

MY BIGGEST MISTAKE. . .

Success obscured need to keep developing the business

. . . AND HOW I FIXED IT

By Rebecca Morgan, as told to Plain Dealer reporter Marcia Pledger

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Founded: 1990
Headquarters: Cleveland
Employees: 1

I went from making macaroni and cheese one day to making jet engine parts the next. To me, it's all the same. All manufacturing plants have control and flow issues. All of them deal with questions about adding value or adding costs without adding value.

I love the manufacturing process. Whether you're processing a chicken or building a machine, you start with raw materials, add value to it and ship the finished product to a customer. How well you do that is critical. I help companies do it better.

It's hard to believe that I've been a consultant for 16 years, especially since I didn't have a high opinion of consultants when I held various senior management positions in the corporate world. I've worked at several companies and I used to think that consultants were not worth the money. I've seen companies pay a half million dollars to get a report that was not actionable in any way.

Running a successful consulting business requires having content expertise, consulting skills and being a good business person. I was good enough in all three areas that the first 10 years of my consulting business were a strong success - but I was bored.

My biggest mistake was accepting the apparent success of my business and not reaching out to a business development expert sooner.

It was really my boredom that got to me four years ago. I had a full calendar, a good reputation with referral business and a nice revenue stream, but I

was lulled to sleep by that basic sense of success. I didn't realize how much better I could be until I hired a growth consultant to help me redefine what I was doing. I didn't know how he was going to help me, but I knew that he could.

One of the first things he did was interview about a dozen clients. I thought they would say I did a fine job, but they didn't really understand how I did it.

Instead, I found out that what they valued most was my strategic thinking, which was not why I was hired.

They told me that they wanted more of me. They saw me as a peer. This may sound bad, but I didn't let them treat me like a peer. I thought that because they paid me by the hour to do a job, that I should do it as fast as I could. Spending time talking to them about topics other than the project at hand was contrary to getting the job done as fast as I could.

I was surprised and confused initially. I had always associated myself with high-end professionals who are my competitors. I am on national and regional manufacturing association boards. And I've always worked hard to stay abreast of the latest strategies and techniques in supply chain management, information systems and consulting. Never before had I been told that I needed to change the way I ran my business.

I thought companies hired me to do a task or tweak current operations, like implementing software that helps run operations or to recommend and implement efficiency improvements. I didn't realize they wanted to hire me for my strategic input.

It took me awhile, but I finally figured out how to change my fee structure. I thought they were buying guaranteed results because they were paying me by the hour. If the company didn't do its part of the project, I thought I had to step back and do that too, with a day rate.

Now I charge a fixed project fee that we agree upon up front. That means we have to have real clarity about my role and responsibilities, and theirs. It forces clients to better understand changes they're making. Basically, I'm not a hired hand anymore. I'm a partner in improving the business.

I am doing much more interesting work now because I'm helping them to define and implement a strategy instead of working on a little project that's not really part of an overall strategy.

In making those changes and others, my gross sales have grown to record levels, except in 2004, a down year.

When a company is successful, it's easy to think that things are fine. Many companies focus inwardly. They figure that costs are under control, we're making money, therefore we're a great company.

The real question is, What is the potential for what you could be doing? That takes an external focus.

It's true. Sometimes you can't see the forest because of the trees. I was too close to my business to see some areas I needed to address to grow.