

# Business as unusual.

Putting volume vs. value to bed once & for all

# Mr Speaker gets the words.

## Commodity

**/kə'mɒdɪti/**

### **Noun**

1. A raw material or primary agricultural product that can be bought & sold, such as copper or coffee.
2. A useful or valuable thing.

# The language of love.

Volume vs. value. Bespoke vs. systemised. Valuable vs. commodity. High value / low volume vs. low value / high volume.

One of my greatest frustrations as a marketing director was the obsession partners have with categorising the work they did.

Debate seemed to rage in offices & hallways almost every day. In the industry press there were endless articles about a firm's new strategy to move away from high volume / low value work to focus on higher value work.

Most of the language used was misleading and, in many cases, plain wrong. If a firm wants to do (perceived) high value work, can they only have a little of it? Is there a magic inverse proportion ratio between volume & value?

Most curious is the word 'commodity'. I provided the Oxford dictionary definition above.

In the professional services world it was first popularised by Richard Susskind, who talked about the commoditisation of legal services (for the avoidance of doubt, I'm a Susskind fan and agree with his broader arguments about the professions).

However, it's surely an inappropriate word - for two reasons.

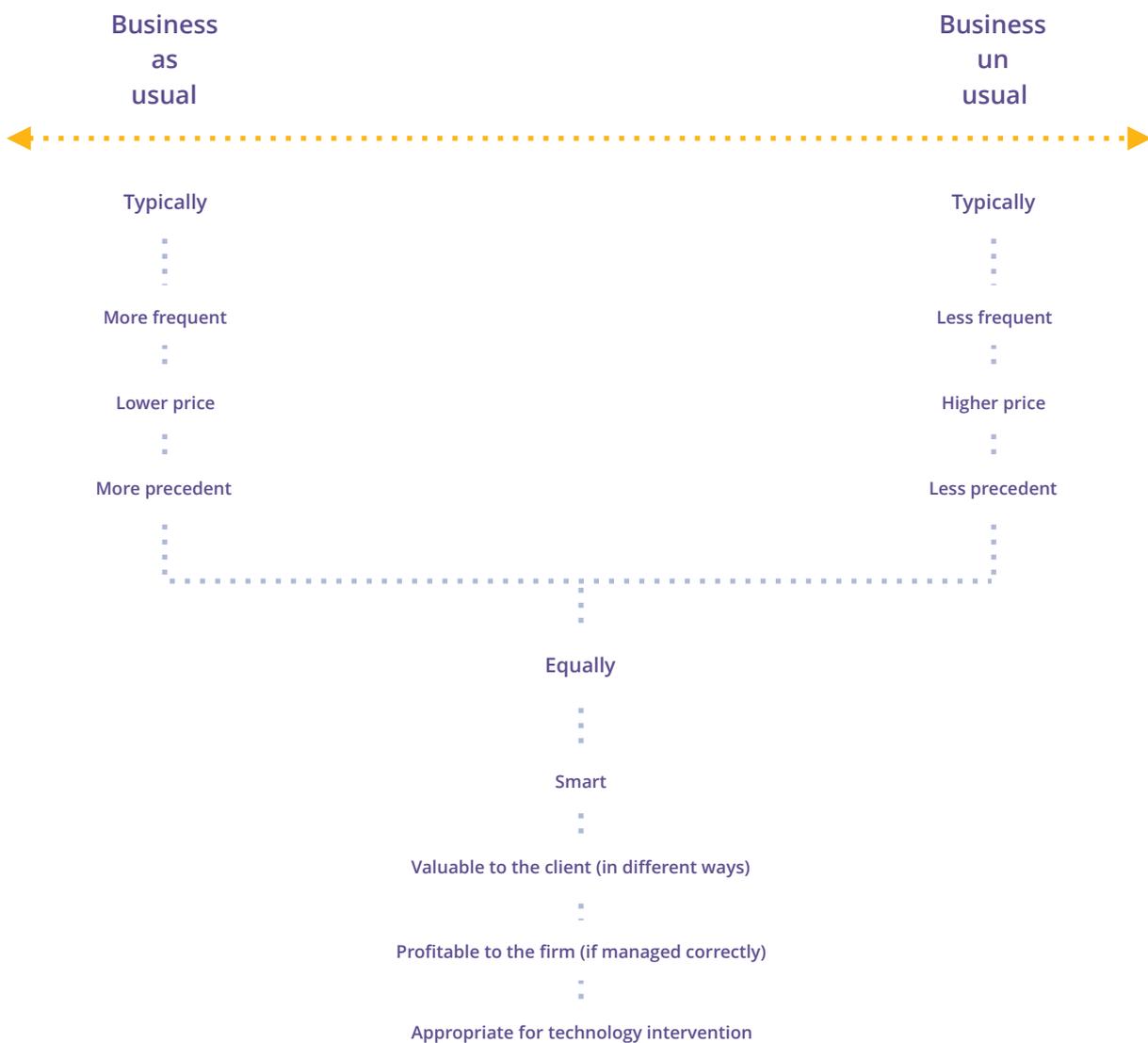
First, if we consider it literally, it describes raw materials & agricultural products. Not services. Second, if we consider it more broadly, isn't a commodity basically something that someone buys? Like, say, architectural, legal or tax advice?

And shouldn't everything a firm does be useful & valuable to its clients?

It's time for a new vocabulary.

# More than words.

The root of the issue is an age-old problem; firms looking at the world as they see it (subjectively), not as their clients see it (objectively). We need a cleaner, more critical viewpoint. Put as simply as possible, clients outsource two types of work; business as-usual work; and business un-usual work:



Factually, the differences between the two types of work are straightforward. Far more interesting are the similarities.

First, you need to be equally smart to manage & deliver each successfully. Focusing on one type of work over another doesn't make you any more or less intelligent.

Both are equally valuable to the client in different ways. Too often firms don't understand what value means to the client, which varies according to their situation at that particular time.

Both can be equally profitable if managed correctly. Most firms generally end up stuck in the middle, trying to deliver all work the same way, rather than flexing as required.

And last, both can benefit from the use of technology. It's not a case of man vs. machine. No professional firm does any work that's genuinely performed best by a partner sitting at a desk with just a pen & a piece of paper.

## Speak my language.

Looking at their portfolio of work on the spectrum of business as-usual to business un-usual forces firms to confront some uncomfortable truths.

It requires firms to think hard about the work they're really good at and, therefore, they're best equipped to do. In turn that should force them to think hard about what work they target & how they should grow. I'd wager that most firms have far less business un-usual work than they think.

And what about clients? How much business un-usual work do they actually have to give out? By it's very nature, not that much. Therefore, it that's what you really want to do (and actually have the capability to do), then you're going to need to a very different marketing & BD strategy than if you target business as-usual work.

All of that before you get on to the real nitty gritty of resourcing models, service level agreements, key performance indicators & reporting metrics. Faced with such difficult strategic & operational questions, it's no wonder many firms don't bother.

## ABC.

The debate about bespoke vs. commodity & volume vs. value was (and still is) dressed up as being about a firm's profitability & brand. Which is nonsense.

Of course, it's really all about partner ego. My work's more difficult than your work. I'm cleverer than you are. My brain's larger than your brain. My penis is bigger than your penis.

So next time someone tells you they don't want to be seen as a commodity, tell them the word comes from the Latin *commoditas*, which comes from *commodus*, meaning 'convenient'.

If they don't want to be seen as useful, valuable or convenient then tell them to just carry right on...

Thirteen.Be.Distinctive.