

The George S. May Clones

Phaedon

June, 2011

George S. May clones are not a new phenomenon. It has been going on for at least twenty years. The most famous of the clones was IPA. Some of the clones shaped up and did better than the May company, while others took the model to a whole another level of shysterism (a new word!) and crookedness. I have reported on consulting unethical practices before, so there is no need to repeat them here. However, I ran into a new situation this year that is worth reporting. As some of you may know, many of us are independent consultants that offer our services to whatever consulting firm has a consulting engagement that requires our skills and services. More or less we are acting as freelance consultants or if one prefer the word "hired guns". We take a lot of pride in our work because our livelihood depends on our reputation.

I got a call to help this consulting firm (that is an IPA) clone. Their analyst was not able to close the consulting engagement and needed my help. So, I was invited to show up in this manufacturing company in Muskegon, Michigan to meet the consulting firm's analyst and prospect to discuss the sticky points that needed clarification, so that we can get the go-ahead for the engagement. The analyst turned out to be one of the consulting firm's owners. To my surprise he did not declare his real name to the prospect. He introduced himself and signed all his documents that he presented to the prospect with his middle name (as his last name). Moreover, his whole presentation was the worst I have seen in over twenty years of doing consulting. He was making all kinds of unfounded claims and promising savings or improvements without understanding a damn thing about the prospect's business situation or organization. He was promising to the prospect of increasing their sales revenue, when the prospect:

- a. Has no marketing organization
- b. Has a very anemic sales organization
- c. Has no marketing or sales budgets
- d. Has a stale product line --- no new products for over ten years
- e. Has a parent company that is interested in selling them off rather than helping them improve
- f. Has terrible quality problems

In other words, he offered a lousy analysis, similar to what we saw in previous dealings with George S. May and clones. Moreover, he is one of those unethical analysts that care less whether or not the consultant(s) can deliver on the promises that they make. Lack of delivery and broken promises becomes the consultant's problem, not their own. This is why George S. May was averaging over 400% labor turnover. They were burning up consultants as quickly as they would hire them. Most of their consultants could not deliver what their analysts were promising to their prospects/clients. No wonder then that the May company folded the tent and went away. Most of the clones did, are doing and will

Biz Smarter Newsletter

do the same thing. They all have a very ill-conceived, unsustainable, and downright illicit business model.

When I asked the analyst why he hid his real name, he came with the lame excuse that he did not want the prospect to know that he was the owner of the consulting firm because then the prospect would be inclined to ask for special discounts and other favorable terms. That did not stick well with me, so I did investigate his background. It turned out that he had some lawsuits against him from his previous employer's clients, and several nasty reports about his ethics and business practices. I realized that he was hiding his identity from prospects to conceal his ugly background --- in case prospects and clients would do similar investigations on him. I realized that the company was a playing nasty game and it was not the company for me. I declined to proceed with the opportunity by telling the consulting VP that his own boss is a loose cannon. I did not elaborate because he already knew about it. He never called me again ... and never will. He knows that I know the real story about them.

This and other incidents with other clone companies have raised the red flag for me regarding the ethics in this profession. It is clear that there is no good mechanism in the business world to protect itself from shysters. They call themselves consultants, but they behave as some of the lowlifes in the used car business. When things get tough, they pack up everything and go to a different town or State to set up shop, until such time things start getting tough on them (mostly due to legal reasons) and then they move again. The fly-by-night term is very fitting for them. Unlike other professionals (like doctors and lawyers) there is no policing body to protect clients and consultants from bad consulting firms. The BBB is not a good mechanism because it is easily fooled, as George S. May and this company (mentioned in this article --- to remain unnamed for the time being) have proven.

So, SMEs and consultants "Be aware of The Clones". They are out there!