



CONSULTING MATTERS

A publication of the Delaware Valley Chapter of the Independent Computer Consultants Association
www.iccadelval.org

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From the Vice President

COLD CALLS - An Effective Way To Expand Your Client Base?

by Michael P. McAndrews
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Vice President, ICCA/Delaware Valley



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Some of the best new client contacts have been obtained through the “warm market,” the referral activity that naturally occurs as a result of satisfied clients. By its very definition, the warm market is a limited source for generating fresh leads. As a result, my company, in which I am a principal owner, recently decided to include the technique of cold calling in the scope of our business marketing activities. I’ve heard that cold calling is simply a numbers game; others have said it’s an art form. I decided to put these theories to the test! My goal: to find out if fresh client activity could actually be generated by picking up the telephone and dialing the numbers of strangers, hoping they’d give me the time of day. Our desire to determine if cold calling could provide a predictable mechanism for generating fresh leads drove my efforts, although I questioned my luck at having been assigned this task.

How then to get started? First, a call list and tracking mechanism would need to be obtained and implemented. Rather than purchase one of the more popular Contact Management software programs like ACT or Goldmine, my partners and I decided to leverage our technical skills and quickly created an access database program with the appropriate information fields for capturing critical tracking data. We wanted to have the ability to generate reports based on criteria such as:

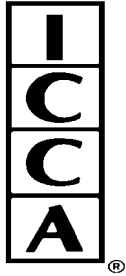
- a.) call back in 6 months;
- b.) dead end – don’t call again;
- c.) call back next month; and
- d.) call back after sending the prospect information about our company.

At first, using Internet search capabilities, we generated an extensive list based on our pre-defined notion of our target market, mostly based on company size and location. Although this approach works and is inexpensive, it is extremely time-consuming. For example, it can take up to two hours of time to locate and verify the validity of 15 prospects. In my opinion, this process is hardly worth the effort for an activity that the general sales population states takes approximately 100 calls for a possible “hit” or lead. It also occurred to me that potential clients that fit our target market would include those companies in need of a web presence and/or email technology in place. Our Internet-based searches, we discovered, precludes a subset of businesses we need to reach out to and help step into the 21st Century!

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**Meeting
Information
610-394-9090**

**info@iccadelval.org
www.iccadelval.org**

6:00 P.M. Networking & Cash Bar
7:00 P.M. Dinner
8:15 P.M. Meeting & Program

Entire Evening Prepaid	\$30 Members	\$40 Guest
Entire Evening at Door	\$40 Members	\$45 Guest
Networking/Speaker	Free Members	\$5 Guest

First time guests pay member rates. Prepayment must be received and cancellations for refunds must be made by Monday before meeting. Credit Cards accepted (MC, Visa, Discover). If there is more than one person in your party, we request that you pre-pay. Note that making a reservation is a promise to pay. "No-Shows" will be billed.

Mail Check Payable to:
ICCA Delaware Valley
125 N. Highland Avenue
Lansdowne, PA 19050

**Meeting Locations:
(Please call the hotel for directions.)**

Philadelphia Airport Hilton

215-365-4150
4509 Island Avenue
Philadelphia, PA

DoubleTree Guest Suites

610-834-8300
640 W. Germantown Pike
Plymouth Meeting, PA

Clairon Hotel

856-428-2300
Route 70 & I-295
Cherry Hill, NJ

Holiday Inn Select

302-792-2700
630 Naamans Road
Claymont, DE



**TOP TOPICS at
ICCA DeVal
2003-2004**

by George Smith, GRS Associates

At the **April** meeting in **Cherry Hill**, our friend **Michael Revness** of **Kurtz&Revness, P.C.**, discussed '**Staying out of Litigation**' with an enthusiastic, if slightly small, crowd. More so than with some of the other attorneys that have presented to us, I always seem to come away from Michael's presentations feeling vaguely guilty about all the things I'm not doing! Are your contracts (and E&O insurance) in good order?

For our **May** meeting, we'll be back in Pennsylvania at the **Airport Hilton**. ICCA member **Mike Herrera**, of **Client Server Specialists, Inc.**, will discuss "**Finding Your Niche and Turning it into Profits.**" In his presentation, Mike will discuss how developing a niche can be the key to increasing your rates and creating a constant flow of customers. Mike will discuss how to find and develop your niche market using a variety of marketing and partnering techniques. I look forward to seeing many of you at the Airport Hilton for a topic all independent consultants need to think about.

We will close our out 2003-2004 program year at the **Plymouth Meeting Doubletree** in **June**. **Fred Wilf**, an attorney with **Morgan Lewis**, will Intellectual Property and Digital Rights Management issues and how they affect computer consultants.

Join the ICCA!

Become a part of the region's premier association for Independent Computer Consultants.

Membership rates are:

- * \$100 Local Chapter Dues
- * \$175 National dues for 1 person firm
- * \$225 National dues for 2-9 person firm
- * \$275 National dues for 10+ person firm
- * \$25 National Processing fee
(1st time only)

This Translates to:

- * \$300 for a first-time 1 person firm
- * \$275 subsequent years for 1 person firm

Call 610-394-9090 to request an application, or fill out membership application on line at **www.icca.org**

How to Solve the “Too Many Clients - Not Enough Money” Challenge

by Steve Leach, ACTION International

Pareto's principle states that 80% of your business comes from 20% of your clients. The other 80% of your clients are probably costing you money...it doesn't matter what business you're in. All business owners can normally reel off names of clients who consistently complain about how long you take, how much you charge, want to return goods because they ordered the wrong 'widget', then take months to pay.

Many business owners tell us, "it's hard to get good clients." It's not hard, it's just that nobody ever taught you how to attract the right type. After all, **how many hours do YOU spend a year learning about technical or product issues?** Now *how many hours do you spend learning about better selling and marketing?* If it's not about half/half, you'll probably find your potential for success limited by your 'personal exertion' and that your 'creativity' is copying ideas your competitors come up with.

Here's how you can progress down the path to attracting better clients...

Define Your Clients ...

The definition of your clients involves working out what makes a client profitable and at what point they become a cost to your business. Many businesses put up with clients that consistently pay late, change their minds or appointments, expect miracles in terms of timing, insist and haggle over discounts, and are just downright stressful to work with. It should be a privilege to do business with you, not a right. Clients that are not profitable should be 'fired' or at least discouraged from using your service or buying your product. The first step to doing this is to **define at what point a client stops being profitable.**

Firstly, your clients can be classed from A to D, with A's and B's being profitable and C's & D's being a cost. Start by looking at your most profitable and ideal clients, what do they do, what characteristics do they have? Then look at your worst clients and list their typical traits. As a rule of thumb, you should end up with about 20% of your client base being 'A' grade, about 30% being 'B', 30% being 'C' and 20% being 'D' grade.

Once your clients have been defined into four classes, the As & Bs should receive a letter of appreciation telling them they are your best clients and encouraging their custom. It will make all the difference. The Cs & Ds should be sent a letter explaining the situation, and encouraging them to become A and B clients by making it clear what you expect from them in return for your products or services. If there is no change from a C or D client after a couple more contacts, you should cease doing business with them; refer them to your competition! They are costing you money!

So now it's time to take action...

Take the steps above and speak to your local Action coach about replacing those 'D Grade Customers' with 'A Graders' and how to develop the systems so you never end up with clients that you'd rather not work with again.

ACTION International is a business coaching and training company that works with small to medium sized businesses educating the business owner how to improve the sales, marketing and productivity in their business. If you would like further information contact the Pennsylvania ACTION coach John Patania at 610-666-1564.

Upcoming Dinner Meeting Dates 2004

✳ **5/13 Airport Hilton**
Philadelphia, PA

Topic: Finding Your Niche and Turning it into Profits

Speaker: Mike Herrera
Client Server Specialists, Inc.

Mike Herrera, General Manager of Client Server Specialists, Inc. will discuss why a developing niche can be the key to increasing your rates and creating a constant flow of customers. Mike will also discuss how to find and develop your niche market using different marketing methods and partnering techniques. Learn how to put it all together to move toward increased profitability while offering better service to your customers.

✳ **6/10 Doubletree Guest Suites**
Plymouth Meeting, PA

Topic: Intellectual Property and Related Legal Issues

Speaker: Fred Wilf, an attorney with Morgan Lewis

Digital Rights Management ("DRM") is a combination of technologies and laws designed to protect digital content from being used except as expressly allowed by the content owner. Fred Wilf, an attorney with Morgan Lewis will discuss DRM-related legal issues, and how they affect computer consultants.

Cold Calls- An Effective Way to Expand Your Client Base?

(continued from page 1)

I decided to contact a fellow business owner who often purchases marketing lists through Dunn and Bradstreet for advice. With his assistance, I generated and purchased a narrowly defined marketing target list of 700 potential contacts. This process was completed in a mere 20 minutes compared to the two hours spent trying to create my own call list. This was a much smarter use of time and resources to generate a quality call list. At less than \$300.00, I saved a significant amount of money on the per-contact cost as well as loads of time. The rate was so reasonable due to the volume contract my business associate has with D&B.

Armed with the targeted call list and a customized tracking database, I realized that all I needed was a quality telephone script. After researching several sources, including searching the Internet, I determined that I have about 10 seconds (at best) to provide a compelling statement about who I am, where I'm calling from, which services I can provide in simplistic terms and how the company I'm calling on will benefit from knowing me. The next step is to really engage the prospect by asking a couple of compelling questions and getting them out of defense mode and into conversation mode. If I can be successful in getting past the gatekeeper and proceed to the decision maker, the entire process above must be repeated. The research smartly suggested that I practice this statement to work out all of the pauses and verbal stumbling prior to making a live call. The key to using the compelling statement as a tool is to memorize the script so when the adrenalin rush begins, memorization can take over so the caller can focus on sounding warm and friendly rather than fumbling over the words. Remember to smile and, more importantly, breathe! A confident, relaxed voice will result in better responses than a desperate-sounding attempt at speaking. During the cold calling process, often times I find myself slipping into the "be ready to walk away from any deal not in your favor" mode, which helped me remain calm.

The results of the first 100 calls I made were encouraging. I find it imperative to mention that as I continued making calls, I naturally began to adjust the script. Some of the initial words I used confused people and I began to simplify my message by using more laymen terms. A realization that I was fishing for people in need of my services right now, not those already satisfied, gave me a degree of comfort. I didn't feel as if I needed to manipulate anyone into allowing me to come out and waste their time and mine. After the first 10 or 20 calls I felt that I stopped sounding as if I were reading a script and more like I was having a conversation. This experience helped the process move along more smoothly. I then began to play with the order of my sentences. After my opening statement, I discovered that I fared better by asking the secretary or gatekeeper, "Do you handle this area for you company?" Asking Mr. or Mrs. Gatekeeper, "Might I speak to the individual

think this service might be helpful?" frequently produced the response, "We're not interested." *Click.* Naturally, I realize that most of the individuals who handle an organization's inbound calls do not make technology decisions; however, it seems that by asking the gatekeepers if they do, they feel compelled to explain that they do not handle the computer technology and tended to forward me to the I.T. manager or office manager. A curious twist, I thought, but it works!

Ultimately, I experienced two solid leads after making 100 calls. Both leads are interested in having our company perform network assessments. The common factor with both of these "hits" is that they were in immediate "pain" and did not have internal I.T. staff. One potential client is experiencing difficulty setting up high speed Internet access and the other is opening an out-of-state office, which requires a remote access solution. While I'm not an expert on making cold calls, I do feel the process is worthwhile and would appear to be a repeatable mechanism for generating warm contacts. It is my belief that there are three imperative items in successful cold calling:

- 1.) an effective tracking system or database;
- 2.) a highly targeted call list; and
- 3.) a time-perfected telephone script which can be developed into your own conversational style.

With these tools, the exact science of cold calling feels like an art form.

ICCA Delaware Valley Shirts

Size	S	M	L	XL	XXL
Color	Green	Ecru	White	Navy	

Qty _____ @ \$25 Total Enclosed: _____

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Address _____

Email _____

Send this form with check payable to:

ICCA
125 N. Highland Ave
Lansdowne, PA 19050

Or call/email your VISA/MC/Discover card number, expiration date, and total dollar amount of order to
610-394-9090 icca@erols.com

Shirts will be ready for pickup by the following meeting.



**27th Annual
ICCA National Conference
"C'Ning Your Business from
New Heights!"**

**Toronto, Canada
June 11-13**

**See www.icca.org for
registration information**

Why should I go to the ICCA National Conference?

Diane Herrera
Client Server Specialists, Inc.

By now, you've undoubtedly seen the announcements, advertisements, and brochures about the ICCA National Conference, being held this year June 11-13 in Toronto Canada. Have you talked yourself out of going? Have you convinced yourself you won't miss anything? Have you dismissed the idea because you don't want to spend the money to go? If you fall into any or all of the above categories, read on. In this article, I'll explain to you why, after going to our first ICCA National Conference five years ago, I haven't missed one since.

The ICCA National Conference offers me the opportunity to spend three solid days being focused on building my business. Each year when the conference is announced, I don't have to make the decision whether or not to attend... I know I'm going to be there. I've learned that it doesn't matter who the speakers are, what the topics are, or who else attends. I know that I will always, without exception, come away with new ideas, new techniques, new plans, and renewed enthusiasm.

specializing
strategic partnerships
effectively using a website
utilizing writing opportunities to market your business
how to find speaking engagements

...all of these are ideas and techniques I've learned at ICCA Conferences that have been put to use in building my business. Just in case my impassioned arguments have not yet convinced you to attend, let me tell you a little about what's in store for you at this year's ICCA National Conference.

Conference Sessions:

Negotiating for Results
Ham it Up and Become a Media Hog -- How to Generate Free Publicity
The Adventure of Change -- Redefining and reinventing your business
The Power of Networking
Legal Liability for Security Lapses and Breaches
Ending the Feast/Famine Cycle -- Developing a continuous stream of clients
Use PowerPoint Professionally to Increase Your Revenue
Setting Your Rate aka The Cost of Doing Business
Technology Contracts -- How to Make the Contract Reflect the Deal
Promote Brand You -- Positioning Yourself as the Professional
Beyond IT -- Letting Go of the Familiar and Advancing your Career
Zen Collection Techniques

Don't miss out on this conference. You will undoubtedly take away several "nuggets" that you can act upon to grow your business. Equally as important as the conference sessions, though, is the networking opportunity provided by this conference. Spend some time talking to, and learning from, other independent consultants from across the country. You'll be glad you did.

May Tech Calendar

11- May

PA/DE/NJ Distance Learning
Association
“Global Challenges for Distance/e-
Learning”
Delaware Technical and Community
College
Wilmington DE
8:30am - 9:00 am Registration
9am - Noon Sessions
www.padla.org

13- May

ICCA Del Val Chapter Meeting
“Finding Your Niche and Turning it
into Profits”
Mike Herrera
Client Server Specialists, Inc.
Philadelphia Airport Hilton
Philadelphia, PA
6pm - 7pm Networking
7pm - 8pm Dinner
8pm - 9pm Presentation
www.iccadelval.org

18 - May

TEMPO
Trainer Survival Skills: Managing
Your Time and Stress!
Speakers:
Wanda Carricato- Regional Sales
Mgr., Nevada Learning Series
Debbie Exner - Business & Personal
Coach, Exner & Associates
Linda Duguay - President Leewood
Associates
Location: Penn State Great Valley -
Malvern, PA
[http://www.tempo-train.org/
program98.html](http://www.tempo-train.org/program98.html)

24 - May

Grid Today 2004
Enterprise Grid Computing
Conference
Philadelphia Convention Center
Philadelphia, PA
[www.gridtoday.com/04/conference/
index.html](http://www.gridtoday.com/04/conference/index.html)

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