

So, You Want To Be A Consultant?
--Some Thoughts from the Encore Manager Committee—

As we baby-boomers approach retiring from full-time local government management careers, we have begun to think about "encore" opportunities. Many of us consider some kind of consulting work as we enter our next life phase.

Why Consulting?

Consulting work, as a sole practitioner or with a firm, offers many benefits. For instance, consulting. . .

- Offers the opportunity to continue making a difference and adding value
- Generates income to supplement pensions
- Helps us stay connected to our professional identities
- Minimizes social isolation
- Offers meaningful work with less politics
- Promotes ongoing learning and new or enhanced skills
- Allows us to share a lifetime of experience and expertise

Not For Everyone

While we local government managers have a wealth of skills, experiences and relationships, consulting may not be an appropriate encore role for you. First of all, some of us after long careers would like to engage our energies in other endeavors, such as re-focusing on certain key relationship that may have been ignored (e.g., spouse, parents, children, grandchildren); pursuing leisure or creative outlets (e.g., music, photography, gardening, art); promoting our physical health (e.g., exercise); or traveling with a spouse or partner. Consulting requires a big commitment in time and energy. How does consulting fit with the lifestyle you desire after you retire?

Second, you may not have some of the skills required. Without a supporting team, do you have the presentation, analytic, technology, or business development skills required for the specific consulting role you desire?

Third, pursuing a consulting business entails some financial investment. Depending on the nature of the consulting work and if you are a sole practitioner or an associate in a firm, you may need to invest some monies in technology and office equipment, specialized software, additional insurance, marketing, and upgrading your home office or renting an outside office.

Does Consulting Align With Who We Want To Become?

By the end of our full-time careers, many of us managers have become "lopsided." We have over-emphasized work to the detriment of other parts of our selves. Therefore, those transitioning into their next life phase often wish to become more "whole." Many of us wish to focus on relationships and intimacy, leisure and creative pursuits, and not just work.

Different Kinds of Consulting

Assuming you have the interest and enthusiasm for an encore career as a consultant, you need to pursue a consulting role that is aligned with your skills. There are many kinds of consulting, such as:

- Financial analysis
- Bond or assessment district work
- Economic development
- Land use planning
- Staff training
- Group facilitation
- Team-building
- Engineering
- Project management
- Community engagement
- Organizational analysis
- Organizational development
- Executive coaching

In addition to the requisite knowledge and skills, you should ask yourself what kind of consulting work will engage and energize you.

What Does a Consultant Offer?

Some of the skills that allowed you to become a successful executive can be helpful to you as a consultant – but not all of them. As a consultant, your credibility comes from how well you are able to help your client solve a problem or dilemma that they face. It is not about how much you know or what you did in your last position. You have to be able to analyze and diagnose a situation and apply your knowledge and expertise to assist the client in understanding their needs. Helping clients solve problems requires that you are very aware of what is going on in the larger local government profession. It also requires a commitment to continuous learning so that you can help local government agencies respond to a dynamic and disruptive environment.

Consulting is about assisting others solve a problem in a way that works for them and their organization. It is about helping local government leaders achieve an objective that is important to them. A common mistake new consultants make is to over-emphasize how they did something in their last organization. While it might be interesting, it may not always be particularly relevant to the problem facing one's client.

Skills That Help; Things That Don't

You may prefer working as a solo consultant or you may wish to be part of a larger consulting group. Regardless of your choice, there are skills that will help you become a successful consultant. And there are some things that could get in your way.

Skills That Will Help You As a Consultant	Some Things That Will Get in the Way
<ul style="list-style-type: none">• Ability to communicate clearly in writing• Actively listening• Asking questions• Understanding the big picture• Focusing on the end in mind• Gathering interests from various parties• Team work• Project management• Meeting facilitation and logistics• Self-discipline• Humility• Continuous learning	<ul style="list-style-type: none">• Assuming that what worked in your previous jobs will work for your client• Your ego• Expecting others to do the work or pick up the pieces• Marginal word processing skills• Lack on skills in using computer software (e.g., PowerPoint, Excel, graphics)• Poor communications skills

Becoming a Sole Practitioner vs. Joining a Firm

To pursue consulting work, you should consider the advantages of becoming a sole practitioner vs. joining an established firm.

Those who like their role as a solo consultant often cite the following advantages:

- Being their "own boss"
- Flexibility in choosing the hours and the intensity of work
- Freedom to work for a particular client or not
- Accountability solely to client and oneself, not to a firm
- More opportunity to integrate work, family, leisure and volunteer pursuits
- Having to manage only oneself
- Less overhead with the opportunity to conduct business from home

There are others who have enjoyed affiliating with a firm. (A firm may provide services exclusively to government clients or have a division that specializes in services government clients.) While you are not the "boss," there are some distinct advantages for affiliating with an established firm. Practitioners who like working for a firm appreciate the following:

- The organizational infrastructure (administrative staff to help produce reports and handle scheduling, word processing, technology support, accounting and legal services)
- The social and professional interaction with other consultants working for the firm
- Not being solely responsible for business development and the marketing of one's services

Serving as the Firm's "Door Opener"

Sometimes firms will seek you out to join their consulting practice because of your relationships as a city or county manager. A firm may want you to serve as a "door opener" so they can more easily access active managers who have a relationship with you.

Some managers who wish to consult simply do not want to leverage their relationships in this way. Others are open to doing business development for a consulting firm if they feel very positive about the firm's services and products.

Drawing Boundaries

Whether you work alone or with a firm, it is important that you decide on who you want to be and what you want to do in your next life phase. Therefore, if you decide to do consulting, what are the boundaries that you need to put on your consulting work so you can have a robust next life phase?

If you join a firm, you should think about how many hours you want to devote to the work. Do you want to travel for the business? How much? Are these limitations acceptable to the firm's management? Can you be successful as a part-time contributor?

If you wish to become a sole practitioner, you can theoretically limit your work in terms of hours and intensity. However, in practice, the work can easily suck up all your available time and energy. Do you have the discipline to limit yourself and set boundaries?

Either of these approaches could work. The important thing is to set expectations from the beginning with your new employer, be that a firm or yourself.

A Different Leadership Style

Becoming an effective consultant often requires a shift in leadership styles for managers. Many of us are used to "taking charge" and giving directions. Consultants must effectively:

- Ask questions
- Listen
- Provide data and analysis
- Advise
- Facilitate action behind the scenes
- Support others in charge

To make a shift in leadership style and approach, you must be self-reflective, even self-critical; ask for feedback; and moderate your behaviors as required.

Ethical or Legal Issues

Before you launch a consulting practice, you should consider a number of ethical or legal constraints:

- You may not wish to do consulting work with your former local government agency (even though your firm may wish you to seek such work).

- Many local government agencies and states have enacted "revolving door" statutes. These ordinances or laws prohibit a former local government manager from representing a client in front of the governing board or staff for one to three years after leaving their local government position.
- If you are retired and receiving a pension, some states limit your work as a part-time consultant for a local government in that state if you are legally "employed" by that local government agency.
- It is unethical, if not illegal, to discuss consulting opportunities before you leave office with a firm doing business or likely to do business with your local government.

You should consult with a knowledgeable attorney regarding local, state and federal restrictions on contemplated consulting work.

How Much Do I Charge?

One of the most frequent questions from would-be consultants is "how much do I charge?" Depending on the kind of work, consultants may charge clients in different ways. Often they charge an hourly rate which covers their direct time and overhead. If one works for a firm, the consultant receives only a portion of the hourly rate because the firm must support its overhead and operations. Consultants may also choose to charge a fixed fee for a "deliverable" or specific activity or project (e.g., a financial or organizational assessment report, a training workshop).

Some former managers feel they can charge a lower rate than other consultants, as they are receiving a pension and do not need as much income. Others caution that a subsidized or below-market rate could lead to lessened respect for their work.

To get a sense of different ways of charging for your potential services, you as an active manager can pay attention to how those consultants currently serving your local government charge for their services. You can also talk to consultants whom you know (see more below).

Liability, Organizational Structure, and Insurance Issues

As a solo consultant, you will be accepting some risk and potential liability. If you join a firm, most or all liability is accepted by the firm. Most local government clients will require high amounts of auto liability, commercial insurance, and in some cases errors and omissions professional liability insurance. Some consultants have additional "umbrella" liability insurance to protect their pension and other personal assets.

The kinds and amounts of liability insurance will be determined to some degree by the kind of consulting work you are doing. Consulting engineers require a lot of liability protection as do financial advisors doing bond work. If you are doing group facilitation or training local government staff on communication skills or how to write an effective staff report, you have much less risk and liability and thus may need less insurance.

The kind and degree of risk may also influence your decisions to work as an unincorporated sole proprietor or legally incorporate. Different corporation types may also have certain tax advantages. You should consult with a trusted insurance or legal advisor about liability and organizational structure.

Marketing Yourself and Developing Business

Before jumping into consulting, you should consider your current "brand." Are you known for certain technical skills and knowledge (e.g. finance, economic development, organizational renewal)? Are you acknowledged in the field for your analytical or team leadership skills? Do you have professional visibility in your state or nationally? Have you written or presented on certain topics of interest to the profession?

You need to reflect on your brand and also get feedback from trusted colleagues. Your current brand can help you figure out your niche in the marketplace. While some managers may be reluctant to discuss their vision, skills, brand reputation, and potential fees with colleagues, this is the best way to test your potential.

Once they begin their practice, consultants obviously must market themselves and/or their firms. Effective consultants continue to build and enhance their brand. They tend to be very active in professional associations, making presentations, sharing experiences, networking, and generally creating visibility for themselves. While solo practitioners and firms may respond to proposals and formally compete for contracts, consultants will ultimately succeed or fail based upon their quality of work, reputation, and word-of-mouth referrals.

Consultants often need to invest in marketing and promotion support provided by business cards, stationery with letterhead, a business website, brochures, and a social media presence (e.g., LinkedIn, Facebook, Twitter).

Most business development is not about directly promoting your professional services. Rather, it is about having ongoing conversations with local government practitioners, asking questions of potential clients in order to explore their difficult challenges, and suggesting resources and solutions, including help that you can provide as a consultant.

Since business development is critical to successful consulting, especially as a solo practitioner, you must ask yourself if you enjoy maintaining and enlarging your professional networks, asking questions, having conversations, and providing resources even when you are not getting paid.

Some Other Thoughts from Seasoned Consultants

In researching this paper, the Cal-ICMA Senior Manager/Encore Manager Committee sought comments from current consultants who previously served as local government managers. Here are some of their additional thoughts:

- Consultants will study a problem for a client and will work closely with the staff assigned to the project. After submitting a report, the consultants are thanked and dismissed. They

will often not be part of implementing the solution, something that many experienced managers find frustrating.

- In conducting a study or project, consultants may have limited access to people and information and as a result are susceptible to making recommendations that are logical in a formal sense but which do not make sense to the informal organization. Consultants may then be roundly criticized for such recommendations and their competence called into question.
- As outsiders, consultants have no defense should the internal politics turn against their recommendations. Because of the nature of political organizations, the consultants will be considered at fault.
- Be prepared to "fire" a client (or not take an assignment) when their principles and values conflict with your own.

Getting Ready

Assuming that you would like to pursue consulting work, here are some steps to prepare and position yourself.

1. Reflect

As you think about your transition, ask yourself:

- Why do I want to consult?
- Will it energize and truly engage me?
- Do I have the required skills and aptitudes?
- Would I want to be a sole practitioner or a consultant for a firm? Why?

2. Get feedback

Schedule some conversations over coffee or drinks with close colleagues or trusted consultants. You can express your hopes and dreams and get feedback about perceived opportunities in the market place, your skills set, prospective fees, the advantages and disadvantages of serving as a solo consultant or member of a firm, the competition, etc.

3. Critique Active Consultants

As a current manager, begin to more thoroughly scrutinize the approach, styles, skills, value added, pricing, and general performance of consultants who work for your local government. You can learn about what you would like to emulate (and not).

4. Upgrade your skills

In anticipation of your transition, you may need to learn or upgrade certain skills. For instance, do you need to take a class to better learn PowerPoint, Excel, or some specialized software applications.

If you would like to become a mediator or executive coach, you should consider a formal training class or program or perhaps even a certificate.

One of the authors of this paper wanted to conduct training workshops but had to learn from his teenage daughter how to better use PowerPoint (something that the executive assistant in the city manager's office used to do for him).

5. Rehearse

While you think you might like to provide training workshops, do group facilitation, or conduct organizational studies, you should probably first rehearse and practice before leaving your manager position. Complete some small tests and try it out in your current organizational setting or for some other organization. In practice, do you actually like the work? What aspects don't you like? How could you improve? Do you like working by yourself or with others as a team? What is the feedback?

6. Get some peer coaching

Before you start consulting and as you start your new practice, get coaching from several colleagues who have become consultants. Many of the peer coaches listed on the Senior Manager/Encore Manager Program webpage on the Cal-ICMA website are consultants of one kind or another.

Decompress But Don't Wait Too Long

All of us need to take some time off and decompress after exiting our full-time local government manager positions. One colleague reported in a focus group conducted by the Cal-ICMA Encore Committee that "it took me six months just to learn how to take a deep breath." So, take the opportunity to do some traveling with your spouse or partner, read some books, play golf, reconnect with friends, exercise, and putter around the house.

It is difficult to effectively embark on a consulting journey without decompressing first. You need energy, emotion and optimism to start the new adventure.

However, there is a "window of opportunity" to explore consulting opportunities just before and after you leave your manager position. It makes sense to engage in some exploratory conversations before you leave (assuming no ethical or legal conflicts--see above) or within six months after you leave office.

Once it becomes known that you are leaving full-time local government management, you may be approached by firms. If you are interested in consulting work, you need to be ready to evaluate offers, including the kind of services that you would provide, your role in the firm, the time commitment, compensation, travel expectations, and administrative and organizational support. Be sure that you "interview" the firms so that you ensure that the firms are aligned with your values and passions; they offer services that you care about; and the key staff are people with whom you want to spend time.

Resources

To support managers who are thinking of their next life phase and those who have already begun their encore journey, the Cal-ICMA Encore Committee has developed a number of support programs. These efforts include:

- A webpage on the Cal-ICMA website provides information and access to all our services and resources.
- One-to-one peer coaching match-ups are available on the webpage. Those wishing peer coaching can review profiles of encore managers who can provide advice for those wanting to explore consulting, teaching, interim management, non-profit service or other opportunities.
- "My Journey" vignettes including tips and lessons learned are also posted on the webpage.
- A resource list includes books, articles, and other websites.
- Support network meetings are offered two or three times a year for senior and encore managers to share experiences and learn from each other.

To access these resources, go to www.cal-icma.org and click on "Senior Manager/Encore Manager Program." On the Senior Manager/Encore Manager Program webpage, you then click on "Resources."

If you would like to submit a "My Journey" vignette or serve as a peer coach, please contact one of the Encore Committee Members listed at the end of this paper.

In terms of specific resources for would-be consultants, you may wish to review the book "Flawless Consulting--A Guide to Getting Your Expertise Used" by Peter Block (3rd edition).

Hopes and Dreams

It's hard to dabble in consulting. Consulting is just like any worthwhile endeavor--you must commit to it, continuously improve your skills, and focus on quality results.

Your next life phase should be about seeking opportunities, including those to work, serve, learn and grow, love, and have fun.

To make a commitment to consulting, you must ask yourself:

- ✓ Will I be energized by consulting?
- ✓ Do I have the requisite skills?
- ✓ What are the personal lifestyle trade-offs and am I willing to make them?
- ✓ Is consulting aligned with my hopes and dreams for my next life phase?

The Encore Initiative

This paper has been drafted by the Cal-ICMA Encore Committee for the benefit of ICMA members across the nation who are thinking of their next life phase. A similar paper entitled "So, You're Seeking an Interim Manager Position?" can also be found on the Cal-ICMA website on the "Senior Manager/Encore Manager Program webpage. See the "Resources" section referenced above.

In drafting this paper, we would like to acknowledge the contributions of several encore managers who now do various kinds of consulting:

- Jan Perkins
- Bill Kelly
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- Paula Cone
- Mike Garvey
- Kevin O'Rourke
- Frank Benest

Your Observations or Questions

We would like this short guide to be a living document. Would you like to share any questions, comments or observations about consulting work as an encore opportunity? If so, please email your questions or comments to the following members of the Cal-ICMA Encore Committee:

- Kevin O'Rourke at kevin@kolgs.com
- Mike Garvey at garveycgs@yahoo.com
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