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Leadership's Role in Effective Business Development

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Effective business development requires strong leadership. It needs clear goals and flexible strategies, which can't be created spontaneously. Guidance and active involvement from everyone involved is required—especially the firm's leaders. You must have strong leadership for business development to succeed.

WHY BUSINESS DEVELOPMENT NEEDS STRONG LEADERSHIP

To have the most impact, business development efforts require an effective leader who formulates and implements a specific range of activities and initiatives that directly enhance the firm's growth.

The leader must be able to see beyond this quarter and envision how the firm will grow. The leader needs to understand the big picture—the macro as well as the micro. With a vision for the marathon of business development, he or she knows that a long-term growth strategy includes not only planning for what you intend to do, but also preparing for what you never intended to do because of changes in the marketplace. The leader must be able to identify emerging needs and areas that require specialized niche services, and steer the firm—or a boutique within the firm—to these areas of growth and higher profits.

Controlling and adjusting the budget is important, and must not be allowed to occur haphazardly. Business development is an investment that typically requires a reallocation of budget. An effective leader who has been trained and tested knows how to set priorities and understands that quality, not just quantity, is the way to increase profits. And, once priorities are set, the people and systems must be put in place to meet those goals.

Accountability is a critical component to support growth. Confident leaders hold their people accountable, monitor key performance indicators, demand results, identify their top performers and ensure the firm is investing in their training and support.

At all firms, some staff members will have a proactive business development mindset and

others will not. The growth-oriented leader will identify and nurture the employees who show business development potential. The leader will encourage innovation, understand risks, and reward exceptional performance.

BUILDING INWARD

Marketing is necessary for long-term success, but marketing campaigns are usually directed *outward*. They seek to open and deepen markets. Marketing generally does not affect the company culture or prepare the staff for the organic growth that comes from *inside* the firm.

The effective leader of a business development effort will focus the firm's attention inward. This is significant because often firms do not invest in training, developing and coaching rainmakers. In fact, when I run a sales assessment on a full-time salesperson vs. a typical rainmaker in a professional services firm, the results are often drastically different. The salesperson also receives the benefits of accountability, ongoing training and coaching from the sales manager. In contrast, the professional will often receive very little support. We end up with a situation that does not maximize the opportunity for a successful business development initiative.

Some firms are cutting edge when it comes to their marketing initiatives, but that is only one piece of the puzzle. In addition to exceptional marketing, firms need to nurture the abilities and skills of their rainmakers and prepare them for the firm's future growth.

KEY BUSINESS DEVELOPMENT SKILLS

Company leaders create an environment that drives performance by motivating staff members so they are passionate about helping the firm grow. Revenues, outcomes and hours are important, but it is a marathon for rainmakers. They require consistent and unwavering leadership and support so they can stay on course and win the race. Effective



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CONTINUED ON PAGE 10

Leaders must also be willing to listen to feedback and build a sense of community that is based on what they hear.

Leaders provide this motivation and inspire their staff members. This may include supporting an individual group member during a difficult period, providing mentoring for an up-and-coming rainmaker, or pushing employees to meet and exceed their goals. Leaders can encourage a team to achieve results that go beyond the plan. Motivation from the leader can improve productivity, increase morale and encourage success.

Niche markets are best identified by a strong leadership team that can match the firm's talent with emerging boutique opportunities. Individuals within the firm who show potential for tapping into a premium market can be groomed and trained to provide a high level of expertise that will be attractive to the right prospects. This effort requires not only a planned allocation of resources, but also the balancing of egos and ambitions, which is a dynamic that must never be left to chance.

Although it involves taking a risk, there must be a willingness to embrace innovation. It is better to stretch and grow into new markets with new ventures than to fall behind the competition. For a firm to successfully develop a new niche, it must plan, zero in on the best possible strategy, and passionately commit to make the effort become a reality.

There are cynics in every firm. They have high expectations of everyone else and are continually disappointed when others do not meet those expectations. To counter this challenge, leaders must have vision, integrity, competency, and the ability to relate to and drive the thriving and cohesive team they are building. Consistency is key.

Leaders must also be willing to listen to feedback and build a sense of community that is based on what they hear. Not only do they need to listen, but they must act by offering solutions to the issues that are revealed. This quick action will foster an attitude of success within the people they lead.

EVALUATION AND ACCOUNTABILITY

When a positive company culture has been created, success must be measured with specific systems.

Transparent evaluation structure. This is critical and includes a willingness to look at the reality of any situation or challenge and avoid wishful thinking that is not based on facts. The effective leader will create this structure so that everyone at the firm knows what to expect. The staff is aware of the rewards for good performance and the consequences for poor performance.

Regular business development meetings for partners. At large firms, these meetings (where no other issues are discussed) are key to keeping management focused and on the same page. At the onset of a business development effort, the emphasis should be kept on a specific portfolio of activities and goals that everyone can buy into and whose effectiveness can be specifically measured.

Key performance indicators. Avoid presenting vague generalities and keep the effort transparent and goal-oriented. If you create a set of key performance indicators and talk about the numbers, it reduces the possibility of a poor performer offering excuses regarding why the goal has not been met.

Pipeline meetings. These are great opportunities to track performance and to work as a team to identify ways to close prospects. Firm members should be encouraged to support the business development efforts of others in the firm through their own connections and marketplace knowledge.

The bottom line is that once the business development program is up and running, individual efforts are tied to compensation. There is no better way to get people's attention and participation than to make positive results tangible.

With a proactive approach to leading a business development effort, the firm will grow with clear purpose and direction. ●