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Call For Articles

Can you write a few paragraphs on an interesting topic related to what you do for a living? ICCA of Minnesota is looking for articles for this newsletter, for our web page, and for submission to larger-circulation journals.

Please help!

Send articles or story ideas to editors@icca-mn.org, or call our chapter's new number, 612-245-ICCA.



EDITOR'S MESSAGE

BY
ROBERT NEWMAN

The e-mail edition of our newsletter is finally a reality. I have made a few changes this time. You've already noticed one I'm sure. ☺ I would like to include a photo of the author of each article.

You will also notice that this issue is larger than previous newsletters. Lately I have received articles from a number of people. Some of them were received last month and did not fit into the newsletter. This is no

longer a problem! Keep those articles coming. It's an excellent way to keep the members up-to-date and get yourself known. Net-

Next Meeting Successfully Selling Website Design Projects

By Bruce Stasch

Tue, April 20

Wyndham Mpls Airport Hotel
4460 W 78th St. Circle
Bloomington, MN

Mentoring 5:30PM Dinner 6:30PM

Members \$25 Non-Members \$28

RSVP 651.257.2570

working is one of the key benefits of ICCA.

It sounds like the economy is beginning to improve. I know of a number of people with technology skills who are looking for work and they are getting interviews in the Twin Cities. I also hear that hiring has increased and jobless claims have increased too. This is a good sign because it means that people who dropped out of the job market, due to frustration, are entering into the job market again.

Robert

PRESIDENT'S MESSAGE

WADE HERSCHBERGER

Greetings,

Hard to believe another new ICCA year is upon us. Time does fly when you're having fun!

Looking back at last year, I think that we accomplished some valuable things as a chapter, particularly with the work to make ourselves known via the media connections and the workshop. We also made an effort to have a little fun together with the Bastille Day and Christmas party. Many thanks to all that have contributed in so many ways throughout the past year.

Looking forward, I'd like to see us continue

to work on our visibility as an organization. We have an elite group of computer consultants that have a lot of knowledge to share, both for the public and for other enterprising computer consultants. We've had an small increase in new faces at our meetings – I'd like to see the new faces become regulars as well as an increase in those new faces.

Let's build on the momentum we've established!

Wade Herschberger

AKTIVETEK SERVICES INC.

A TECHNICAL SERVICES COOPERATIVE.

In the computer business, independent consultants and small shops have long struggled with the question of how to maintain independence and still get the right kind of work at the right rates. If you tend to work long contracts, its easy to let marketing efforts slide and end up depending on contract brokers to help you find your next job. Even if you spend a lot of time marketing, most of the big companies don't want to work with independents, and require you to subcontract through one of the established vendors at their site.

In a typical 'body shop' subcontract, the cut from your rate can be 8 to 20 dollars per hour. Some shops charge much more. This commision is usually split in thirds - one part for the owner, one part for the recruiter, and one part for the sales rep. The sales part needs to be done on an ongoing basis, but it is easy to feel resentful about the part going to the owner and the recruiter.

What if you could "Just Say No" to two thirds of that cost? All you would need to do is get together with some other programmers and start a small company, and hire a sales rep! As I found over years of trying, that is easier said than done. Potential partners generally have quite different expectations about what it means to "Own a Business". There are conflicts over level of risk, expectation of profit, and hopes of getting rich. What if all you want to do is to work at a good rate on a good project? Isn't that what most techies want? We like money, of course, but we don't work just for money. We like the technical problems, and playing the business game comes hard for most of us. ICCA offers a great way to increase your contacts, but ICCA can't market and sell your services. A Coop can do just that!

In Minnesota, producers and consumers of various kinds have a long history of organizing Coops to combine forces to meet purchasing and marketing needs. The Coop model is a legal corporate structure with limited liability for the patrons and members, and the right to engage in all the same kinds of commercial practices as any other corpora-

tion. There are several unique features of a Coop that can reduce the kinds of conflicts that can arise in an LLC or S-Corp.

A Coop Is Open. New members and patrons are generally welcome in a Coop. Qualified new members makes the Coop stronger, because they add to the professional network and the knowledge base of the group. A larger group has greater leverage in buying and selling.

Members are Equal. Every new member comes into the group with the same powers as a member that was there at the beginning. You are not joining someone elses company and starting at the bottom, hoping for a piece of the action. The company is run by a board of directors elected by the members.

Company Value is Limited. Because all members are equal, the marketplace value of the company is not relevant. When you join a Coop, you come in as an equal, and when you leave, you take nothing with you. Your 'shares' in the coop cannot appreciate. If you paid 10 dollars for a share, you will never get more than 10 dollars when you sell it.

Income Distribution can be done in many ways in a Coop, so it is important to explain our approach. At AktiveTek, your share of earnings will be tied directly to your billing rate and hours. Each patron of AktiveTek will be treated as a separate 'division' for profit purposes, and only a fixed amount is contributed to coop expenses. You won't be 'sharing' your income, or be exposed to significant risks from the decisions of other patrons.

Openness and equality is a bad way to run a company designed to make a profit for its founders. However, that is the point of Coop law. Every member knows that what he or she contributes to the success of the company will benefit the company as a whole, not just a few owners. Don't confuse the profit restrictions with some pie-in-the-sky socialist theory of work! The Coop CAN make a profit, in fact every effort of the company should have that goal. The difference is, who gets the profit? The members do!

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*“What if you could
‘just say no’ to
two-thirds of the
cost of a broker?”*

AKTIVETEK SERVICES INC. CONT.

(Continued from page 2)

AktiveTek is starting with a focus on keeping costs under control and growing our membership and our network. We welcome people in ALL technical areas. Although we are inviting new patrons and members to our group, we will accept only consultants who are highly qualified and successful at what they do. We are currently asking patrons to pay a \$120 annual operations fee to cover legal, insurance, tax and marketing costs. This is not required, but it will give you the benefit of a substantial savings on the Coop commission if we find work for you, as well as giving you that warm feeling that you are helping to support the goals of the group! Our future object-

tive is to be strong enough so we can get our own sales rep. With our own sales rep, AktiveTek members will always know what is going on in the consulting market, because the sales rep will report to us on trends in demand and hot skills as he finds them. There is no good reason why Techie types should work for Sales types. Why not the other way around?

If you are interested in learning more, please visit our website at <http://www.aktivetek.com>. You can call me anytime at 651-603-1245

Bob Treumann, board member, AktiveTek Services Inc.

STRICTLY BUSINESS 2004 BILL MCTEER

ICCA Member Opportunity at Strictly Business

ICCA is planning to have a booth at the Strictly Business Computer Expo (Wed/Thu June 9/10) again this year. This year we are proposing that members staffing the booth can offer clinics in the booth with topics and formats of the members' choosing (anything from "the doctor is in" to a short presentation).

ICCA will provide signage to advertise who will be doing what topics when and, if needed, some help with the Audio/Visual needs.

Bill McTeer (wmcteer@icca.org) is organizing a list of people for 1:50 minute slots (1:30 + 10 minutes overlap each end). Booth opening time is 9:40 both days, with closing at 4:20 Weds and 3:20 Thurs. Please indicate your clinic topic when you sign up.

APRIL ICCA-MN MEETING JACK ROSE

Bruce Stasch is in charge of accounts and business management for Apex, a firm offering strategy, planning, web development, graphic design, and other marketing services to Twin Cities business clients. Their offerings are equal to or better than those of a traditional full-service ad agency, but they utilize an extensive network of freelance talent to deliver continuity and quality without

unnecessary overhead. This will be an opportunity to meet and network with Bruce and hear his presentation on "Successfully Selling Website Design Projects."

Please bring a friend or colleague and help our chapter grow. Member RSVPs, please, via our website icca-mn.org or by phone to Joan Barnes at 651-257-2570

LIFE INSURANCE ESSENTIAL IN ESTATE PLANNING

BY ERIC GIBSON

ERIC.GIBSON@MUTUALOFOMAHA.COM



You need estate planning. It doesn't matter how much you make. It doesn't matter where you work. What matters is whether you want to decide where your assets - no matter how great or small - end up after you die. Or would you rather have someone else make those decisions?

Estate planning is how you make sure that your assets - your lifetime accumulations - pass to your heirs in a manner of your design. It's how you make sure your family is secure, and your assets end up where you want them. It's taking care of your family, your business - whatever is important to you.

Proper estate planning, whether through a will, trust, or some other vehicle, will make sure you, and not the state, decide where and how your assets are distributed after your death. Life insurance can give you options that make your planning an easier process. There are two basic ways in which life insurance can assist in your estate planning:

1. **Estate Enhancement** - primarily for younger families and those families with children. Adequate life insurance that protects a family from financial loss due to a premature loss of life can help pay for future college tuition, mortgage payments, medical bills, etc. Tax-free life insurance benefits can help the surviving spouse and children maintain their standard of living.
2. **Estate Liquidity** - primarily for older folks with somewhat larger estates. Those individuals who are worried about federal and state death taxes can use life insurance proceeds to help pay those taxes. Many times, people with significant assets have those assets in "hard" form - they are hard assets, meaning that they are not easily or quickly sold. Your home, jewelry, artwork, cars and other material possessions are some examples.

If those assets must be sold quickly to pay taxes that are due a few months after death, chances are you are not going to get top dollar for those assets. Life insurance can remove that concern.

There are more advanced uses of life insurance, many of which are geared toward business owners. Some of those examples follow:

- **Estate Equalization for Family-Owned Businesses** - Family businesses operated by parents with one or more children are often in need of liquidity when the parents die, as a majority of the estate is "tied up" in the business. Life insurance provides a way to pass the business to interested heirs while being fair to those children outside the business.
- **Buy-Sell Funding** - Life insurance can be an indispensable tool enabling surviving co-owners of a business to own and continue the business without outside intrusion, while the deceased owner's heirs obtain debt-free assets from the estate.
- **Key-Person** - Business owners use "key-person" policies to help replace earnings associated with the loss of employees whose unique talents and knowledge made them valuable assets of the business.
- **Credit Enhancement** - Life insurance is often used to stabilize a business concern's financial position and serves as a valuable asset to pledge as collateral.
- **Informal Funding for Deferred Compensation** - An important ingredient in any deferred compensation plan that is "non-qualified" is life insurance. Such policies owned by and payable to the employer remain a primary building-block of all such plans.

For more information on how life insurance can play a valuable role in your estate planning, be sure to visit with your insurance agent.

“What matters is whether you want to decide where your assets end up or someone else decides”

HOW E-MAIL NEWSLETTERS CAN IMPROVE YOUR CREDIBILITY AND INCREASE SALES

BY MAILERMAILER LLC

*E-mail newsletters
and marketing
campaigns are a
very quick and
inexpensive way to
build your business,
gain exposure,
establish your
credibility, and
improve
relationships with
your community.*

Do you keep in touch with the clients you had last year? Two years ago? Several years ago? Do they know that you're still around? What about those prospects you've been meaning to contact... do you feel a little awkward calling them "cold?" Having your own electronic newsletter might be the answer you're looking for.

An e-newsletter is one of the most effective marketing tools you can use. It is a professional, non-threatening way to say "hello" to your prospects and "I'm still around" to your clients. You can use it to educate them about current issues and developments in your area of consulting and, at the same time, market your services/products. By sending useful information to your prospects and clients on a regular basis, you can maintain constant contact without being annoying. You can personally introduce yourself to prospects by writing an article requiring their input. This not only flatters them, but positions you in a positive light. Your newsletter will enhance your credibility and prominence in the marketplace.

E-mail newsletters and marketing campaigns are a very quick and inexpensive way to build your business, gain exposure, establish your credibility, and improve relationships with your community.

Creating an E-mail Newsletter

Producing your newsletter doesn't have to be a monumental task. First, decide on the frequency of publication. This is based on how much time you have to do the work. If you do not charge for the newsletter, publishing it every quarter is probably a comfortable pace for both you and your readers. Next, produce a graphic design for your layout. Many e-mail list management companies provide online templates for their customers. You simply type or paste in your information online and an HTML or text based newsletter is created automatically for you.

Now it's time for the content of your newsletter. Concentrate on topics that your

readers will be interested in, not the ones that only you find fascinating. Try to use real-life applications. For example, if you develop PC-based databases for the insurance industry, you can describe past projects and maybe even interview an old client or two. This way, you tell your audience how you solved a problem that relates to them and conveys that you are a competent professional. You can write about the pros and cons of dealing with brokers, how to hire a consultant (to show them how easy and beneficial it is to hire you!), the latest developments in your field, and many other topics that are important to your audience.

12 Tips for Successful E-mail Newsletters and Campaigns

1. **Never purchase, trade, or borrow an e-mail list!** This is the cardinal rule of e-mail marketing. Sending e-mail to people who have not specifically requested to receive your mailings (opted-in) or to those who are not your customers is almost always regarded as spam.
2. **Make signing up and unsubscribing easy and visible.** Put your form, or a link to your form, on your home page. You may only want to ask subscribers for their e-mail address, first, name, last name, and perhaps one or two other questions to target your mailings, such as their interests or demographics.
3. **Use double opt-in registration.** There are two standard methods for online registration-single and double opt-in. With single opt-in, a subscriber enters his or her e-mail address and is then automatically registered. Double opt-in is the preferred method for e-mail newsletter subscriptions because it requires confirmation.
4. **Link to your privacy policy.** Place a link to your privacy policy near your list sign-up form. This policy should describe how you handle the information you collect and how people can contact

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HOW E-MAIL NEWSLETTERS CAN IMPROVE YOUR CREDIBILITY AND INCREASE SALES

BY MAILERMAILER LLC

(Continued from page 5)

you in case they have any concerns or questions. Your subscribers want to be assured that you will not rent or sell their addresses or other information to third parties without their consent.

5. **Send a "Welcome" message to each new subscriber.** Once someone subscribes, send him or her a welcome message immediately. Include a description of what they will receive, how frequently they will receive it, and how to unsubscribe.
6. **Keep accurate sign-up records.** Sometimes, you or your ISP will get a spam complaint from one of your customers who forgot that he or she subscribed to your list. Keep accurate subscription records, including the web site address from which customers signed up and the date.
7. **Ask your customers to opt-in again if you are using an older list .** If you have not sent a mailing to your subscribers for a while, ask them if they want to continue receiving your messages. Request that they opt-in to indicate they want to stay on your list by sending you an e-mail, clicking a link, or visiting a web page.
8. **Remind people that they subscribed.** At the top of your messages, include a standard header each time you send a mailing. A short note like "Thank you for subscribing to the newsletter. Here is our latest issue:" can make a big difference in reminding your subscribers that you are not sending them something that they did not request.
9. **Avoid certain terms in your subject line and message text.** Don't use misleading Subject lines. If your Subject lines contains words or terms that are frequently used by spammers, there is a good chance people will delete your message without reading it and/or file a spam complaint.
10. **Include your physical address and phone number.** Put your phone number and postal mailing address in your message. This gives your readers an opportunity to contact you by phone to place an order or inquire about your services. New federal legislation requires physical addresses on commercial e-mail messages.
11. **Send your mailings regularly.** Unless you keep in touch with your subscribers frequently, they may forget they signed up to receive your mailings. By sticking to a schedule, your subscribers begin to anticipate your messages.
12. **Reply promptly to each inquiry or spam complaint.** When and if you receive a customer inquiry or a spam complaint, respond to it as soon as possible. For spam complaints, include that persons' subscription information with your response.

Following these simple suggestions will help you retain your subscriber base, which is fundamental for a thriving electronic newsletter or outreach campaign.

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MailerMailer is a secure web-based e-mail list management and hosting service for creating and tracking opt-in newsletters and e-mail campaigns. It enables you to create and send personalized, targeted e-mails based on your subscribers' interests and demographics. This low-cost, do-it-yourself service automates e-mail list set up and maintenance and includes newsletter templates for easy management. For information and a free trial, visit www.mailermailer.com.

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Following these simple suggestions will help you retain your subscriber base, which is fundamental for a thriving electronic newsletter or outreach campaign.

MANAGING CLEAN EXPECTATIONS— CLOSING THE GAP

BY HELEN B. POON ICCA-NYC

Most people in our field will agree that the primary source of client dissatisfaction (and often a consultant's dissatisfaction with an assignment) is unmet expectations. At ICCA-NYC's February meeting, two experienced consultants led a group discussion that laid out several problem scenarios, then examined some of the underlying assumptions and described how the worst of the issues can be tempered, or avoided altogether. Most of the time, the solution is based on establishing rapport with the client and building a relationship that channels expectations into acceptable boundaries.

To the typical client, we're wizards who know everything in our field, complete projects within seconds and work for peanuts. In fact, we're fallible humans with spotty knowledge (deep in some areas, nonexistent in others) who work at a normal human speed, make mistakes, and need to make money to keep from starving. Not all problems have solutions. Of those that have, not all are simple, fast and inexpensive. Sometimes we tend to hide those unpleasant facts from clients out of a desire to please and an identification with success as a personal validation.

Consultants have expectations too. And it's equally important that you communicate yours. Of the individuals in the room, most agreed that their number one expectation was to get paid in timely fashion. The second most often expressed consultant expectation was to keep the scope of the project within previously agreed-on limits -- avoiding "mission creep," also known as the "oh-while-you're here" syndrome. One of the worst things you can do is underestimate

and over-promise. Equally bad is the "sticker shock" the client experiences when he gets an unexpectedly high bill at the end of a project, the size of which he hasn't had the least inkling.

"What we have here is a failure to communicate." -- Strother Martin in Cool Hand Luke.

The solution in nearly all cases is to communicate at every stage of a project -- communicate when you're bidding the work; communicate when you're defining the deliverables; communicate every week or two while you're doing the work (even a ten-minute update is better than silence); communicate hours worked; communicate hours worked but not billed; and (many consultants mistakenly omit this) obtain feedback from the client as to his satisfaction or dissatisfaction with the entire project, from deliverables to timing to fees to management. This last technique can only help you improve your own processes and exceed the expectations of future clients.

Metro New York ICCA meets the last Tuesday of each month at the Village Crown Restaurant, 96 Third Avenue, NYC, near the Union Square subway. For further information, visit www.iccanyc.org.

A presentation to ICCA of New York City on February 24, 2004 by Helen B. Poon, PMZ Consulting LLC and Walter Sloan, Tillinger Consulting Corp.

"Expectation is the death of serenity." -- Radio psychologist Dr. Joy Browne.

"To the typical client, we're wizards who know everything"

April's Motivational Quote

"Do not wait; the time will never be 'just right'. Start where you stand, and work with whatever tools you may have at your command, and better tools will be found as you go along."

- Napoleon Hill