

# The C-Myth

By Stephen A. Saenz / September 1995

*“The difference between a warrior and an ordinary man is that a warrior sees everything as a challenge while an ordinary man sees everything as either a blessing or a curse.” -Carols Castanada*

With this article, we hope to dispel a myth that seems to be running rampant throughout our industry. Depending on your perspective, you will find our prognosis to be a blessing, a curse or maybe even a challenge. The C-myth, as we call it, describes a widely-held belief that, today, everyone out there is a “consultant” or that every *firm* is in the “consulting business.” This is unfortunate because this widely-held belief seems to be causing a lot of anxiety among industry participants. Consultants bemoan the amount of competition in the marketplace and are desperately searching for ways to differentiate themselves from the crowd (or should we say herd?). Money managers are struggling with the formidable task of keeping up with their peers in terms of marketing firepower, while sponsors are scrambling to build their own version of the latest wrap program derivative.

Our view is that this widely-held belief simply isn't so. There really are *not* that many consultants out there and *very few* firms are truly in the consulting business. We believe that much of the activity we are witnessing is nothing more than a temporary manifestation brought on by what might be referred to as a consulting *seizure*. A consulting seizure is caused by an external stimulus such as hearing a compelling presentation at a sales meeting. Presentations touting the virtues of ongoing “fee-based revenues,” for example, have been known to cause such seizures. Upon extrapolating the numbers, would-be consultants attending these types of meetings get very excited. When they return to their offices on Monday morning, they are ready to go! They look forward to the day (in the near future, they hope) when they will only have to come into the office once or twice a week. They make a few calls, sell a couple of “wrap accounts” and they are off to the races. A few weeks go by and something strange happens. They suddenly forget what they set out to do and quietly revert back to their old (comfortable) way of doing (transaction) business. Their careers, as consultants, have met an untimely demise. Excellent presentations tend to cause severe and longer-lasting seizures while mediocre presentations cause milder ones that are shorter in duration. Fortunately, consulting seizures are normally one-time occurrences and rarely require medical attention.

Although our findings may not make the medical journals, we have found evidence that consulting seizures are more common than many believe. We have heard many program sponsors say (on more than one occasion) that they wish they could find a way to get deeper “penetration” into their sales force. Often cited are frustrating statistics that seem to suggest that most of their reps have, in fact, had a (mild) consulting

seizure at one time or another. To our knowledge, the industry remains baffled even to this day.

Fortunately, researchers have identified what may be a “break-through” cure for the not-so-uncommon consulting seizure. Their findings, which have recently been published in a report entitled, *Pit A Good Consultant Against A Bad System And The System Will Win Almost Every Time*, are summarized below:

**Finding #1:** Most of the “training” that takes place throughout the industry seems to be the leading cause of consulting seizures. The truth is that most training does little, if anything, to permanently change on-the-job behavior. Not surprisingly, American companies spent more than \$300 billion last year on training related activities. It is estimated that only 10 to 20 percent of this training served to meaningfully change or enhance the performance of employees.

**Finding #2:** In order to permanently and positively affect the performance of their would-be consultants, organizations must first identify the *environmental* factors that may be restraining the development of their consulting business. It is believed that these factors weigh far more heavily on a rep's ability to make the transition to consulting than lack of training. These factors could include *product design* (tangible and intangible components), *systems design* (technology platforms) *management support* (or lack thereof) and *compensation structure* (should be aligned with desired performance results).

**Finding #3:** In designing and implementing “training” programs, organizations must adopt a new paradigm of their own. While the “quick hit” approach (this is where you can't take them out of production for more than half-a-day and you parade as many speakers in front of them as you can, asking each of them to take no more than 15 minutes to make their presentation) works fine for launching new syndicate offerings, it simply is *not consistent with the new paradigm* that would-be consultants are being asked to adopt. This is *not* training and that's why it's not working!

**Finding #4:** Those working in and around would-be consultants should also be aware of another insidious disease which is expected to reach epidemic proportions by late 1995. Although researchers have not given it a name, people suffering from this abnormality can easily be identified. They walk around perpetuating an even more disturbing myth- that “this product isn't right for everyone.” When encountered, individuals suffering from this serious disease should be comforted immediately and reminded that this product is a *process* and that this process is, indeed, only “right” for those interested in achieving their long term investment goals and objectives. **Is there a warrior in the house?**