



How Do I Know If I Need a Consultant?

Each project and company has its own set of needs, challenges, goals and available resources. Common situations which warrants hiring a spa consultant include:

- Your company lacks the specific knowledge and skills required to make informed decisions and solve problems
- Current and previous efforts to have not produced the desired results
- Your company continues to face the same set of issues and/or challenges to growth and success, without gaining any ground
- Your company lacks the time or staff resources to dedicate to the project or challenge
- An independent opinion is needed to either confirm a decision or to provide alternatives

Some of the common pitfalls spa owners and developers fall into include:

- Not performing adequate research and market feasibility to guide the development process and the financial commitment
- Assuming that the architect or designer are fully capable and qualified to develop an operationally workable and market-appropriate spa design and business model
- Relying on a person who has familiarity with only a handful of spa facilities or concepts, but lacks a sufficient base of knowledge from which to develop a spa on their own, without actual operational or development experience
- Ill-conceived and unrealistic financial projections
- Hiring a spa consultant after initial plans have been developed & submitted to planning authorities
- Hiring a spa consultant that does not disclose kickbacks from recommended equipment or products

When a company decides to build a new spa, or to renovate or optimize operations in an existing one, it is important to utilize expert development resources to ensure the best result. It's far easier and ultimately faster to engage a spa consultant with the necessary experience, tools, and ability than to follow a shoestring approach which ultimately may jeopardize the success of the entire project through serious errors made in critical planning areas.

Common Areas of Practice for Spa Consultants

Pre-Opening Activities

- Market Analysis, Site Analysis & Financial Feasibility
- Concept Development & Programming
- Financial Forecasts & Proforma
- Architecture & Interior Design Review & Value Engineering
- Equipment, Supplies & Operations Specifications & Procurement
- Creation of Spa Menu & Programming Options & Pricing
- Retail Product Development, Procurement & Merchandising
- Compensation Strategies & Policies
- Staff Recruitment, Auditions & Hiring
- Sales & Customer Service Training
- Technical Training for Therapy Staff
- Employee Handbooks & Operations Manuals
- Formulation of Pre-opening Plan
- Onsite Assistance Pre-Opening

Ongoing Activities

- Operational Assessments of Staff, Facility, Customer Service & Financial Performance
- HR Process Review
- Business Process Analysis, including Inventory Management
- Compensation Plan Review
- Sales & Marketing Performance Analysis, including Website & Collaterals
- Motivational, Customer Service & Staff Training & Development
- Retail Performance Review, Vendor & Pricing Analysis
- Quality Management System Review

Guidelines to the Consultant Selection Process

The key to success is finding the right match for you and your project: selecting a consultant who meets the criteria of your project's needs, can fulfill deliverables according to your timeline, has impeccable client references, and the "right fit" or chemistry with key management or stakeholders. Some considerations:

1) Frame the Situation

- With your management team, specify your needs and goals.
- For an existing business, avoid self-diagnosis of any issues.
- How will you determine if the consulting engagement has been successful?
- Explain your knowledge of the spa segment of the business. A good consultant will be able to direct you based on your specific experience, and the experience of your team.
- Be able to clearly explain your business vision, needs, and goals to the prospective consultant

2) The Selection Process

- Be prepared to do your research to find a consultant that has relevant knowledge and experience required for the specific needs of your project; do you need a consultant with general knowledge, or expertise in a specific area?
- Have a list of pertinent, standardized interview questions to ask in your interviews with consultants, much as you would in hiring a management level staff member
- Be aware that spa consultants have varying levels of experience, including some who have "hung out a shingle" without any experience in developing, operating or managing a spa
- Be aware that spa consultants may specialize and excel in different aspects of the development, operations or management process (Finance; Design & Planning; Operations Development; Customer Service; Menu Development; Training; etc.). Ask questions to probe around the areas of expertise of any candidates.
- Request a list of client references and perform the necessary due diligence
- After you have interviewed several candidates, evaluate them based on:
 - o Competence and experience to complete the work
 - o Cultural compatibility with your existing team
 - o Demonstrated understanding of your needs and expectations
 - o Proof of Professional Liability Insurance
 - o Willingness to sign an NDA (Non-Disclosure or Confidentiality Agreement)
 - o Previous Client References
 - o Willingness to share "in the trenches" stories, both good and bad (and keeping confidentiality of course)

Typical Financial Arrangements

Many professional spa consultants price their services on a "project basis" based on a detailed scope of work with clearly defined deliverables, rather than charging by the hour. Some consultants are also available by the hour for smaller or more specific engagements. The scope of work is often broken out into phases in the case of longer, more involved engagements. An advance retainer is typically required for the consultant to commence work, and payment becomes due for each phase as the work is completed. You should receive a written proposal or agreement detailing scope of work tasks and associated work deliverables for each phase. Travel, accommodations, and miscellaneous expenses such as copying, binding, and phone calls are the main reimbursable expenses which are not typically included in consulting fees. Some consulting firms charge a small percentage for administrative fees and travel time, at a fraction of their hourly rates.

As with many consumer goods and services, the highest price doesn't always ensure the best quality, nor does a low price necessarily indicate inferior capabilities. It is never wise to make a choice based upon price alone. When comparing consultant's proposals, do make sure that you are comparing "apples to apples" in terms of knowledge, expertise and scope of work. Synergy also plays a role in the selection process. Clients should make sure that their chosen consultant understands ownership goals, and when working on a larger design team can play the role of an advocate. This is especially true when budgets, design and equipment are considered. There is no set format for proposals and consultants may offer a range of services with varying amounts of detail included in the work.