

Think Strategically: Add Value to Your Business

by Mary Ellen Bates

Adding Value: Independent Information Professionals

ABSTRACT

For information professionals seeking to add value to their businesses, adapting to an evolving environment is critical. Identifying what to change starts by evaluating existing services, potential services to add or collaborate with, revenue sources, appealing opportunities and industry prospects. Both small and large projects offer value for information professionals. Smaller projects can fill gaps and smooth the income stream, while larger projects can offer expanded opportunities. One can nurture business opportunities by volunteering services, educating clients on services and capabilities, developing relationships based on confidence and trust and serving as a consultant.

KEYWORDS

business
strategic planning
change
project management
consultants
independent information professionals

Mary Ellen Bates is the owner of Bates Information Services (batesinfo.com), providing strategic business research to business professionals and coaching services to info-entrepreneurs. She can be contacted at mbates@batesinfo.com.

Being an independent information pro means never having to endure another performance evaluation from your boss – and no pre-meeting meetings. On the other hand, being independent also means that you have to do your own review and strategic planning session every year, rather than waiting for someone to come along and hand you a raise.

The most important aspect of growing a business is watching for opportunities and new markets. The days of rip-and-ship – when all it took to wow a client was a printout from an online search – are long gone. We have to constantly identify new ways that we can add value to our services and build the loyalty of our clients.

In that spirit, this article will look at how to know when to turn to a new direction, what questions to ask yourself, how to shift your perspective to a more expansive view of what you do for your clients and what to do next.

Warning: Sharp Curves Ahead

I gave a presentation at the 2009 AIIP conference (www.aiip.org) on recognizing and making strategic change. In preparation for the talk, I interviewed a number of long-time info-entrepreneurs about how they recognized the need to change and how they made significant changes in their businesses. Some had expanded their business, a couple had closed their business, others had moved in completely new directions. When I asked them what prompted changes of direction, I consistently heard the same factors. As you read this list, consider if any of these issues apply to you and your business:

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- “In my field, we constantly have to adapt. The industry changes rapidly, and if you don’t keep up, you’re left in the dust.”
- “I wanted to expand my business, which meant that I had to bring in others to my business. Hiring an assistant gave me the energy and focus to go get new business.”
- “I needed to diversify my revenue stream; I realized that I am too dependent on providing a single service to a niche market.”

What I found particularly interesting about these reasons for making big changes was that most of the info-entrepreneurs felt that they simply had no choice – they had to adapt to a changing environment or they would be out of business. While that impetus sounds somewhat negative and reactive rather than proactive, in fact it demonstrates a functioning early-warning system.

A recent article in the *Wall Street Journal* focused on the problems of near-empty shopping malls. A woman who operated a business out of a kiosk in the mall said, “I’ve made my business here. I don’t want to move to another mall. I want [this] mall to be like it was eight years ago.” While I can sympathize with her longing for the shopping mall to return to its former vitality, choosing not to move to a more economically viable location means that she will likely suffer the same fate as the rest of the mall.

Questions to Ponder

Although we may be reluctant to admit it, many of us only make changes when we have to, because we are unsatisfied – for whatever reason – with the status quo. To speed up your planning process and to prompt new ideas, look for things that you are dissatisfied with or situations that you think you could improve. Here are some of the questions I ask myself every year to help me identify what needs to change.

- What business(es) am I really in? Is there an additional service I could provide that dovetails nicely with my existing services? What business have I wanted to get into this last year?
- Where is most of my revenue coming from? Is that where I want to be

making most of my money? Is there something I could productize? Or would that just turn me into a commodity in the eyes of my clients?

- What am I really excited about? What do I look forward to working on? What kind of project is particularly satisfying for me? If what I really love to do won’t support me directly, how can I take that passion and convert it to a revenue-producing effort?
- What are the primary industries that I am known in right now? How strong are those industries? Should I expand to a new market?

I find that the best indicator of an area that I need to focus on is the one that causes my stomach to clench up and try to hide behind my spine. And just as I recognize an issue by my stomach, so I recognize an inspiration by how much lighter I immediately feel. When I had that moment of realization about offering coaching services, I felt like a huge weight had been lifted off my shoulders. When you think you can float on air, you have just found your new calling.

Moving to the Next Level

Once you have been in business for a few years, you will begin to sense important – and telling – distinctions between small and large projects. While most people gauge the size of a project by its total budget, I focus more on projects in which I net the most profit. In some situations, that might mean serving more as a project manager and wrangler of researchers than a researcher and analyst. A smaller project that fills up much of my time during a slow period brings a welcome influx of cash when it is most needed, but it is more difficult to make a profit with smaller jobs.

There are a number of ways to cultivate the desirable larger projects, both by expanding your existing clients’ understanding of the range of your services and by reaching out to new client bases. Note that these two steps are not mutually exclusive – you can move up the value chain with your existing clients at the same time you move into other markets or groups of clients.

One of the easiest ways to get larger projects from your clients is simply to ask. Clients may not know the extent of your services (especially once you add in the services you can subcontract to other info-entrepreneurs), so

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they would not necessarily think to ask you for in-depth analysis or a summary presentation or primary research.

Build relationships with your clients. They need to have confidence in you before they entrust you with a large project with high stakes. That may mean working with them on a volunteer project for a professional association or getting together with your client every few months, assuming you are in the same city.

Move toward a more consultative role with your clients. Find out if you can provide added value that your client might not have thought of; treat this interaction as a consultation rather than one in which you are just taking a fast-food order from your client.

And finally, listen to your head, your heart and your gut. With all three perspectives, you can find a successful way to grow your business and your skills. ■