

Signs of Troubled IT Project Opportunities (Both Before And During Projects)

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[Blog entry](#)

Did you know that watermelons have 97% of water; lettuce 97%, tomatoes 95% and carrots 90%?

By a staggering coincidence, this is roughly the rate of IT projects that look breathtakingly interesting on the outside, but after some close scrutiny, you discover, they are pretty bad on the inside.

They are like the impotent husband. The position is filled and the intent is there, but a vitally important “productivity” tool doesn’t function properly.

Many IT companies start projects with problematic clients because they believe that once the project has started, the situation gets better.

And they often end up like the wife of the alcoholic husband who beats her half dead in the evening and then brings her flowers and apologises next morning.

Then the process repeats forever.

And very often the bad client or bad project process keeps repeating because IT companies fail to recognise the red flags. So, let’s list a few red flags, and hopefully they can help you to avoid stepping on landmines in the future.

You don’t have access to key decision-makers: Especially in larger companies, there is a thick layer of organisational fat. That’s a group of elves, goblins, gremlins and various assortments of self-important flunkies and minions who desperately try to bloat their importance at the company by trying to come between sellers and real buyers. They say, they keep decision-makers protected from sellers, but they’re just strengthening their own position power.... even at the detriment of their companies.

Some ways of recognising real buyers:

- They have the authority to initiate projects and the budget to pay for them. They don’t need to get approval from their lawyers, accountants, mother-in-laws or pets.
- They have a valid business justification for this project. If asked, they can clearly explain what they expect to achieve by doing this project.
- They don’t ask about all the minute details of projects and how many hours you work. They care about results and long-term positive impact.
- They don’t start with the costs right out of the gate. They care about value, ROI and overall improvement in their businesses as long as the value and return makes sense for them.
- They see the work as high-priority collaboration, and will do whatever is necessary to push it forward.

The company is in the middle of being acquired: The process can be either a straight sale of the company or a hostile takeover, as an outsider, you're likely fall flat on your arse and lose a heap of money in the process.

The old management is gone, and the new management fails to recognise and reward the value you've already delivered.

Now what?

You have your contract with the outgoing management and no contract with the new management.

You may not even be able to go inside the premises to collect all the hardware that you've already set up.

You don't have all the information needed: When you try to obtain strategic information on the company, buyers may insist that you can have only technical information, but nothing strategic. They do that to keep you at a commodity level, so if this happens to you, you may decide to leave the company. Refuse to operate like a terrorist and never send covert messages through innocent third parties. If the value that you bring to the table is not important enough for the buyer to see you, then those companies shouldn't be getting your value.

The grapevine is full of weird stories about the company and some top dogs: It often turns out that your client has a few more blemishes than you knew about when you accepted the project, some many of those blemishes can impact the project's timeline and outcome quite significantly.

This is something you definitely have to take to your buyer and get some details on. There might be a major lawsuit against your client or some top dogs may be actively circulating their CVs in order to leave the company as soon as humanly possible.

Either way, the project may well be in jeopardy, and if the project sinks, you may well sink with it. Rest assured, to save face, most sinking clients are more than happy to blame you, the outsider, for all the problems.

Too many last minute urgent changes: Yes, we can expect some changes, but there is a limit to everything. Also, most of these changes involve more work for you with tighter deadlines for the same money.

At this point you may want to throw a lifeline to your existing deadlines, and if the buyer insists on tighter deadlines and more work, then you'd better look into raising your fees.

There must be something for something. Bigger scope on a tighter deadline is fine, but it must have a price.

The same old issues keep coming up again and again: Some projects can become insane whack-a-mole games. You put out one fire, and a few weeks later there it is again. You can't focus on the project, because you're too busy whacking those naughty moles.

Buyers neglect their sides of the agreements: You work hard trying to please clients and finish projects on time, but your buyers keep falling further and further behind. There is a good chance these projects are understaffed, and people are spinning many plates at the same time.

And if plates have to be dropped, they drop the plates that will eventually leave you in hot water and you'll get blamed for the disaster.

There is another IT seller in the equation with an existing relationship: The reality is that it may take quite a bit of effort and money to knock a competitor off its pedestal and ethically infiltrate that competitor's business to the degree when you have a chance to initiate a trusted advisor type relationship.

Yes, you can enter as a fungible vendor pretty easily, but that approach only leads to buyers' haggling over your fees and terms. Buyers may well end up demanding Ferrari solutions from you at Kia prices.

The problem is that many IT providers give in because they are promised more work down the road? Yes, more underpaid and over-demanded work. Stay away from that kind of work.

The buyer is suspiciously too compliant with your recommendations: This is a false start. This initial compliance almost always becomes pretty nasty later. In the best case, it becomes ongoing but over hair-splitting (Oh, how I wish I had some spare hair to split, but I have none). In the worst case, it becomes the nastiest and most covert sabotage against your recommendation and you as a person. There is a world of difference between "Tom's stupid idea" and "Stupid Tom's idea". For many of those buyers, it becomes "Idiotic Tom's moronic idea".

Also, in many cases they don't tell you what they don't like or what they want. They just say they don't want what they have. And you try to figure out the rest if you can.

Unexpected delays and various surprises are rampant: What often happens is that A-teams are working on normal company matters and B-teams are put on consulting projects. And no matter how good you are, if your project team consists of people with skill or attitude problems, then sooner or later the shit can hit the fan.

Try to get A-level people for the team, and if the buyer refuses, then either you provide an A-level team at higher fees or drop the project.

Respect is missing on the buyer's side: This usually happens to "big hat, small (or no) cattle" type buyers.

They try to deflect attention from their own and their companies' deficiencies by pointing out – mainly fabricated – shortcomings in sellers' products and services.

And it's virtually impossible to steer them back to intelligent conversations.

You can try, but I think the best bet is to leave them.

The other firm of disrespect is when buyers send some of their minions in their stead. These minions insist that their bosses are far too busy to see lowlifes like IT consultants, so they take all the information, including price, and then relay it to their bosses.

Price is a constantly recurring issue: This problem raises its ugly head with low-calibre buyers who start and continue relationships with IT or other service professionals by harassing them about their fees and prices all the time. They don't seem to care about value, only price.

No, education doesn't help. These people are messed up in the head, and don't care about your explanations about value vs. price. Don't even bother. Just move on. Trying to explain value to them is about as futile as trying to explain differential equations to an ox.

There is no supporting business case for the technical project: The IT director may want to have faster servers, but what is the expected business improvement (revenue, profit, costs, etc.) as a result of the technical upgrade? If nothing, top management may well shoot it down in flames.

This is why it's vital to conduct a business diagnostics. You have to know the expected long-term business improvement, so you can price your projects as returns on investment.

You have a bad feeling about the relationship with the buyer: Yes, ask first what's happening, but, in most cases, at this stage you won't get straight answers. In most cases, if there is a significant change in the buyer's behaviour, it can mean something serious, which also means that, as an outsider, you won't be told what's exactly happening.

From this point on, proceed with extreme caution.

The goalposts around your buyer's industry are constantly moving: It's not enough that the IT industry is changing pretty quickly, but now your client's industry is changing, especially areas that no one has ever expected.

Yes, investigate what causes the changes, and act accordingly. See what you can control, and if there is too much beyond your control, then you'd better run before the roof caves in on you and crashes your petite little skull.

There is far too much organisational politics: Especially if you work with larger companies,

you're likely find lots of politics. This is the reason why I've stepped back from working with large corporations. Politics is just not for me. There is not much to say here. Handle it if you can, but if you can't then move on.

Buyers repeatedly ask you to prove your company's credibility: Well, the buyer contacted you because he'd deemed your company to be qualified to do the work. Once this point is established, then just get on with the project and don't worry about proving anything.

Buyers make your deadlines tighter and tighter, while they are impossible to reach: This is just a power game. This is how they try to prove that you're just a bloody outsider, but they are the insider people. Especially procurement, HR and training people love playing these false power games. I reckon, mainly because they don't have real power.

They may be fancy regarding themselves as brave knights on white horses in shiny armours wielding Excalibur, but really and truly they are just a bunch of self-glorifying squires, wrapped in tinfoil riding old limping donkeys on the verge of final exhaustion and wielding their wooden swords.

Have you ever seen HR, training or procurement people in boardroom-calibre meetings? Neither have I. Most of those flunkies are at their companies as a sign of political correctness not because they bring real value to the table.

You don't have a champion in the client's company: That champion is someone who stands up for you inside the company. She believes in you and your services, and she promotes you internally. She can help you to smoothen your way to the real decision-maker and even beyond. No, don't think of anything dishonest.

Look at that person as a sports coach. He can help you in many ways but he can't jump in the ring to fight your opponent.

You have the wrong gut feeling about the buyer or the project: This can be a bit hard for new professionals because they tend to overwrite their gut feelings with logic, but bit by bit we all develop this.

Human beings are not 100% logical creatures. Therefore we can't assess their action based on pure logic. And if there is a battle between your logic and gut feeling, you might as well go with your gut feeling.

No, it's not 100% accurate, but it's more accurate than pure logic.

One budget is torn between several projects: Here you have to clarify how important your project is to the buyer. Is the problem that your project would solve a proverbial paper cut or a

bleeding neck?

If it's a paper cut, then you can step out and move on. If it's a bleeding neck, but the buyer thinks it's a paper cut, which very often happens, then it's up to you how much convincing you're willing to do to have the buyer accept reality.

Accepting reality also means that buyers have to admit, they've done something along the way. And the deeper shit the company is, the more likely the buyer denies mistakes.

One example: Look at any fitness facility and you'll see that it's the most obese women who wear the tightest and most revealing attire. Somehow the mirror is missing from their lives.

All right, they may have small mirrors to put on their makeup. But they need a tad more than that.

What I mean is that the most troubled companies are the last aware of their troubles.

Look at it this way...

Woman A wakes up in the morning, looks in the mirror, pinches her waistline and says, "Hm, this is something new here. I think I'll train harder and eat better from today on."

Then the 350 lb lard bag waddles to the mirror, looks at herself and says, "Hm, I'm happy, I'm healthy, I'm beautiful. No improvement is possible."

And this is equally true to guys as well.

We all have worked with problematic clients once in a while. You too, I reckon. And that can happen to all of us. But the key is what we've learnt from that experience and how to make certain that it won't happen again.

My solution is to create an effective client onboarding process. This is the total opposite of what most IT companies are doing.

Most IT companies try to speed up the sales process, but I believe we should slow it down.

Almost every time I register for a white paper or some other content at a software company that has something to do with CRM or ERP, I get a phone call from a sales rep within one hour who tries to hard-sell me often enterprise calibre software in spite of the fact that my little firm is not exactly an enterprise.

And since I try to be nice to him and don't slam the phone on him, he keeps pushing me.

I think business development is like sports fishing. Many sports fishermen use barbless hooks in order to give the fish maximum chance to unhook. Giving the fish this opportunity, it takes some serious skills to catch and land new and significant fish.

The same is in premium business development. Instead of trying to land new clients quickly, you should have a clearly mapped out and documented sales funnel, so when new prospects come into your sales funnel, that funnel can guide them either towards the sale or out of the funnel.

This onboarding process should be a multi-stage filter, so prospects have to jump through hoops in order to qualify to work with you.

And we're going to discuss onboarding in more detail in the near future.

In the meantime, don't sell harder. Market smarter and your business will be better off for it.

[With victory on high...](#)



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Additional Knowledge Products to Build Your IT Business

Here are some knowledge products on business development for building your premium-calibre IT business. It's especially for privately held "entrepreneurial" IT companies and solo IT professionals.

These products are sort of workbooks. They explain what is what, then walk you through the "how to..." part of the process. As you read the books, you do the exercises, and by the time you finish reading, all the relevant bits and bobs are in front of you on paper applied to your own unique situation. For this reason, the materials are not long but rather dense.

I hope you find them valuable.

Winning Yellow Pages Advertising For Information Technology Companies: One piece of good news is that most people who look you up in Yellow Pages are serious buyers. Another piece of good news is that some 97% of Yellow Pages ads are like eunuchs in a harem. They are physically there but are unable to perform.

The bad news is that your Yellow Pages ads might look like your competitors' ads. But that's great recognition and you can now correct this error.

Some people say, no one uses the Yellow Pages any more. Normally not. But in case of emergency (server down or computer crash), people look up the Yellow Pages and phone the company that is best differentiated from the masses. And remember that emergency work has very very high perceived value. So, take a moment and look at your ads. [Winning Yellow Pages Advertising For Information Technology Companies](#)

Perfect IT Client Profile Development Toolkit: We all know the high financial and psychological cost of low quality clients. They pay little but demand a lot. Even when they are happy, they are reluctant to give testimonials and introduce us to their connections. So, it's pretty important to carefully cherry-pick clients and to make sure they come from the top 0.5-2% of the Perfect Client Pyramid.

Yes, these top-drawer companies are hard to "conquer", but in the long-run, they offer the highest return on your marketing investment. But before contacting them, you have to define

them in your business. And this is what this knowledge product does. [Perfect IT Client Profile Development Toolkit](#)