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20 years in development

Westport Consulting Group wants to 'turn up that fatal flaw'

By Pam Dawkins
STAFF WRITER

An idea or product that looks good in theory doesn't always translate well when put into practice, a misstep that can cost a business a lot of money and wasted time.

In the late 1980s, Westport resident John A. Laurino realized that while companies needed consultants to help them develop, market and launch products and services, they didn't necessarily want them on their staffs. So Laurino, whose specialty is in financial services consulting,

started his own business.

"In the corporate world, anything new is very risky," says Laurino, 59. "Half the projects we worked on never saw the light of day," because everything the company does is designed to "turn up that fatal flaw."

Laurino's path to entrepreneurship led from Citibank to a regional bank, then to Colonial Penn Group and a group that privatized Bowery Savings Bank. After Citibank, he took each next step following a company sale, which had him working

three jobs in five years.

"It was a great experience. I made a lot of money," Laurino says, but it was disruptive to his family. Another position, to help a packaged-goods consulting firm build out its financial services practice, didn't work out, but Laurino developed clients who wanted to hire him individually, leading to Westport Consulting Group.

Insurance companies often hire a third-party consultant to plan marketing efforts for new products, says Sean Carroll, president of Bridgeport-

based Merit Insurance. Those insurance companies are constantly bringing new products to brokers like Merit, Carroll says, who then sell them onto their clients.

The insurance companies hire firms like Westport Consulting — with which Carroll is familiar — to help them accentuate the selling points for the brokers, to highlight why the broker should be buying, and selling, their products.

Accounting firms also hear a lot of pitches for new products, and Christopher Gallo, a principal with Nishball, Carp, Niedermeier, Pacowta & Co. P.C. in Shelton, says what a company like Westport Consulting does is validate a business model.

"We usually figure it out ourselves," Gallo says of new products and services, as the

firm's staff develop an expertise and contacts in a certain area. His, for example, is manufacturing.

"It's a very competitive field, financial services," Gallo says, and its important for a company to figure out a way to distinguish themselves.

Twenty years later, Laurino says, "The hardest part was creating a virtual company." Because every project needs different expertise, he prefers to hire people for a specific job.

And Laurino says he has found the perfect place to pull a model like this off.

"Westport is like the epicenter of boutique consulting firms," he says, which gives him easy access to experts on every marketing discipline.

He also takes advantage of

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Financial consultant sees growth in software demand

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the area's population of highly educated and skilled women executives who have taken time off to raise families but aren't averse to the occasional consulting job.

Westport Consulting, which has about 12 full-time employees, has expanded to include companies selling software to track compensation and create proposals.

"We kind of backed into the software business," he says, starting with creating a database to help a client with a workflow issue. That business operates as Enterprise Incentive Software Inc.

"We can't keep up with the demand for it," Laurino says of the proposal software, which companies use to create and respond to request for proposals. Not only is there demand for greater transparency, which the software can

manage, but companies can create proposals for more jobs while using fewer people, he says.

And, in these days of complex compensation agreements, software that manages the multiple types and parameters of compensation allows companies to be more efficient, and also use fewer people. "We build tools that make people more efficient," Laurino says.

Gallo says the whole structure of compensation has changed in the last couple of decades as companies added more benefits — everything from health insurance to profit sharing, 401(k) matches and bonuses. And all tailored to individual employees.

"The whole business structure is very, very complex," Gallo says.

The software, which dates back to the early 90s, helps offset the drag any company

working in financial services is experiencing. Laurino declined to reveal specific financial information, but said of the consulting business, "It's just a zero-sum game right now." No one knows what's going to happen, he says, so no one is making a move.

For consumers, though, the recent consolidation among banks, for instance, lowers the number of options. This, Laurino says, means the survivors can afford to be a bit less innovative. The object of the consolidation is to get as much of a customer's business as possible under one roof.

When the economy eventually turns the corner, Laurino expects financial services businesses to realize the only way to compete is through innovation and improved services.

But for now, he says, "The whole financial services world is a bit on hold."