

Business Consultants: Six Reasons To Use Them And Six Traps To Avoid

The Touchpoint Change Guide - Part 2

Consulting assignments, or dare we say it, consultants themselves, can sometimes be costly, unnecessary or ultimately unsatisfactory. You may not have experienced this yourself, but you could agree that there is always a risk!

Actually, Consultants can be a very powerful force in your organisation, if brought in at the right time and managed correctly. Here is part 2 of the Touchpoint Change guide about how best to use consultants and how to avoid the pitfalls.

Part 1 was published in a previous issue of *Change!*, the newsletter of Touchpoint Change Consulting. It looked at the benefits of using Consultants and when they can be a cost effective resource. However, when brought in at the wrong time or on the wrong basis, a number of issues can arise. In part 2 of 2 here, we tell you what they are and how to avoid them.

Some perceptions of consultants	Is there some truth to these perceptions?	How to avoid the risks
<p>1. They charge high day rates</p>	<p>Consultants offer a deep knowledge in their chosen area so will charge a premium. Fair enough. However, the client's selection process can be time consuming with site visits and several days of effort needed up front even for a small assignment. This makes the process time consuming and hence costly.</p>	<p>If you streamline the selection process you will have a better chance of negotiating lower day rates. Even better, keep a consultant on a low retainer so that they know you, understand your business, are ready to help at a moment's notice. You will get tailored advice more quickly and lower rates to boot.</p>
<p>2. They tell you what you already know</p>	<p>There will be a variety of conflicting opinions in your organisation and it's hard to discern which is the most valid. A consultant can review a situation objectively and compare it with other organisations. Their views may or may not be new, but they should be more robust and better accepted.</p>	<p>Start by gathering more of the opinions in-house. By collecting some data, evaluating the pros and cons and writing them up you will clarify the issues and thus prepare a better brief. A consultant could then provide assurance on your work or develop some additional ideas that are designed to be thought provoking.</p>
<p>3. The scope grows</p>	<p>Some organisations find that a medium sized project turns into a large one, or that a large one never quite seems to finish. The consultant may then recommend further work as they will find other jobs to be done or improvements to be planned. This advice can be valuable, but make sure you are in control of the process.</p>	<p>Manage the assignment proactively. Use your commercial and project management techniques to ensure you only pay for what you want and that this is delivered quickly and efficiently. Create an Opportunities Log or an Issue Register. Log any new ideas, gather them together and create a business case so you are clear about the costs and benefits.</p>

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<p>4. You get a new graduate with a fancy job title</p>	<p>The larger the consultancy, the bigger their 'bench' of under-utilised consultants. The margin on junior consultants is very high - they often have little experience but £1000+ per day price tags. They are also tempted to sell you those that are currently available, 're-spraying' them as an expert in the service you happen to want.</p>	<p>When agreeing an assignment, ask for the CVs of the team that will actually be doing the work, and even ask to speak to them. That is not a rude request! Make sure they have the experience and attitude you want and ensure that there is adequate 'top cover' from a senior person or team to provide leadership and quality assurance of their work.</p>
<p>5. Your people do not trust them</p>	<p>Consultants can sometimes be used to check others work, challenge managers' views or even decide who to fire. If so, they should be capable of acting with integrity and in confidence, but there may be people in the organisation who distrust or resent their presence. Maybe they have been bitten before or are naturally wary of external views.</p>	<p>Assuming your motives are honest, a good briefing to the wider team of people involved will help to dispel uncertainty. It will also foster better cooperation. It is usually helpful to provide a report back to those involved as well, even if in a slightly edited format. Otherwise they see their input disappear into a black hole and wonder if there is some bad news on its way.</p>
<p>6. They 'land and expand'</p>	<p>Some managers find that a small team starts to grow and before long there are a dozen consultants billing their time without any change agreed to the benefits case. This can happen when a consulting Partner or account manager has a revenue target for your account and is adept at selling the need for their services. Information Technology projects seem to be a common area for this to occur.</p>	<p>Remain in control of the work being done, who does it, the budget and the business case. There is often a good case to do more but do not be brow beaten into something you are not comfortable with. There is always a better way of delivering a change if you take some time to think it through. Ask your account manager if there is a revenue target, too. If there is you should have it discussed openly so you are in the picture.</p>

Every business needs access to external knowledge, new ideas and fresh insight but it is important that the objectives of the consultant and the client are in sync. So to get the most out of the relationship with a consultant be well prepared, open minded and assertive. It's what a good consultant wants too!

Look out for other articles in the next issue of *Change!*

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