any* kind of consultant. Whether you teach homeowners how to recycle their trash (and sell them the sorting systems to do it) or conduct management audits for a huge, multinational consulting firm, the purposes underlying your initial client meeting remain the same.

In this chapter, we identify specific goals for your initial client conversations, as well as some things you should do and questions you should ask. We discuss building a partnership with your client and, finally, how to put together a winning proposal that summarizes the understandings that you reach as a result of your client meeting.

Making the Most of Your Client Conversations

At first blush, you may think that you have only one goal when you talk with potential clients about a new project: to sell them on hiring you to do the work. This may very well be your overall objective. However, you need to know much more about your clients and the problems they face before you can be sure that the work fits well within your base of experience and that you can develop the kind of partnership with your clients that is so important for ensuring a successful project.

Discovering the nature of the problem — and your client

Conversations with your prospective clients are ones of discovery: developing a basis for a strong business relationship, learning about your client's organization and its successes and challenges, and deciding whether you and your prospective client are a good match. To help yourself through this discovery process, think of the following as the goals of your initial discussions:

- **Develop rapport and build a partnership.** Consulting is very much a business built on people and relationships. If you have a talent for developing rapport with potential clients quickly, you are well on your way to building strong relationships and, ultimately, partnerships with your clients. If it's difficult for you to develop rapport with your prospects, you're going to be an awfully lonely consultant. Work hard at breaking through the first-meeting jitters and establishing the kind of rapport that helps develop the foundation for long-term, fruitful relationships.

- **Assess your client's personality type and adjust your style accordingly.** If your client has an assertive, take-charge style, you want to get to the business at hand sooner than if the client is more social and personable. With the latter style, the client may need to be comfortable with you personally before he can devote full attention to your abilities.
- **Help identify the challenges and opportunities and get a feel for your client's desire to change.** Clients agree to discuss consulting projects with you because they believe that you may be able to resolve significant organizational challenges or problems in their organizations or that you're in a position to help them take advantage of opportunities in the marketplace. Most likely, your clients already have some idea of what they need, and they may very well have decided how that need should be met. You should also already have some idea of the client's problems and opportunities, gained through your own research on the company. Your goal is to identify the *real* nature of your client's problems and then determine whether you can be of value in helping to fix those problems.

  For example, your client may be convinced that the organization's high rate of employee turnover is related to the low wages paid to employees. You may suspect, however, that the turnover problem is actually a result of poor management skills. Through your prior research, you may have discovered newspaper articles on the Internet indicating an ongoing exodus of key employees from this company who all worked for the same executive. Although your client may be willing to address the *perceived* problem by giving employees a pay increase, the client may not be willing to address the *real* problem of poor management. We have known many consultants who feel that clients initially almost never report the real problem but only a symptom of their true problem. You'll get the opportunity to test your client's perception of the problem versus the real problem after you collect data, the second part of the consulting process.
- **Define project objectives and deliverables.** After you determine that your clients indeed have problems that need to be solved and you have a good idea what they are, you need to work with your clients to define the objectives of the project and the products that you will deliver at its conclusion. Your clients typically know the results that they want; they just don't know how best to achieve them. When you talk with your clients, help them translate their desired results into objectives that are concrete, measurable, and realistically achievable. A good exercise is to ask clients to define "what it looks like" when the problem(s) is solved. After you define your objectives, decide which "deliverables" you will include in your proposal — perhaps a final report containing recommendations for top management, a customer perception survey, training for the client's employees, or an advertising campaign.

This is a great time to listen for the cost of the problem to the client. In other words, how is the client measuring the cost of the problem? You may hear him say, "This problem is burning up an extra 100 man-hours a month," which gives you a sense of how much money it's costing them. Knowing this cost gives you an inside view on the value of solving the problem — and a sense of the value (read, the price) of your services.

- **Get a handle on the client's budget.** Remember, your time equals money. If your client-to-be has a budget, you should know it. If they don't, you should know that too. No use in developing a million-dollar proposal when the budget is clearly no more than a hundred thousand dollars — or less.
- **Decide who does what.** To ensure that possible confusion due to overlapping (or *dropped!*) responsibilities doesn't come back to haunt you during the project, take time during your initial meetings to sort out exactly who is going to do what. Will you distribute surveys to your client's employees, or will your client take care of that? Will you be responsible for scheduling and setting up employee training sessions, or will your client take care of those details? Who is going to be responsible for implementing your recommendations — you or the client? Now is the time to resolve these issues — not after the ball gets dropped.
- **Determine the information and client support that you'll need.** During the course of your initial client conversations, try to determine the information and support that you're going to need from your client and get the client's buy-in to provide it. For example, suppose that you propose to redesign a client's headquarters building ventilation system to incorporate improved air circulation as well as better filtration and absorption of mold spores and other particulates. Then you certainly need your client to provide a set of blueprints that shows you the exact location and measurements for the existing system. Work with your client to mutually determine the information and support that you'll need during the course of your project and from whom, specifically, you can get such assistance.
- **Define the project schedule.** A lot of things depend on your clients' desired project schedule and your ability to meet it. When clients decide they have a problem that is serious enough to require them to hire an outside consultant, they're usually in a rush to get the work done. For example, if you're an engineering consultant brought in to recommend actions to repair a leaking dam, your client isn't going to be very receptive to a completion date that is a year away. A week may not be quick enough in a situation where people's lives are at stake. Work with your clients to define a project schedule that meets their needs but that, in your best judgment, allows you sufficient time to do the project right.
- **Know who makes the final decision.** You may have already figured this out in the lead-up to the first meeting, but this is still a good time to confirm your understanding. If others are going to be involved, say the

CFO or the IT department director, then this is a good time to find out. If you're meeting at the client's offices, this is a great time for a personal introduction to the others involved in making the decision to hire you. (This also begins building your rapport with the troops — which can sometimes be more critical than rapport with the boss!)

- **Decide whether to proceed.** Despite the impression that some consultants (and clients, for that matter) may have about who decides whether a project goes forward, it is *not* the sole province of your clients to make that decision. In reality, the decision whether to proceed with a project is very much mutual. Just as your clients can decide that you're not the best consultant for the job or that your personality doesn't mesh well with theirs, *you* can decide not to work for your clients for a variety of reasons, including your belief that they're not prepared to make the changes necessary for your solutions to work or that you just don't like something about your clients' personalities. It takes two to tango, and this is just as true with the consulting process as it is on the dance floor. If you decide to proceed, your next step is to develop and submit a project proposal to your clients.

As you can see, your client conversations are much more involved than simply trying to sell the merits of hiring your business to do some work. If you conduct these conversations in the manner we describe, you set the stage for submitting a winning proposal and for completing your project smoothly and successfully.

Preparing for client meetings

Some consultants never meet with their clients face to face, while for others meetings are an essential part of the consulting process. In some cases — where the issues are simple and your solutions are straightforward — you may go directly to creating a proposal without meeting. However, when the problem is more complex or your solutions are yet to be completely defined — or when a personal touch may be needed to help you develop a relationship and rapport with a prospective client — you may find it advantageous or necessary to meet with your client face to face.

With potentially so much riding on meetings with your client, you may be nervous or apprehensive about them. Our advice is to take a deep breath and relax. Even if you're relatively new to consulting, you undoubtedly have a lot to offer your clients, and they'll be glad to hear what you have to say.

Make the best possible impression

Here are a few tips to help boost your confidence in your client meetings and leave your client with a positive impression of you and your abilities:

- **Relax!** Sure, meetings with your client are always critical. If you want to build rapport quickly with your clients, you must put them at ease right away. This means that you need to be confident and at ease yourself. Relax! As long as you're prepared for the meeting and you're confident in your ability to do what you do best, you shouldn't be nervous or apprehensive. In fact, if you've done your homework, you should be positively overflowing with the excitement of having the opportunity to help your clients solve their problems. Channel your anxiety; it can inspire your best thinking.
- **Know who will be there and why.** Before you meet with your client, find out who will be attending from your prospective client's organization and what their roles are in the proceedings. You can then prepare yourself to address any topics that may be of particular interest to individual attendees. For example, if you find out that the company's chief information officer (CIO) is planning to attend, you can mention that you have extensive experience working with computerized management information systems — a topic that is sure to cause the CIO to pay attention to what you have to say.
- **Make your best impression.** You only have one chance to make a first impression, and this is the time and place that you want to make a *great* first impression. The way you greet your client, the way you dress, the way you speak, and the way you carry yourself should all lend weight to the fact that you are a professional. If you do financial consulting for banks, you had better look like a banker. If your expertise is squeezing an extra knot or two of boat speed out of a 12-meter racing yacht, then shorts, a polo shirt, Top-Siders, and a windbreaker are the uniform of choice. Without boasting or resorting to name-dropping, tell your client about some of the successful projects you've worked on in the past and about some of the better-known clients you've done work for. If you provide a formal reference with contact information, make sure that you get permission from your previous clients first. Be energetic, attentive, and sincerely interested in helping your clients solve their problems, and your clients will have little choice but to be impressed with you.
- **Be prepared.** In an effort to test your knowledge and see exactly how you will respond to questions as they arise, your client may ask you highly technical questions or questions that require good judgment and expertise to answer well. The best way to handle these kinds of situations is to prepare fully for your meeting before you show up. If your client is new to you, you should find out everything you can about the organization: its markets, its technology, its people, and its successes and failures. Your client will be impressed that you took the time to find out about the organization. This gives you an opportunity to wow them.
- **Listen.** To get an exact understanding of your client's problem and some idea of how best to address it, you have to *listen* to your client. Some consultants mistakenly believe that they have to do all the talking in order to show their expertise. This is simply not the case. In fact, in any meetings with your client — except, perhaps, ones where you are

making a presentation of some sort — you should do more listening than talking. This is the *only* way that you can hear what your client is really saying and understand what is really needed.

- **Take notes.** During the course of your client meetings or phone calls, you will discuss a multitude of ideas, concerns, concepts, approaches, and understandings. Taking notes of these critical discussions is invaluable to you both when you develop your project proposal *and* during the course of project performance. Not only that, but your client will be favorably impressed by the importance that you accord what he has to say. Right after the meeting, you should make additional notes of your impressions while they're still fresh in your mind.

That wasn't so bad after all, was it? The more client meetings you participate in, the more your confidence will increase, and the less reason you'll have to be concerned about them. Before you know it, these meetings will become second nature to you, and you'll handle them like a pro. Until then, keep working at these skills and keep meeting with your clients.

Ask your clients lots of questions

If you want to create great proposals — ones that have your clients reaching for their checkbooks minutes after they receive them — you need to know the answers to a *lot* of questions. And after your client selects you to do the work, the answers you receive in this preliminary stage of the consulting process will help to guide you through the rest of the consulting process.

Your job, therefore, is to ask the questions that get you the answers you need. Here are several different questions for you to try. Feel free to add others that have provided you with good information.

- What is the problem that you would like me to address?
- Why do you think that the problem is occurring?
- How long has your organization had this problem?
- Have you tried to solve the problem? How? What happened?
- What suggestions do you have about how I should approach this problem?
- What are your objectives for this project?
- Are there any organizational obstacles in the way of a finding a solution?
- Are there any organizational obstacles in the way of implementing my recommendations?
- Is your management team committed to making the organizational changes needed to make this project a success?
- What measurable outcomes do you want to see at the end of the project? (This gives you a clue as to the cost of the problem to the client.)

- When would you like this project completed?
- How do you see your role during the course of the project? After project completion?
- What kinds of information and other support can your organization provide?
- Will I be responsible for helping to implement the project recommendations?
- Do you have a budget in mind for this project?
- Do you have any personal concerns about this project?
- How soon would you like me to start?

You may already know the answers to many of these questions as a result of the research you've done in advance of your meetings. However, it's a good idea to confirm the accuracy of these answers by asking your client anyway. Asking questions now will save you lots of time and anguish down the road. Make asking questions a central part of your client conversations and meetings.

Building Partnerships with Your Clients

You have a choice: You can either work *with* your clients or work *against* them. We're going to let you in on a little secret: The wonderful world of consulting isn't always a bowl of cherries. In fact, if you have to deal with hostile clients or with uncooperative, troublesome employees, you may wish that you had followed a different career path — taxidermy, perhaps. The problem with working against your clients is that *nobody* wins and *everybody* loses. You lose because you waste your time on a project that no one appreciates or even wants, and your clients lose because the original problem remains unresolved.

If something doesn't feel right or you're getting bad vibes, you may want to terminate the relationship and find clients with whom you are more compatible. If the client-consultant chemistry isn't right at the beginning, it's not likely to get better farther down the road.

Clearly, building strong partnerships with one another instead of working against one another is in the best interest of you and your clients. Your clients win and you win, too. Here are some dependable ways to build partnerships with your clients:

- **Collaborate, collaborate, collaborate.** Collaboration between consultant and client is an absolutely essential element in any successful consulting project. If the so-called "expert" consultant sits up in an ivory tower — remaining aloof from the organization and the people who work within it — the client may decide that the consultant is out of touch with the organization and quickly discard the consultant's reports and recommendations. Conversely, if the client decides to treat the consultant as just another employee — directing everything the consultant does and approving (or disapproving) every move the consultant makes — then the credibility of the consultant's results and recommendations will be compromised. The solution is for consultant and client to work together — *collaboratively* — and build a partnership to ensure that the project is successful.
- **Make all communication two-way communication.** Good communication is not a one-way street. You can't do all the talking and expect to understand your clients' problems or what outcomes they want to achieve. The strongest partnerships are built on a firm foundation of trust and mutual respect, where each party can speak openly and the other party listens. In a real partnership, the opinion of one partner is just as important as the opinion of the other, and all communication is open, honest, and moves freely in *both* directions.
- **Discuss and negotiate the tough issues.** In any meaningful partnership — including ones between consultants and their clients — tough issues have to be addressed and dealt with head-on. Dancing around issues or avoiding them to keep a relationship pleasant doesn't allow you to resolve the issues that need to be resolved, nor does it result in a better set of conclusions and recommendations. In fact, your conclusions and recommendations will be incomplete and, quite possibly, inaccurate because you failed to address crucial issues. Discuss and negotiate the tough issues with your clients *directly.* Be frank and straightforward. Though you can and should be diplomatic and respect your clients, you should attack tough issues without hesitation. The result is a real partnership — not a fantasyland version that is handicapped from the start by its artificiality.
- **Make mutual decisions.** Whenever possible, include your clients in making the big decisions that have the greatest effect on your project. Making them feel like part of the team can help build your partnership while preventing them from feeling like they're being left out of the problem-solving process. In the same vein, encourage your clients to include you in the decision-making process for issues pertaining to your project. Doing so will help you to build and strengthen your partnerships with your clients while leading to better project results and recommendations.

- **Deal with the people problems, too.** In some organizations, the consultant may be pressured to ignore people problems — weak or overbearing managers and supervisors, employees who consistently show up late for work, executives who have a habit of taking long lunches — and focus only on technical issues. This is a mistake. If you are to reach your goal of successfully solving your clients' problems, you can't leave people out of the equation. Although faulty policies, systems, and procedures can wreak havoc in an organization, so, too, can faulty employees. For the consultant-client partnership to be successful, artificial boundaries and fears have to be left behind, and the consultant must have free and unfettered access to the entire organization. Be sure to discuss this issue with your clients at the beginning of your projects — not after you've already gotten them underway.

REMEMBER

Although establishing partnerships with your clients won't necessarily solve *all* your problems and challenges, it sure makes your relationships much easier to live with, your work more productive, and your results more meaningful.

Crafting Winning Proposals

After you wrap up your initial contacts with your client, you next need to write and present an out-of-this-world, bang-up proposal. A *proposal* is a document that is specifically designed to provide your client-to-be with all the information he or she needs to make a decision to move forward with you — and to do so in a very compelling way.

A proposal can be anything from a one-page e-mail message to a more formal letter proposal to a multivolume tabbed, perforated, and indexed extravaganza. In this section, we discuss the logistics of various proposals and give you lots of tips to ensure that yours are top-notch.

Considering popular proposal types

The length, depth, and breadth of your proposal greatly depend on the nature of your business, as well as your client's expectations. For example, suppose that you are a computer consultant and you're simply going to install a new hard drive in someone's computer. You certainly don't need to present your client with a 35-page proposal describing all the benefits of the hardware upgrade and the reasons for selecting you over the competition — heck, your client will probably give you the go-ahead after briefly discussing your experience, your price to do the job, and how soon you can do it. However, for a complex, multiyear proposal to do some serious management consulting that will result in significant organizational changes, 35 pages may not be enough!

For most situations, you submit either a short, letter-type proposal or a longer, narrative-type proposal. In the following sections, we check out each approach.

The letter proposal

In many consulting situations, all you need is a brief, one- or two-page proposal that concisely and simply presents the most important information that your prospective clients need to know. This can be submitted to your clients via e-mail, fax, or an actual printed and signed letter. Letter proposals are particularly useful for projects that are simple, are short in duration, or don't cost your clients very much money.

At minimum, your letter proposals should contain the following information:

- **The point:** After a word of thanks for meeting with you or requesting your work, get directly to what you have to offer, focusing on results and on the advantages of working with you and your firm.
- **Proposed project:** What are you planning to do for your client? Make sure you include a brief description of your project in your letter proposal.
- **Anticipated outcomes:** Summarize your anticipated project outcomes. If your recommendations will save your client $1 million, tell him so here. If you're going to train your client's employees to use a new software program, this is the place to present that particular bit of information.
- **Action plan:** Briefly outline the steps you will take to reach your anticipated outcomes, along with any assumptions that you are making and any other details that your client should know.
- **Price:** Provide your client with the bottom line, which may include your fees and reimbursable expenses.
- **Payment terms:** It's wise to break up your payments so that you're paid pieces of the overall total during the course of project performance instead of one lump sum at the very end. Not only is this payment schedule better for the health of your bank account, but it also helps to ensure that you don't complete and deliver a project to a client only to have the client refuse to pay for it. Although you may have provisions in your contracts to protect you legally from this eventuality, collecting may take you months or even years if you have to take your client to court.
- **Next steps:** Put the ball in your prospective client's court — explain what the client needs to do to initiate the project and get you working. The simplest way is to ask your potential client to accept your proposal by signing it at the bottom and mailing the original, signed proposal to you, along with the first project payment. Alternatively, the signed proposal can be faxed or scanned and e-mailed to you with the payment to closely follow via regular mail or express delivery. As soon as the client signs and returns the proposal to you, you have a contract binding both parties.

To give you an idea of what we're talking about, Figure 7-1 shows a sample proposal for a consultant who does freelance software development and troubleshooting for a living.

September 28, 20xx

Ms. Stella Bella
The Nova Corporation
33 Rue d'Orleans
Shreveport, LA 71103

Dear Ms. Bella:

Thanks for taking the time with me today to discuss your forthcoming software program. As I mentioned at our meeting, I honestly believe that millions of computer users around the world are ready, willing, and able to pay their hard-earned cash for a Windows version of the popular children's game "Hula-Hoops." As I looked over what you have done to date, however, I noted many areas where I can help improve the program's functionality. Beyond the simple issues of color and graphics, I will be able to help you bring your entire presentation into sharper focus and tighten up its response to user input. I also have questions to ask you regarding your overall vision for the program, your intended audience, and the graphic look that will best meet the needs of the audience.

As a result of my initial review of your beta program, I propose the following:

- Conduct an initial telephone interview with you to discuss your overall vision of the program. This interview will be conducted within one week of execution of an agreement and payment of the first installment.
- Based on the telephone interview and a further review of the beta program, provide creative input to you in the form of a written report. This task will be completed within one week after the telephone interview with you.
- Completely troubleshoot your beta program for functionality and aesthetics and incorporate any changes that you may approve from the previous step. I will provide the revised program to you via e-mail within two weeks of receipt of your go-ahead.
- Provide online support and answers to your questions (limited to the scope of this project) via telephone and e-mail.

The price for this project is $10,000. Payment will be as follows: $2,500 upon execution of this agreement, and $7,500 upon delivery of the final program. If you would like to proceed with this project, please sign both originals of this letter and return one of them to me by U.S. Mail with a check for $2,500.

I'm looking forward to working with you on this project. I know that you will be happy with the final product. Please don't hesitate to call me if you have any questions.

Sincerely, Accepted:

J. Edgar Gerber Stella Bella

Figure 7-1: A sample consulting proposal.

The narrative proposal

When you make a proposal for a job that is complex, that you anticipate to run for a long time, or that requires a substantial investment on the part of your client, you'll most likely be required to submit a narrative proposal. In a narrative proposal — which can run anywhere from ten pages to hundreds of pages — you generally address the same kinds of information that you do in a letter proposal, but in much greater detail. For example, while the anticipated outcomes take up all of a sentence or two in the preceding example letter proposal, the section of your proposal describing anticipated outcomes could take five pages or more in a narrative proposal.

Because we don't have enough pages available in this book to provide you with a complete sample narrative proposal (sorry, but our editor says *no way!*), we instead summarize a typical approach to putting one together:

- **Cover letter:** The cover letter contains a brief overview of the proposed project, along with your name, phone and fax numbers, and e-mail and Web site address. For some projects, you can also put expected benefits in the cover letter.
- **Title page:** As you may expect, the title page contains the title of your proposal, along with the date, the name of your business, and the name of your client's organization.
- **Table of contents:** We warned you that this proposal would be big. Your clients need a table of contents keyed to page numbers just to find their way around this monster!
- **Executive summary:** For the client who is too busy to read the 75 pages that you labored over for three weeks or more, this paragraph summarizes the entire proposal in a quick, 30-second reading.
- **Anticipated outcomes:** As in a letter proposal, you present the anticipated outcomes here — albeit in a much more complete fashion.
- **Detailed scope of work:** A scope of work is a presentation of every task that you will perform as a part of the project. For some narrative proposals — especially those for the government — a proposal's scope of work can easily consist of 25 pages or more of highly detailed tasks and subtasks. We hope you have lots of toner left in your laser printer cartridge to print this one out!
- **Schedule:** In a narrative proposal, your schedule is likely to be much more complex than a simple, "The project will be completed six months after go-ahead by the client." In complex, long-term projects, you may assign each task presented in the statement of work a start date, a duration, and an end date. If your scope of work contains lots of tasks and subtasks, you should present your schedule in the form of a chart or graph that shows the information visually for greater understanding and impact.

- **Fee:** The price to your customer for the work you plan to do. You should first propose your fee in the way *you* prefer it to be, for example, a monthly flat rate or an hourly fee. You can modify it later if your client wants you to price your work in some other fashion. In some cases, your client may want you to break down your price by task, by outcome, or by deliverable (for example, your interim or final report). If so, your pricing is going to get awfully complex very quickly. Keep in mind that your project may have reimbursable expenses. Make sure you and your client agree on which expenses will be approved, and how they will be reimbursed.
- **Qualifications and experience:** Here's where you can go to town about all the great experience you have and all the years of training you underwent to get where you are today, as well as that great high school or college you attended. If it's okay with your present and former clients, you can even mention their names if you want to augment your credibility.
- **Resumes:** If you feel it will help support your proposal, include a copy of your resume along with the resumes of other key project personnel. One caution: Make sure to tailor your resume to the kind of work you're proposing!
- **Letters of reference:** If any of your clients were so overwhelmed by the work you did for them that they were moved to write you letters of thanks or reference, include those letters here if your prospective client asks for them.

After you submit your proposal, follow up with your clients to be sure that they received the proposal and that they have what they need to make a decision. And don't forget to ask when you can expect a reply. But don't pressure your clients too much, or you may not like the answer you receive — *no!*

Proposal success secrets

Because proposals are so important to the financial well-being of your consulting business, they deserve your utmost attention and care. This section gives you our favorite (and most effective) proposal success secrets.

Know your competition — inside and out

If you're competing with other firms for the same business (and what firm isn't?), you have to become very familiar with your competition. However, not only do you need to know how many competitors you have and who they are, but you must also become knowledgeable about your competitors' pluses and minuses relative to your own business if you expect to survive and prosper. Ask your clients what they like and dislike about your competitors. Scour the Internet for information about your competitors, pro and con. Get to know your competition inside and out.

TIP

Hint: Set up a file folder for each competitor. When you get some information or an article about a competitor, file it. If you review the file every few months, you'll see a picture begin to emerge.

Help your client develop the specs for the job

Salespeople have known for eons that if they can help you develop the specification for the product you want to buy, you're more likely to buy the product from them. Why? Because they define your problem in ways they can address. Few of your clients are expert in your area of technical specialty — that's why they hired you. The wealth of knowledge and experience that you possess can save your clients time and money in trying to figure out how to describe their problem and what needs to be done to fix it. Volunteer your services freely — and for free — when asked; that small investment of time will undoubtedly pay off in a big way down the road.

Talk through the proposal with your client first

Before you submit your proposal, talk through your concepts with your client. Drop in for a visit, make a phone call, or send an e-mail to communicate your ideas. Although you may be certain that your proposed approach is the right one for the particular situation, you may be surprised to find out that your client doesn't agree. Discovering this before you submit your proposal is better than finding out after you submit your proposal. Not only that, but whether or not you get the work, you begin to develop a relationship and rapport that make you a welcome bidder in the future.

Include great references

If you were going to hire someone to advise you in some aspect of your business — say, a certified public accountant to help you do your taxes — wouldn't you prefer to hire someone who had years of experience and a list of satisfied clients about half the size of your phone book? Your ability to show prospective clients in a proposal that you have an established and successful track record in your field goes a long way to prove that you can do the proposed work. A successful track record can directly result in your being hired for a job; this is especially the case when clients you have worked for in the past are in the same line of business as your prospective client. Make a point to include the names of your best clients in your proposal — after getting their permission to do so. Asking satisfied clients to call new clients on your behalf is often a good idea.

Submit your proposal in person

Mailing or overnighting a proposal to a client is okay. Your client will most likely get it on time, and everyone will be happy. Delivering your proposal in person, however, is much better. Why? Because you not only ensure that the proposal is delivered promptly and accurately, but you also demonstrate to your client that his or her business is important to you. Delivering a proposal in person also allows you to answer your client's questions on the spot and to leave a good parting impression. Unless the cost is prohibitive, or the job too small to merit it, always try to deliver proposals in person.

Be prepared to answer every question

When you develop and submit a proposal to a prospective client, you must be prepared to answer any question that the client may ask you. This requires you to know what you wrote in your proposal (don't laugh; we both have met with consultants who hadn't read their own proposals). By knowing what's in your proposal, you're prepared to address your clients' needs and concerns with thoughtful responses tailored to their specific situations. Don't forget: You are the expert. Don't be unprepared when your clients expect you to act like one!

Be sure to follow up

After you deliver your proposal to your prospective client, set up a definite time and process for follow-up. First, call your client within two days after you deliver the proposal to ask whether you can answer any questions and when the client expects to make a decision. When the decision date arrives, call your client again to ask whether he or she has made a decision. Continue with this approach until your client makes a decision. If the decision is favorable, congratulations! If it's not, ask if there is some change you can make to your proposal to win the business. A new approach? A tighter schedule? An extended payment plan? Whether you win or lose a job, be sure to ask your prospective clients what led to their decision and what you can do to improve your proposals in the future. Then fine-tune your approach accordingly.

A few more tips

Your proposals should always be easy to understand, attractive, and concise. Here are a few more tips for your next proposal:

- **Respond directly to your clients' needs, questions, and concerns.** Listen to your clients and determine exactly what their needs, questions, and concerns are. After you figure them out, respond to each one with a solution.
- **Place your clients' perceptions above your own.** When it comes to proposals, your clients' perceptions count, not your own. If your clients absolutely love color photographs in their proposals but you hate to use photos because you think they detract from your image, you better use lots of color photographs in your proposals, regardless of your own opinion.

- **Don't wait until the last minute to start working on your proposals.** Get to work on your client proposals as soon as you decide to do them; avoid the temptation to put them off until the last minute. Not only are you more relaxed when you write them — resulting in a better, more thoughtful product with fewer errors — but you improve your ability to get them in on time (or even early!).
- **Take time to review your proposals before submitting them to your clients.** Always set aside time after you write your proposals to review them before you submit them to your clients. If you submit sloppy proposals, your clients-to-be will probably assume that your work will be of similar quality.
- **Don't ignore your competition.** Your proposals should be at least as good as theirs, or better. Keep an eye on your competitors, and don't get too complacent or settled in your ways. Plenty of competition is out there, and in most cases, your competition isn't standing still. Always strive to make each proposal better than the one that preceded it, and stay up-to-date with your competitors' innovations.
- **Create a database of proposals.** Our experience is that after a while, 50 percent of any proposal becomes boilerplate; that is, content that is used time and again. For example, resumes of key members of your consulting team will likely only need minor updates from time to time. And this also goes for your listings of client references and project experience. Take advantage of this fact and recycle your proposal material whenever you can.