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to their clients. As a trusted advisor to your clients, you have a valuable understanding of your client's business, and it's natural for your clients to turn to you

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Jim Boomer • Mar. 19, 2018



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Devoted resources

Many firms starting out in technology consulting face the same common challenge: trying to use internal resources for external client services. It seems like a natural progression: you already have excellent IT professionals on staff, so they become your consulting team. It may be a decent short-term solution, but this setup doesn't work well long term.

As your technology consulting service line grows, natural friction between priorities starts to solidify. In other words, who is the priority when both the firm and a top client have an emergency at the same time? For this reason, we strongly recommend separating the two as soon as possible.

Niche focus

Many firms have bought into the idea that developing niche practices for their traditional audit and tax services can help differentiate them from the competition and position them as the experts in their vertical. The same advantages apply to developing a niche in your technology consulting. Niche focus has two components. The first involves developing expertise in a specific type of business or industry.

As you can imagine, the technology needs of a medical office are very different from those of a restaurant, an automotive dealership or an agricultural concern. Specializing in an industry you know can give you more confidence in your skill set, provide a deeper understanding of your clients' needs and challenges, and help generate referrals.

Next, work to develop expertise in a few services you will provide within your chosen verticals. Some firms getting started in technology consulting try to offer too many services and that lack of focus tends to stretch people too thin. Worse yet, it draws

consultants into areas where they lack the required expertise and ultimately

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Standard procedures

The second key to success is to develop standardized processes that can help you gain efficiency with each engagement. The specific procedures you follow will depend on your niche, but they should include good engagement letters and change orders that will shape client expectations and ensure you don't wind up on open-ended engagements that leave both you and your clients unhappy in the end.

Your procedures should cover not just client-facing aspects of your engagement, but the administrative side as well. As you refine your processes from engagement to engagement, each one will become more streamlined and thus more profitable.

Value pricing

Even if your firm has not yet made the leap to value pricing tax and audit engagements, to be successful in technology consulting you will need to gain comfort with pricing based on value rather than effort.

Again, your pricing structures will vary based on the work in which you've chosen to specialize, but they will require more frequent and meaningful conversations with clients and a commitment to truly listen to what your clients want and need.

Many firms balk at value pricing because they worry they'll underestimate the cost of their work, and thus lose money on their jobs. Instead of falling back on the familiarity of billable hours, put yourself in the mindset of a business owner. What would it cost to hire an internal resource to provide this function or expertise? That mindset, combined with looking at the market rates of your competitors, will give you a good starting place for valuing your services.

Leverage existing connections

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rather than effort and leverage the power of your peer networks. They're not a guarantee of success, but they will give you a strong head start in the right direction.

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