

Watch out there's a consultant about!

Mark Thomas provides a humorous insider's guide to managing external consultants in today's world.

It is a fact that with corporations endlessly reviewing what is core to their business model, external consultants have come to play a key role in helping to shape or implement new organisation strategies and structures. At the same time many internal specialists such as those who work in IT and human resources are often tasked with managing the day-to-day work of the external consultant. Consequently it is essential that people inside an organisation know how to manage the external consultant.

We all know the jokes. Here's just a few:

When an external consultant says **a speedy review is essential** what they actually mean is **some of our consultants have no clients at the moment and we are desperate to get some chargeable work quickly.**

This review should be seen as an initial step in a staged process = Watch closely - we are going to make three jobs out of one

Using our experience elsewhere = we will insert your name into the last report we produced for another client

And of course the classic one to watch out for is:

We have done this type of project before = We have never done a project like this before, but if you would like to give us sufficient budget and time, then we have some very smart people back at the office and I am sure we can do something useful.

The fact is that we may laugh at some of these statements but those of us who has been around a bit will have seen glimpses of truth in all of them. One of the most worrying books to read in recent times was **Final Accounting: Ambition, Greed and the Fall of Arthur Andersen** written by Barbara Ley the former Ethics Director of disgraced and now defunct Andersen – she left some three years prior to the Enron disaster. She describes her colleagues making comments such as “Bill that client's brains out!” She also describes how some consulting jobs were inflated in terms of workload to hit aggressive revenue targets within the firm. Of course as a former disgruntled employer she may have an axe to grind. But there is no doubt that the Enron scenario showed a loss of a morale compass that eventually caught up with the organisation and destroyed a once great company. Whilst the failings at Andersen's were perhaps one of leadership it does show the underside side of all consulting firms – they are as profit driven as anyone else in the corporate world. Nothing wrong with that we might say; but it is vital to understand this when managing any consulting firm.

Of course the best consulting firms will be highly driven and client focused. Their operational field staff will be motivated more by a desire to serve the client than the firm. Such firms will genuinely want to add value and assist the client in solving problems in the most effective and efficient manner. But against this we must remember that all consulting firms are tasked with hitting targets and developing client business. The way you get on in a consulting firm is no different to any other business you have to be successful and that often means selling. So clients need to be equally tough when managing consultants. Good consulting firms will have no problem with this approach. You have to set out what

you want and what you don't want. As all effective IT/MIS people know hiring external consultants without a clear terms of reference is a recipe for disaster. You must be clear about the kind of consultant you are hiring and the problem you want them to address.

The consultancy world is very fragmented with lots of different market segments and players. I typically categorise consultants into the following types:

The Terminators

The Terminators are the tough guys of the consulting world. Strategy and cost cutting is their speciality, so they often come with high fees and expenses. They are mostly required when a big and demanding job needs to be done. They are not known for their friendly style - arrogance is a word that often describes their approach. Intellectual rigour and clinical analysis is the basis of what they do. They feed off the power of the CEO having been directly hired by them. The Terminators will ride over any internal opposition that stands in their way. They have been hired to do a job and have no intention of letting anyone stop them. As a client you need to understand exactly what you are getting if you hire them. The Terminators do not use a collaborative approach. Whether you like it or not you will be subjected to their methodology. The problem is that they are not always proven right in the long term.

The Buddha

The Buddha is often a sole player in the consulting world. They cultivate an aura of wisdom and reflective questioning. They will frequently have a people centred approach to the business world. "You can do nothing without aligning people to your strategy" is their mantra. They possess an almost mystical power over the CEO; who seems to have fallen under a spell and implements all the Buddha's wisdom and advice. The problem with the Buddha is that they often create tensions amongst the senior management team. Colleagues begin to get irritated by their inability to influence the boss. It seems that the Buddha's word is all that the CEO will listen to. The Buddha's strong focus on the human dimension often means that they miss more fundamental strategic issues such as the fact that your business model is now defunct!

The Clint Eastwood

The Clint Eastwood consultant is a much tougher version of the Buddha- alone player with a long contract and a stranglehold over the CEO's mind. But unlike the Buddha, Clint has no soul! It's all about business and you have to be tough to get the job done. They often possess a tough finance, strategy or IT background and have been in lots of crisis situations. Often preying on CEO's who lack confidence Clint will encourage the business leader to take pre-emptive strikes on dissident colleagues. Floating around the organisation with a shadowy presence they whisper into the CEO's ear phrases like "I would watch him, she is a threat to what you are trying to do here." No one is really sure what Clint is up to and too often people are afraid to ask. Clint has no real friends in the company but that's often not a problem for him but rather you

The Trexies

The Trexies are of course the IT/MIS consultants. They believe that technology is the solution to all corporate ills. Forget the fact that your people ignore or abuse the customer or that your product or service is rubbish. What you really need is a new IT architecture or all embracing data warehouse/cente. These consultants use words like Mission Critical, Systems Implementation Methodology, (SIM) CRM, web-enabled, integrated networks and virtual storage. Of course they are hugely successful and the

fees generated by these consultants can bankrupt companies. They have an ability to turn a six-month project into a six-year occupation of your IT department. And of course, with the new and annual upgrades to Version 7 of your key operating system you can effectively mortgage your future them. Their best friend is of course the IT director and given the fact that very few other managers know what they are talking about they tend to live quite happily together. Remember once in the company they are difficult to say goodbye to. But look out for the health of the Finance Director as they frequently fall ill when signing the invoices for the Trekiens. They also love public sector organisations where their project overruns and failures have become the stuff of legend.

The Suits

We all know the Suits. They are everywhere because they specialise in everything. For integrated business solutions read “body shop.” You have a problem we can solve it just pay us enough money and give us sufficient time. So in meetings they tend to say “Yes we can do that”. Generally the Suits do have the interests of the client at heart. But the problem is that they have now become so big they have perhaps lost some of their old values and sense of integrity. They are as concerned about growing their revenues at your expense as they are about helping you grow yours. The Suits are easily recognisable. Young, smart, and highly motivated they often dress the same and will work incredibly long hours for you. If you make friends with them, over a few drinks, they will sometimes tell what is really going on in their business. But be careful as what they tell you about their IT systems, people management and leaders may shock you. You’ll then worry that you are actually paying such people to advise you on how to run your business!

So remember to stay alert when hiring your consultant. Be clear as to your needs and set out how you want them to operate and report to you. Professional consultants will only be too happy to work in this way. But do beware otherwise you might just end up feeling “unlucky” like one of Clint’s victims!

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