

THE PRACTICE OF PROFESSIONAL CONSULTING

By Edward G. Verlander

PREFACE

There has never been a better time to be a consultant. Like the medieval craft guilds that built the great cathedrals of Europe, consultants are the modern day builders of business cathedrals using data, information and technology systems to develop business strategies that help businesses grow. Technology consultants design systems that enable companies to make money through the manipulation and selling of information. Strategy consultants conceive future plans; management consultants re-engineer organizational structures, administrative systems and workflows; and human resources consultants train employees on the skills to make it all work.

Just like medieval craftsmen, the quality of the products and services produced by consultants – in terms of cost, efficiency, accessibility, usability, and effectiveness – depends on the quality of the people producing them. The quality of the people is directly tied to the level of their professionalism, technical knowledge, intellectual power, inter-personal skills, and the reach of their business perspective. These are the bricks and mortar of building today's business cathedrals. These are the critical success factors that determine the quality of individual consultants and the quality of consulting firms.

Change is the lifeblood of consulting. We are in the midst of fundamental and widespread change at every level of human society. In government, business, not-for-profit organizations, schools at every level, churches, families, and individual lives, the focus, direction, and intensity of change is unprecedented in human history. In this context, leaders of every organization and institution are trying to answer the basic question: *What should we be tomorrow that is different, more effective and more efficient than we were yesterday?* The very survival of an organization depends on the answer to that "change" question. Failure to do so can be disastrous. In recent years, we have seen the demise of very large, seemingly impregnable companies that either could not or would not answer this question and then change quickly enough to survive.

Change is the point of consulting. It is the role of consultants to help company leaders craft solutions to their strategic, operational and human problems and then influence them on the scope, speed and direction of the changes they need to make. In this role, consultants are "agents of change" by asking the right questions, identifying relevant issues, gathering and analyzing the facts, developing a plan of action,

searching for solutions and advising on their implementation. Consulting is the well-spring of change.

Consulting is a strategic endeavor that enables people and organizations to better adapt to the changing conditions of their environment. The questions consultants face are often complex and challenging, involving matters at the very heart of an organization's vision and purpose. As such, consultants solve problems in organizational processes and workflows; governance and structure, organizational culture; the skills and capabilities of people; management systems and administrative procedures; policies and practices; as well as business strategy. Consulting is, therefore, a vital and an incredibly important responsibility with thousands of people in an organization often effected by the work.

Consulting is an exciting career. Many newly-minted MBA's go into consulting because it is a natural extension of their MBA studies. Armed with a broad swath of theory, they can now apply their knowledge and skills to many organizational problems. McKinsey, Booz Allen, Bain and Oliver Wyman, to mention just a few, annually hire hundreds of MBA graduates who bring a combination of broad business knowledge, teamwork, energy, analytical skills and excellent communications to the complex problems of their clients. Consulting is a well-paying career that provides many opportunities to travel, learn about many companies and industries, solve real world problems, help people, and have substantial impact in the world.

In addition to the consulting industry, client companies that hire consultants face the challenge of figuring out which consultants to use. Selecting the right consultant is a critical decision. Finding the right consulting company with the best consultants, work methods, and record of accomplishment is a daunting task for managers. When making such decisions, client managers ask themselves:

- *What type of consultant do I need?*
- *What role (s) do I want the consultant to play?*
- *How should they work in my organization?*
- *Where do I find a "good" consultant who will fit in our culture?*
- *How will I assess the cost/benefit of the consultant's work?*

Client managers may not feel well-equipped to answer such questions. Often such managers have strong functional expertise and certainly know their own organization. But, they lack a clear understanding of the nature of consulting work; the knowledge, values, and competencies of professional consulting; and the qualities that separate good consultants from the great ones. This book endeavors to address

this issue by providing a comprehensive perspective on consulting that can help a client manager decide which consulting firm to approach and which individual consultants to use.

For any individual wishing to pursue consulting as a career, this book provides a point of view and an intellectual understanding of what it takes to be a *professional* consultant. The book examines the many facets and aspects of what makes consulting a profession in the first place, and it provides the keys for individuals to become more professional in their consulting work. To that extent, the book can be used by: 1) individuals trying to decide if a consulting career is a suitable one; 2) as a primer on building a consulting business; or 3) as part of in-service, professional training and development.

The book includes the special needs and requirements of information technology (IT) consulting. Through university training or a few years of technical work experience, such as a programming or software development, a recent technical graduate may have acquired significant knowledge and expertise in information technology theory and practice, but lack important inter-personal, communications skills. The book provides simple, practical frameworks to help such readers understand the importance of people skills as well as when and how to include them in the consulting process.

Research has shown that in professional service industries such as consulting, a key differentiator for success is how well firms develop and build long-term customer relationships. In addition to high standards and quality work, *how* consultants work with their clients makes the difference. “People skills” (not technical ability) is the key differentiator to building long-term client relationships. As a result, the focus in this book is on McKinsey’s so-called “soft skills” of consulting: shared values, style, skills, and staffing. We describe the dynamics of consulting as stages, roles, tasks, and outcomes and explore the best practices used in the entire process of consulting, from developing business to deploying solutions.

Finally, in addition to covering the practical and logical aspects of consulting, best practices, metrics, and benchmarks, we explore the fundamental concept of how to become a *trusted consultant*. The journey of becoming a trusted consultant is a journey that gets to the heart of how to make the consulting industry more professional. Trust, ethics, and integrity are building blocks of all professions. As builders of business cathedrals, the consulting industry is ripe for a close examination of its professionalism. We hope this book makes a small but important contribution in that regard.