

The Consultant's Competency Circle

A Tool for Gauging Your Success Potential as an Independent Consultant

By Fred Nickols and Harvey Bergholz

The Elements of Success

A *tsunami* of newbies to the ranks of independent consultants prompts us to reconsider the elements for success. After nearly forty-five years in this field, we know that 85% is the failure rate within five years of stepping out on one's own. Why? The lure of independence, or higher incomes, or even the chance to fully exercise one's technical expertise all contribute to the annual flood of entrants; yet, most simply do not have the requisite knowledge and skill sets to succeed.

We see this requisite package as having three major components: Technical, Consulting, and Business. Only rarely will an individual bring equal measures of all three when he or she begins that swim against the tide. In fact, even seasoned consulting professionals have a dominant side of this triangle, or two strong sides and one weaker, and that is okay; but all three sides must be accounted for in some good measure to succeed long term.

Figure 1 depicts the Success Triangle. We use an equilateral triangle to suggest the relatively equal weight needed for the three core competencies: Technical, Consulting, and Business. Right next to it, in Figure 2, is the Consulting Triangle. We offer this to suggest that consulting is a profession, a process, *and* a business – which is why practitioners must have or rapidly develop technical skills, consulting skills, *and* business skills.

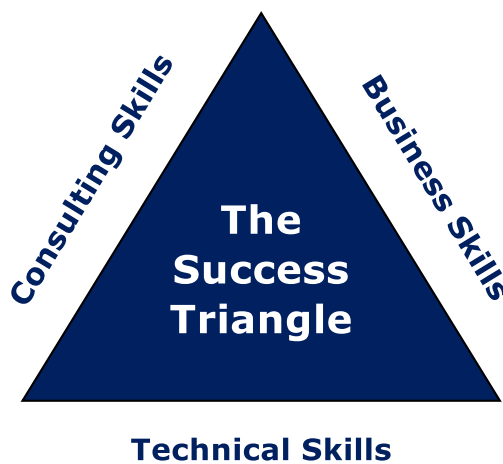


Figure 1 – The Success Triangle



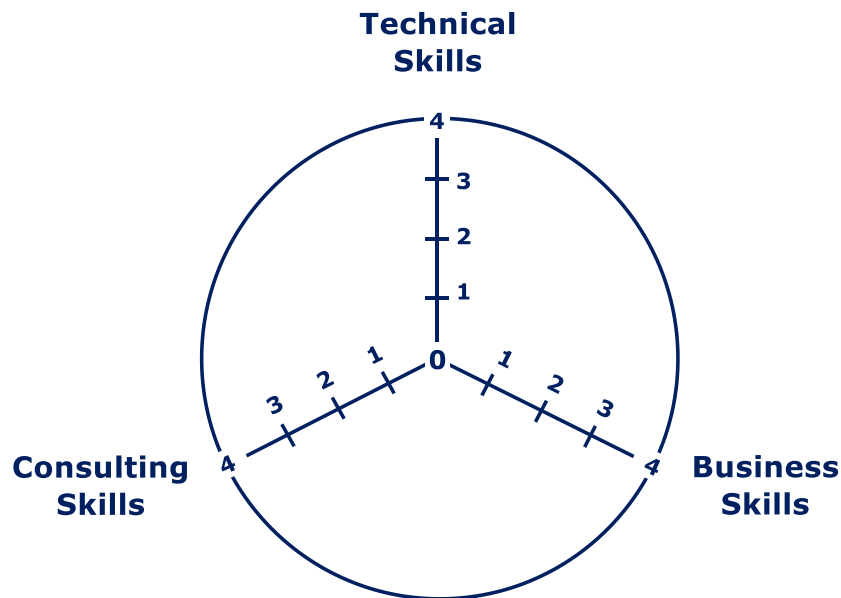
Figure 2 – The Consulting Triangle

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One useful characteristic of equilateral triangles is that they fit neatly inside a circle, with all three points touching the circumference as shown in Figure 3 below. Doing so suggests a scale for each skill set could also fit inside a circle as shown in Figure 4, the Consultant's Competency Circle.



Figure 3 – Success in a Circle



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Figure 4 – The Consultant's Competency Circle

Figure 4 above and Table 1 on the next page are tools that can be used to estimate robustness, competency, and level of expertise in each of the three skill sets.

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Table 1 – Know-How and Skill Sets Needed for Success as an Independent Consultant

BUSINESS KNOW-HOW & ESSENTIAL SKILL SETS	CONSULTING KNOW-HOW & ESSENTIAL SKILL SETS	TECHNICAL KNOW-HOW & ESSENTIAL SKILL SETS
Strategy Development	Relationship Building	Versed in Wide Range of Strategic Planning Methodologies
Goal Setting & Action Planning	Public Speaking	Versed in History and Classical Models: Business Strategies
Managing Professional Services (Accounting, Legal, Insurance, IT)	Business Writing	Diagnostic Interviewing
Recruiting and Hiring Talent	Meeting Leadership	Analytical Reading and Accurate Interpretation of Standard Business Documents
Talent Management	Interpersonal Communications	Market Research
Annual Financial Planning, Budget Development	Active Listening	Competitor Analysis
Developing and Managing Alliances or Joint Ventures	Facilitation	Use of Tools in Strategic Planning: Customization to Clients and Making Appropriate Choices
Pricing Services	Interviewing	Meeting Design
Proposal Writing and Competitive Bidding Strategies	Proposal Writing	Meeting Leadership
Long Range Planning for Growth	Diagnostics: Identify Root Causes for Problems	Writing Strategic Plan Documents
Compensation Management	Creativity: Solutions, Project Design, Implementation Planning	Leading Client Review Sessions
Benefits Design & Administration	Change Management	Taking Constructive Feedback
Developing and Managing Core Internal Processes: Communications, Decision Making, Problem Solving	Coaching, Guiding	Managing Revision Processes
Project Management Skills	Project/Engagement Management Skills	Designing Implementation Plans
Training, Coaching, Developing Talent	Decision Making and Problem Solving	Guiding, or Collaborating with Client Management to make Sound Choices among a Range of Alternative Strategies
Public Relations; Marketing	Work-Alone Self-Discipline	Risk Analysis & Mitigation
Time Management	Time Management	Presentation Skills
Negotiating	Delivering Feedback, especially Negative Realities	
Acumen: Business and Financial Fundamentals	Comfortable Relating Up, Down, and Across Organizational Lines	
	Data Gathering & Analysis	
	Collaboration	

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Table 1 lists some skill sets/competencies for each of the three areas. Use it to review and reflect on your own skill/competency levels. (Note that the Technical column in the example pertains to Strategic Planning. If that's not your technical specialty, fill in the skill sets and competencies essential to your technical specialty).

After reviewing Table 1, rate yourself in each skill area. Here is a scale you can use:

- 0 – No skills (not very likely).
- 1 – Minimal skills
- 2 – Average skills
- 3 – Differentiated skills
- 4 – Expert

Place a dot on the line where your self-rating falls. Do this for all three scales and then connect the three dots to see what kind of a triangle your skills represent.

Now, think about your strengths and weaknesses. Do this within each skill area and also across the three areas. What are your strong points? What are your weak points? Where do you excel? Where do you struggle? Why do you see yourself that way?

You can also have other people rate you. If you do have others rate you, be sure to ask them about the basis for their ratings. What is it they see that leads them to this or that rating? Can you identify realistic strategies for developing strengths in those areas where your ratings disappoint?

Figure 5 below shows what happened when one of the authors took a crack at estimating his skill levels. (Note: Performance Improvement, not Strategic Planning, was used as the Technical Specialty.)

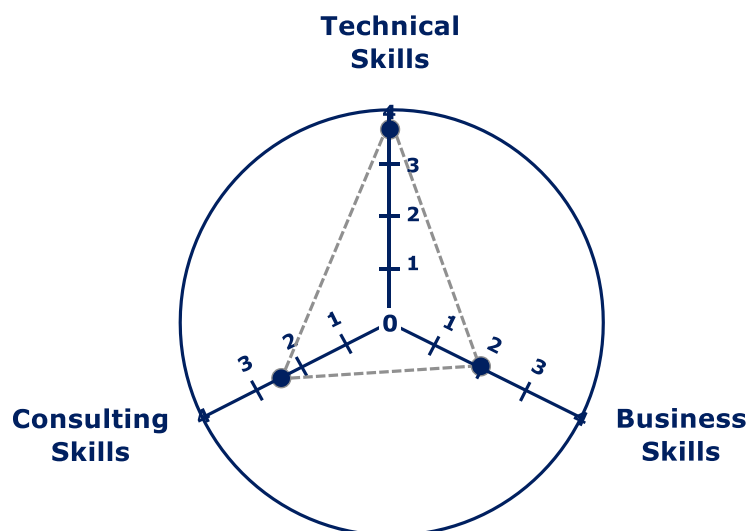


Figure 5 – Fred's Consulting Competency Circle

Clearly Fred has some work to do on the business side and on the consulting side as well.

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Figure 6 depicts Fred's ratings of co-author Harvey Bergholz, including the Strategic Planning skill set in Table 1. Clearly Harvey's sustained success as an independent consultant for more than four decades is well-founded.

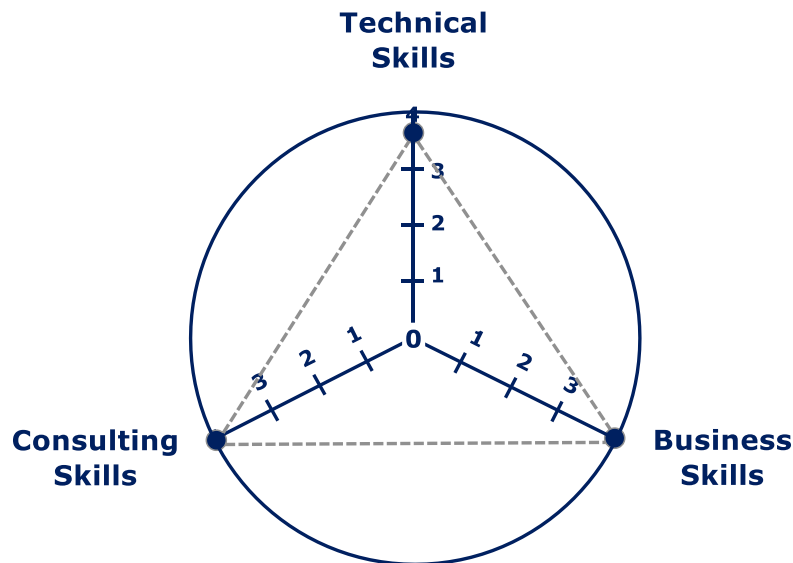


Figure 6 – Harvey's Consulting Competency Circle

So go ahead. Rate yourself and see what kind of triangle you come up with. Then think about whether or not you want to change it and what you need to work on to expand your Success Triangle.

A Final Comment

If we had to single out one of the three skill sets where many newcomers to consulting could benefit most from skill development, it would be the Business skill set. For a lucid and compelling examination of that skill set, see "The Independent Consultant as Equilateralist" by Harvey Bergholz. Available on the web at https://www.nickols.us/consultant_as_equilateralist.htm

About the Authors

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