

## **Even More Ways to Dramatically Reduce the Cost of Using Outside Experts**

### **Need an expert? You know many of them**

Who? Think. To start with, how about your suppliers? They know a great deal about your market and your competition. They can provide you with a wealth of information and advice. They know sources, they may know what works and what has failed. They may be aware of similar problems to yours and they may know what the resolution is. Don't underestimate them.

Other free outside experts include: Other businesses in your industry, books and trade magazines. Many top business people offer advice in the form of columns and interviews, SBA, SCORE, your employees are an often overlooked and invaluable source, your banker (they have a vested interest in your success), your insurance agent, and federal and local government agencies and your local Chamber of Commerce to name but a few.

Let me give you an example of what I am saying. I once called my attorney to ask a question regarding hiring a teenager to work part-time in our company. The lawyer told me he would have to research the question and get back to me. In the meantime, I called my insurance agent and got the answer in minutes at no charge and he faxed me a copy of the law that applied within 30 minutes. A day later the lawyer called with the same answer and sent me a bill for 1.5 hours of research. This was over \$200. He probably just called my insurance agent for the answer.

I could have also called the unemployment department and obtained the answer for no charge. Remember, these sources may not have the answers to all your questions but they can provide many answers and for those questions they cannot answer, they may point you to someone who can.

Let me give you another example. I was recently looking into a new typesetter and, quite honestly, did not know where to start. So I started by calling in sales representatives of the major typesetting equipment manufacturers. This only served to confuse me more since they all professed to have the best system and best prices and, of course, all pointed out the shortcomings of each other's systems.

They also got much more technical than I needed or wanted them to get. I decided to ask some of my other suppliers who they knew that had recently bought the type of equipment we were considering or who they might know that was looking into purchasing this type of equipment.

I quickly secured the names of four companies. In turn I called each to see if they would share their knowledge with me. I simply explained that I was looking into purchasing this type of equipment and found myself very confused. I asked if they could help me. This was a very

sincere request on my part and since most people are happy to help others and since all people love to talk about what they know, it wasn't very long before I had a great deal of information.

Information that saved me dozens of hours and thousands of dollars to say the least. In fact, it probably saved me tens of thousands of dollars because I might have purchased the wrong piece of equipment as did one of the companies I had talked to did.

This one company told me why they bought what they bought and why it was a very costly mistake. This information prevented me from making a similar mistake. Another company had spent thousands of dollars checking out all the equipment including sending someone to seminars on the subject and visiting shops that had it in place. He was only too happy to share this information with me for nothing.

The end result was that I ended up purchasing a newer used machine for about one tenth the cost of a new machine and it did all I needed it to. In fact, I found out the new machines had more capability than I needed and ended up saving over \$50,000 on the purchase alone.

Learn from others who have already done what you are trying to do or who have at least already researched what you are considering. This can save you countless hours and a great deal of money. Ask the questions. Who would know this information? Who has already done this or looked into this? You get the idea.

### **Deal with a specialist when you must seek outside advice for dealing with a specific problem**

Yes, you may pay a larger per hour rate when compared to a general practitioner, but in the long run you should pay far less money while getting much more credible and accurate advice.

The lawyer who practices general law may charge you \$125 an hour and take twice as long to find you the answer to your question. The specialist may charge you \$200 per hour but only take half the time to provide you with more accurate information.

Which is the better value?

The specialist has years of experience in the area of law that you need help with. The lawyer who practices general law will have far less experience in any specific area of law and may not even have any experience in the area for which you are seeking advice or guidance. This lawyer may take 5 or 10 times longer to research the information you are seeking and even then he may not have current or completely accurate information.

Clearly, the cheapest is not always the best for any particular circumstance. After all, despite the fact that a medical general practitioner costs far less than a heart specialist, you would not go to him for your heart problem would you? Well, it is no different than taking an international trade problem to a lawyer who deals mainly in real estate transactions.

Never forget that just because an individual has letters after their name, doesn't mean that they are good at what they do. It does not mean that they are worth what they are charging. It does not mean that they are right for your needs at this particular time. Just like every other profession, some will be very good, some will be pathetically poor, some will serve you well, some will rob you, and some will be right for your needs at any particular time, while some will not be.

**Every once in a while, question a bill using your records as the point of conflict**

At the very least, every once in a while mention "that the hours seem high". This way you will be letting your outside experts know that you are monitoring their time to ensure proper billing. This knowledge will go a long way towards ensuring proper billing of hours. Watch how fast hours start coming down and how much more work you seem to get for your money.

Over billing of time is an all too common occurrence.

This edition of The Welch Report has been provided by Derrick Welch the author of **'In Pursuit of Profits: How to at Least Double your Profits Without Increasing Your Sales'. Including 1,000 Cost Control, Expense Reduction, and Income Producing Strategies You Can Start Using Today To Dramatically Increase Your Bottom Line.**

And **'Defy Mediocrity. Choose to be Uncommon. Think of the Alternative'**.

Derrick is dedicated to providing you the tools you need to dramatically improve the bottom line of your company and the direction of your career. For more information please visit: [Derrickwelch.com](http://Derrickwelch.com).