

Inc.

THE MAGAZINE FOR GROWING COMPANIES

August 2005

Almost everyone is
gunning for your business.
But will your vendors treat
you the way you treat
your customers—like a true partner?
Here are some questions to
ask before making a commitment

BY MICHAEL FITZGERALD

Turning Vendors into Partners

It's one of the most enduring myths in American business: the lone entrepreneur, struggling against the odds to transform vision into reality. But is it really accurate? There's no question that small companies are almost always driven, at least at the outset, by the passion of a single risk-taking individual. But the myth of the solo flier, however romantic, obscures something crucial: Business success depends on collaboration.

That's especially the case today. Business is more collaborative than ever. New developments in technology—file-sharing, social networking services, open-source development schemes, weblogs—are bringing a new collective spirit to the way almost all companies operate. So is the ability to outsource nearly any noncore function. Increasingly, a successful company is less a standalone entity than a seamless network of alliances and partnerships—with customers, vendors, even competitors.

This also applies to the purchasing of business services. Entrepreneurial companies are long on energy and ideas but are often short on infrastructure.

Inc. recently interviewed dozens of entrepreneurs, seeking examples of vendors who had become partners by providing outstanding, grand-slam service. While some praise went to the big players of corporate America, the most enthusiastic anecdotes were about companies run by other entrepreneurs. It makes sense. After all, who is best positioned to serve the needs of business owners? Other business owners. They can be more flexible, dedicated, and creative. They understand what you're going through because they're going through it too. They're smaller, which makes it easier to form partnerships. And, best of all, they actually need your business.

The best service providers, we learned, pull it off by consistently having the correct answers to the questions that every business owner needs to ask before even thinking of signing a service contract. Those questions are below, along with the stories of five happy business owners who got terrific service— and built stronger companies— by putting their faith in companies that understand what it means to be entrepreneurial.

Can large companies pull off the same thing? Sure they can. But most big providers can learn from the service fanatics described below. Perhaps you can too.

Who will be working for me?

Project managers with stricken looks aren't a happy sight, especially when they run your most important account. But when Scott Fischer found out why his project manager seemed so anxious one Thursday last March, he saw a huge opportunity to take his business to a new level.

Fischer is president of the Center for Systems Management, a Vienna, Va., company that offers consulting and training for government entities and corporations. One of its key clients is NASA, which had hired CSM to develop course work for the agency's newly created Independent Technical Authority, mandated by Congress in the wake of the Challenger shuttle disaster. NASA wanted CSM to create an internal marketing campaign, including a slick video. And that's what accounted for the project manager's anxiety. "It was well beyond what our marketing department could do," Fischer says. If CSM botched the job, it would damage its relationship with NASA. But if CSM succeeded, the firm would prove itself capable of handling a whole new category of work.

NASA needed the video and internal campaign in 45 days, and Fischer immediately set his business development team to work on finding a firm that CSM could partner with. The very next day, a Friday, the team contacted three marketing firms and asked for proposals to be submitted by Monday morning. All three delivered. CSM picked Technovative Marketing, a twenty-person shop in Peapack, N.J. By Monday afternoon, Harriet Donnelly, the firm's president, and her project manager were in CSM's offices, ready to get started.

Fischer had plenty of experience dealing with marketing firms, both large and small. With the large outfits, it was always the same— the senior executives closed the deals, then handed the actual work off to less experienced junior employees. Technovative was different. "When Harriet looked me in the eye and said she was personally going to stay involved with this," Fischer says, "she was very believable."

In fact, Donnelly became CSM's chief marketing officer in all but title, commuting between New Jersey and Virginia. She personally worked on the video and attended all meetings with NASA, though she never talked about herself as being from an outside firm. "We represented the project as if we were part of CSM's team, which is what we were," she says. That means behaving as much like a salaried employee as a contractor. She's also careful not to nickel-and-dime clients for extra charges. The higher costs may cut into her margins slightly, but long-term client relationships won't flourish if you charge for every little thing, she says.

It didn't hurt that she thought the NASA project was a particularly cool one. But even on less exciting projects, she says it helps that her firm isn't so large that she can't stay involved with all of them, and that she always has a senior staff person involved as well to make sure clients have at least two points of contact. It also helps that she's both a bit obsessive about her work and has no problem working nights in her home office.

Technovative's work was a huge hit. Because of it, CSM has already pulled in more work from NASA and is in the process of selling similar internal marketing campaigns to other clients. Donnelly has been enlisted to help. The whole process has reinforced what Fischer suspected— that by working with another entrepreneur, he wouldn't just get a contractor. He'd get a virtual employee.

Michael Fitzgerald is a freelance writer in Millis, Mass. Staff reporter Darren Dahl contributed to this story.

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