

FIRE YOUR BOSS & BUILD A SUCCESSFUL CONSULTING PRACTICE

John Carter

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jcarter@tcgen.com

 Technology Capital Generation



PDC

Results
built to last.



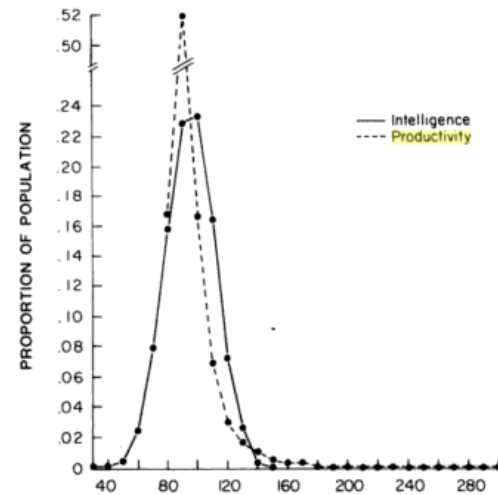
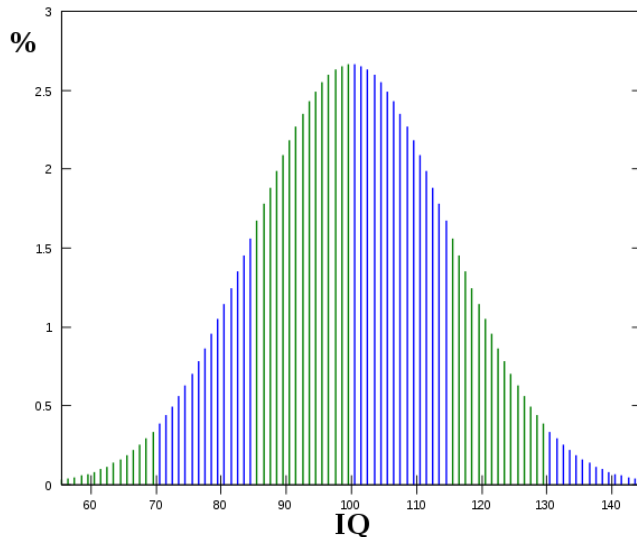
Product Development Consulting

Product Development Consulting, Inc. was founded in 1990 in Cambridge, Massachusetts with the goal of turning product ideas into market place realities.

- Professional Background
- PDC and its Strategic Intent
- Marketing is Not Sales
- PDC's Marketing Strategy
- A New Case Study – TCGen, Inc.

Important points in RED

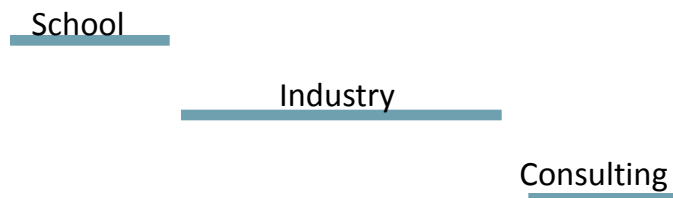
You have what it takes



Keith Dean Simonton "Scientific Genius"

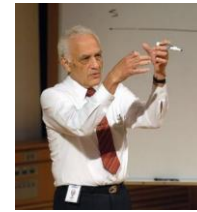
Correlation between intelligence and scientific productivity

- Once you cross a threshold of intelligence, other factors explain the output of great scientific contributors
- This applies to you and your success



**Ability to market and sell
is what it takes!**

6 years in School, 12 years in Industry, and 6 years in Consulting



- Learning from a Mentor
 - Dr. Bose was a consummate technologist and marketer
 - Innovations can occur in marketing
 - “Can you sell?”
- Understanding “Emotional Intelligence”
 - Understanding emotions
 - Motivation
- Initiative - Listening – Preparation
 - Listen! Listen! Listen!
 - **Understand client’s pain**



- Abbott Laboratories
- Apple Computer, Inc.
- AT&T
- Baxter Healthcare
- Becton Dickinson
- Bose Corporation
- Boston Consulting Group
- Center for Quality Management
- Computervision
- CSC Index
- DataCard Corporation
- DuPont Medical Products
- Eastman Kodak Company
- Eaton Corporation
- Hewlett-Packard Company



- Honeywell, Inc.
- Keithley Instruments, Inc.
- Landis & Gyr Powers, Inc.
- Lucent Technologies
- Medrad
- The Nasdaq Stock Market, Inc.
- Norand Corporation
- Northern Telecom, Inc.
- Pacific Gas & Electric Company
- Stanford University
- Tektronix
- Teradyne Corporation
- Westinghouse
- Xerox Corporation
- 3M



Consulting Rates
Versus
Contracting Rates

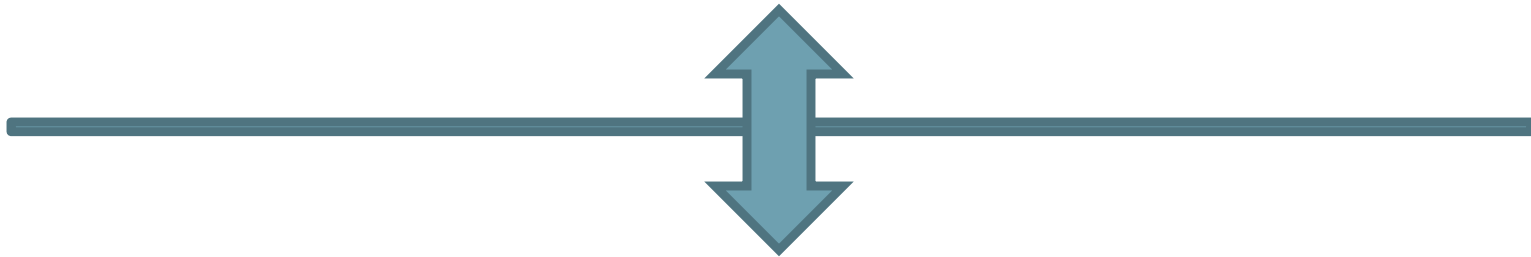


Sky is the limit

Unique Specialty

Consultant

Higher Rate



Functional Role

Contractor

Faster Ramp

Benefits	25%	Rate	50	Dollars per Hour
Billability	65%	Weeks	50	Two weeks of holidays
Gross Up	2.1Times	Hours	40	
Target \$100/Hr	←	Gross	100000	Not Equivalent to \$100K in Salary



To Become a Recognized Authority in Product Development

Metric: Frequent invitations to bid (and win) on consulting opportunities by leading developers of Fortune 500 companies (GE, Corning, Motorola, Ford, HP, Compaq, etc.).

Target: This would translate into approximately 1 invitation per month.

We often say “marketing” when we mean sales. Clarification:

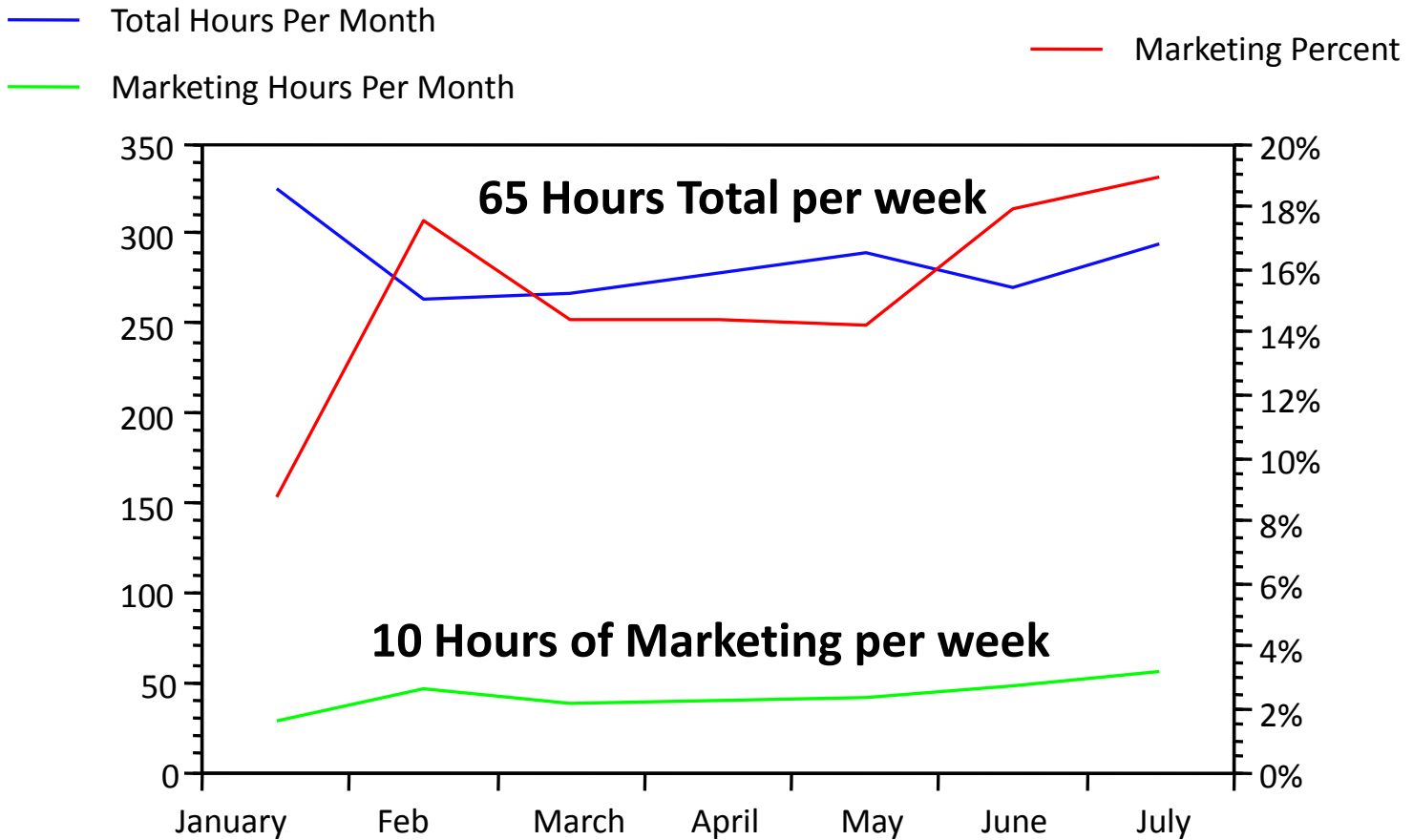
- Marketing is to Sales as Research is to Development
- Marketing is Tomorrow, Sales is today
- Marketing is one on many, Sales is one on one
- Marketing creates demand, Sales fulfills it
- Marketing Makes Sales Simple
- **MARKETING IS NOT SALES!!!**



Understand the difference between marketing and sales

*Focus building your consulting practice on **MARKETING***

I didn't say it was easy...



Personal time records over a representative 7 month period

We have found speaking to be the best

- The bigger the better
- Explore functional and sector
 - Web 2.0/Agile (functional)
 - Clean Tech (sector)
- Professional services is a fragile product
 - It is hard to evaluate, compare, or test
 - It is as much chemistry as content
 - The delivery is often, or in part, in person



Speaking Opportunities – Mostly Bay Area

Type	Group	Description
Societies	IEEE	Consulting Network Silicon Valley Technology Management
	ACM	SF Bay ACM ACM SIGCHI
	PDMA	Product Development Management Association
	PMI	Project Management Institute (Silicon Valley)
	MIT	MIT/Stanford Venture Lab MIT Club of Northern California
C Level	AMA	American Marketing Association (Silicon Valley) American Marketing Association (San Francisco)
		Silicon Valley VPE/CTO Community of Practice
Organizations	MRT	Management Roundtable
	IIR	Institute for International Research
		Conference Board
Education	UCSC	UC Santa Cruz Silicon Valley Executive Business Program
	Stanford	Stanford Summer Institutes

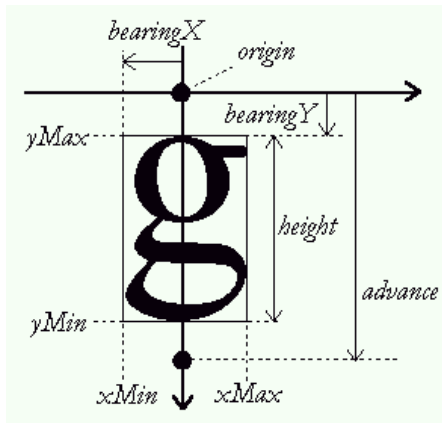


Speaking Topics - Areas to choose

- Identify a product / service area
- Develop a list of topics that you can talk deeply about
 - Direct experience
 - Passion
 - Lessons learned
 - Non-obvious conclusions
- Understand the zeitgeist
 - Detail areas that currently capture the imagination of audience
- Map the list of topics to the areas of interest to your potential clients
- **Marketing to influencers is OK**

Zeitgeist



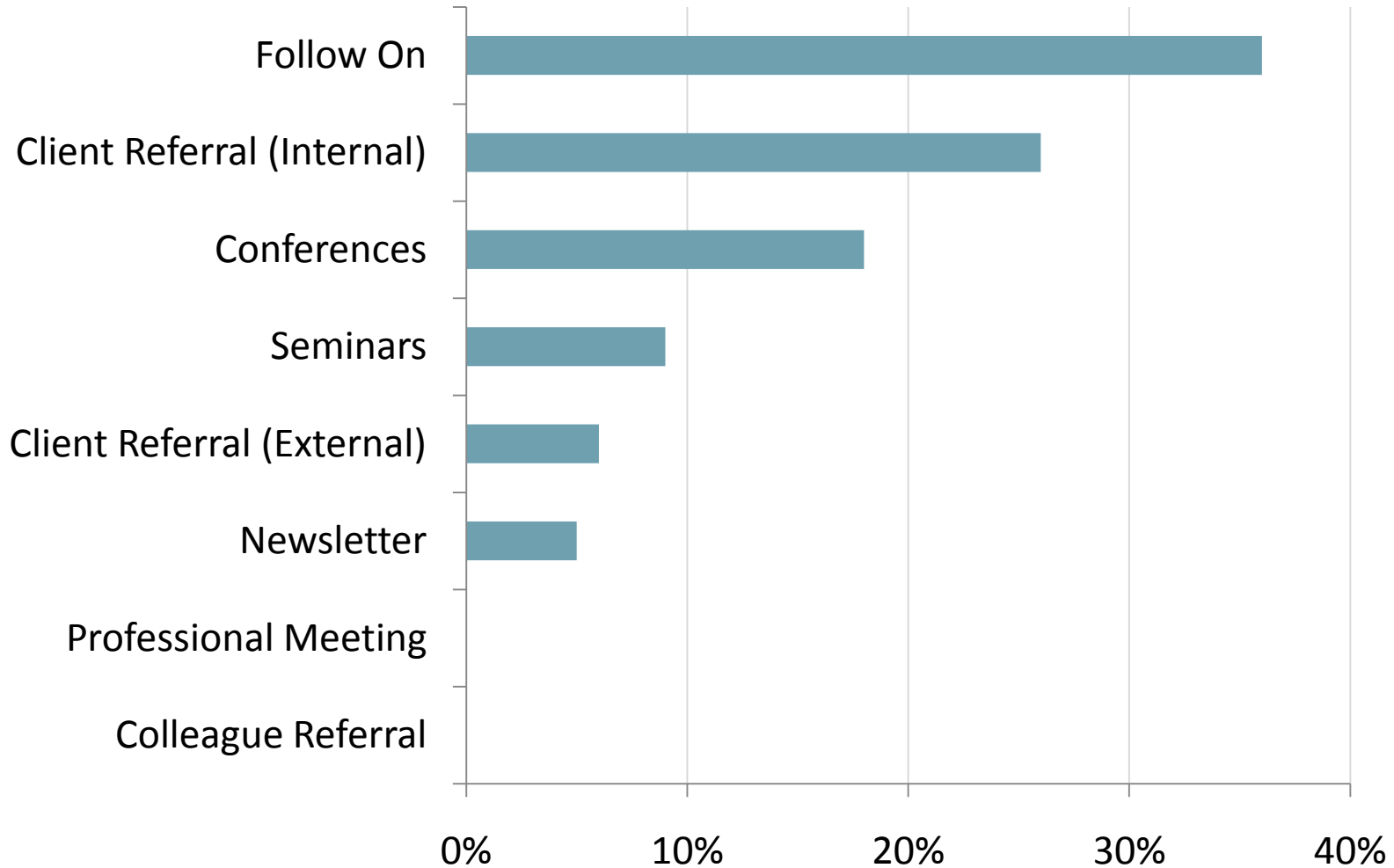


What are our metrics?

- Three leads per speech
- One job per speech
- **One placement per principal per month**
 - Speaking
 - Print (Trade, business, local, etc.)
 - PR

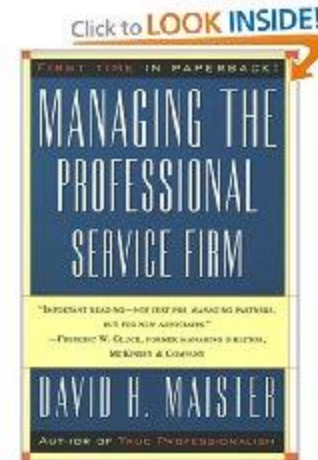


Analysis of the source of leads (by frequency) over several years



Clutching at straws tactics (Maister)

- Publicity
- Brochures
- Direct Mail
- Cold Calls
- Sponsorship of events
- Advertising



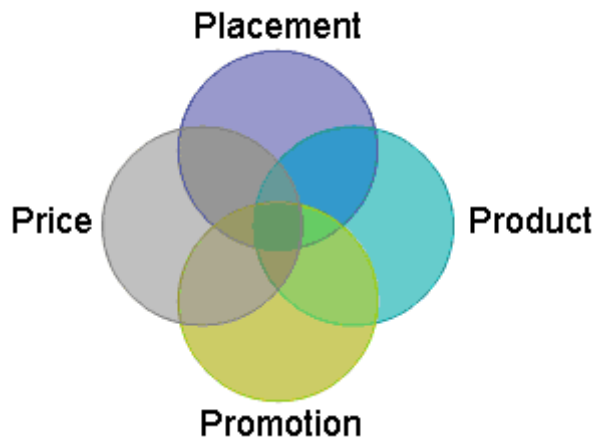
“Managing the Professional Services Firm”, David H. Maister, Free Press 1993

- Product Creation & Metrics Focus
 - Contextual Inquiry (Product Definition)
 - Predictive Metrics (Measure Change & Manage Performance)
 - Fast Cycle Time Product Creation (Goldilocks Approach)
- Our metrics (by end of Q2)
 - 2 meetings/week with new prospects C-Level or Key influencers
 - Speaking calendar fixed for next 12 months (1 placement per principal per month)



If you want to make a go of it...

- 1) Pick your spot (be a Consultant not Contractor)
- 2) Relentlessly promote via speaking (focus on Marketing not sales)
- 3) Use metrics to manage firm (employ predictive metrics)
- 4) Listen, listen, listen (Help your clients eliminate pain)



And have fun doing it!