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The consultant criteria

Whom should we turn to for assistance?



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Whether you are a small business, a franchisor or a franchisee, a 'let me make it right for you' solution can be either an effective fix or an expensive exercise for your business.

Many of the big names of retail and franchising, in their semi-retirement, hang out their shingle to offer their services to anyone who believes their story, and they also become a 'consultant'. Interesting how their views on consultants can change.

Consultants are often seen as a

strange breed by many in franchising: experts, boffins, propeller heads, conmen, something in between all of the above, or someone who can really help your business. Most come with experience and ideas, and it is their responsibility to perform for you – or else.

There are many different varieties of consultants in this industry including:

- franchising consultants
- marketing consultants
- brand consultants
- demographic consultants
- management consultants
- security consultants.

And a heap of professions that are, in my view, consultants as well:

- accountants
- lawyers
- architects
- financial advisers.

How do you pick a consultant to assist you, and how do you work with

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Remember, you get monkeys
if you pay peanuts.

”

them to achieve your goal?

The first thing I say is that you are not hiring a consultant by the hour, but rather for the years of experience they bring to the issues with which you need assistance. Most good consultants come with the necessary experience and reasonable academic qualifications. On top of this, there are qualifications issued by groups such as the FCA (Franchise Council of Australia), AIM (Australian Institute of Management) and the IMC (Institute of Management Consultants), to name a few.

When you go to a doctor, lawyer, accountant or surgeon, you know they have achieved a professional level to be allowed to work in their field. Unfortunately, there is no such requirement of consultants across Australia. Anyone can hang out a shingle, whether they have experience and qualifications or have just run a hot dog stand.

Good consultants, like lawyers, should be both qualified and keeping up to date with their area of expertise. For those of you involved in franchising, the FCA runs programs aimed at professional development for the ‘suppliers’ to the industry, and offers qualifications to recognise this, including the Certified Franchise Executive (CFE) credential.

Similarly, a qualification issued by the IMC (worldwide) is Certified Management Consultant (CMC), and it is held in comparable esteem to the CFE in franchising. It is granted only to experienced consultants who demonstrate correct process in the projects they undertake.

How do you choose a consultant?

Value is the key to engaging a consultant – what they can deliver to you in terms of benefits, compared with what they will cost you. In my view, you want to engage a person who has the qualification, expertise and experience to solve your issues.

If all you are concerned about is the cost side of the equation, then remember, you get monkeys if you pay peanuts. If you wish to ask for a quote, just make sure you are comparing like to like. It is very easy for someone to claim they are a low-cost consultant and can do everything.

I also suggest you think of your lawyers and accountants as consultants. It amazes me how we will be talking to a client, and when asked about their lawyers, we hear they are using their local suburban lawyer. This, to me, would be similar to asking a divorce lawyer to handle your commercial contracts. Specialist lawyers and accountants are there to handle small-business issues. Would you have your local doctor undertake brain surgery for you because he was entitled to be called doctor?

Another area you may want to ask a consultant about is whether they have suitable professional indemnity insurance and public liability insurance. If there is a problem based on advice or actions you have taken following a consultant's recommendations that have cost you a large amount of money, you may want to take legal recourse.

How do you brief a consultant?

My suggestion is to have a list of what you wish to achieve. That may include broad things like:

- Suitable locations to open new stores.
- New marketing image.
- Develop our strategic plan.
- Improve revenue.
- Improve our website.
- Implement a process for site selection.
- Reduce risk from legal issues.
- Online operations manual.

These may come from your business plan, a SWOT analysis, or just areas

that you see are causing problems in your business.

Once you know the areas where you need assistance, construct a simple brief, possibly with some measurable achievements:

- Implement a local marketing campaign where we expect five per cent coupon returns.
- Improve revenue by 20 per cent within 12 months.
- Achieve 10 per cent improvement in mystery shopper score for my site.

This is often more about educating yourself on what you want to achieve, rather than just telling a consultant to fix everything.

How do you engage a consultant?

Once you are clear on what you wish to achieve, then it is the consultant's job to convince you that they can meet your expectations in a timely, cost-effective manner.

This may involve replying to your brief, forwarding a proposal that may include references, relevant experience, and who would be involved in your project and their experience and qualifications.

Once you are satisfied that the plan will achieve your aims, you engage the consultant to undertake the specified work.

Summary

Choosing a consultant means striking a balance between benefits they can achieve for your business, and cost or risk for your business. With a clear idea of what you want to achieve, you can brief the consultant and measure their performance. Don't be misled by low costs, or under-qualified and inexperienced consultants.

Select well, as they can make good money for your business, and in some cases turn it around completely for the better. ■