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Ensuring sustainable value from consultants

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ENSURING SUSTAINABLE VALUE FROM CONSULTANTS

FOREWORD

Last year, organisations in the UK spent £12 billion on the advice and help of consultants. That's a significant expenditure and, rightly, they have high expectations of the value they receive for their money – they want sustainable results.

Creating those results starts long before a project does. Both client and consultant need to ensure that they have reached an absolute understanding of what success looks like and the challenges that must be met – political, economic, social or technical – to deliver that success. As a client, it means focusing on what you want to achieve in your business, not just on short-term deliverables. As consultants, we have a responsibility to challenge clients and to help them deliver those achievements.

But this clarity isn't enough. Delivering sustainable results also depends on engaging people. As this report highlights, satisfaction decreases as you move further away from the decision-makers. This has to change: more needs to be done to engage those whose work is affected by consultants, so that they do not feel marginalised, and to align the objectives of those who must deliver change with those of the business. Success depends on the trust built up between all staff and the consultants who work alongside them. If change is to be sustainable, consulting firms have a key role to play in helping to define and implement this alignment.

At PricewaterhouseCoopers, we have long-standing relationships at the heart of our service to our clients, which helps us truly understand their needs and challenges at all levels of the organisation. Such relationships are founded on a profound understanding of business issues, listening to clients and offering challenging points of view based on a wealth of experience and expertise. Above all else, we focus on delivering sustainable outcomes that our clients need for their business.

This report provides valuable insights into how our clients expect us to deliver value to them and we all need to be responsive to these expectations. Our clients have demanding challenges ahead of them and want us to stand beside them in meeting these challenges.



Jeff Thompson
PricewaterhouseCoopers

ENSURING SUSTAINABLE VALUE FROM CONSULTANTS

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ENSURING SUSTAINABLE VALUE FROM CONSULTANTS

EXECUTIVE SUMMARY

‘The best consulting projects help people develop at a personal level.’

This report argues that the extent of engagement among the managers from client organisations who work side-by-side with consultants determines the success of consulting projects.

Organisations use consultants for four reasons. Access to people with specialist skills accounts for almost half of all consulting projects; gaining an outside perspective accounts for a further third. Other projects are motivated by the use of consultants to push through or provide a plan for managing change accounts or to help take difficult decisions.

As one organisation interviewed for this report said: ‘We have to keep delivering services, meet government targets and invest for the future, and we simply don’t have the capacity to do everything we want to do ourselves.’

The overwhelming majority of managers are partly or completely satisfied with the work their management consultants have done for them. However, satisfaction levels fall the further down the hierarchy of a project you go: a person who takes the decision to use consultants is about four times as likely to be positive as someone seconded in from other areas of the business to work on a consulting project. Typically, managers claim that credibility, having a clear sense of purpose, good communication, and ensuring commitment and buy-in are critical in determining success.

This report argues that, although such factors are all-important, they are not enough. Getting the most from using consultants depends on setting up joint teams, taking a flexible approach and ensuring that the people who work side-by-side with the consultants gain personally from the experience. As one interviewee put it: ‘The value of consultants is based on what they leave behind. If they leave behind a more open-minded, capable team in the longer-term, that’s money well spent.’

One reason why managers have paid less attention to this second set of issues is that these are sometimes seen to conflict with the first set: integrated client teams create complexity; flexibility can be expensive; people who have gained personally from having consultants around may become dependent on them. Avoiding these pitfalls comes down to maintaining a disciplined, professional approach to the client-consultant relationship and by paying serious attention to how the contribution of consultants is valued, if not actually quantified.

1 INTRODUCTION: GOOD BUT COULD DO BETTER

The Management Consultancies Association, in collaboration with *Management Today*, carried out a survey of about 180 managers from a wide range of sectors who had dealt with a broad range of consulting projects, from small-scale strategic advice to large-scale IT and outsourcing implementations.* Eighty-six per cent said they were completely or partly satisfied; 14% claimed to be not at all satisfied (*Figure 1*).

Asked what the benefits of the project had been, about a third said they had been able to access specialist skills and/or improve their own management capability, and another third cited greater efficiency. Smaller numbers of people said the consultants had helped improve customer service, cut costs or increase revenue (*Figure 2*).

However, unusually among surveys on consultants, the MCA/MT survey also asked people to say what role they had played in the consulting project. Were they the person who took the decision to bring consultants in, or someone who influenced that decision? Were they the project manager in charge of the project, or someone seconded in from elsewhere in the client organisation to work with the consultants? Perhaps they were not directly involved in the project but an end-user, someone whose work might have been affected by the consultants' actions or recommendations.

Looking at satisfaction levels from this point of view suggests that those who decide to use consultants are much more likely – in fact, four times as likely – to be satisfied as people who were seconded from elsewhere in the client organisation to work on a project (*Figure 3*).

Not surprisingly, perhaps, decision-makers tend to view consulting projects in a positive light because that validates their decision to use consultants; it may also be that they are in a better position to see the overall benefits. Perhaps end users and people seconded into projects from elsewhere in a client organisation feel put-upon; maybe they resent the consultants' presence. Perhaps this dichotomy is inevitable.

So should we be worried about it? Yes, because, as this report demonstrates unequivocally, it is the level of engagement among people who work with the consultants that determines success.

Figure 1: Overall satisfaction levels are high... but could be higher

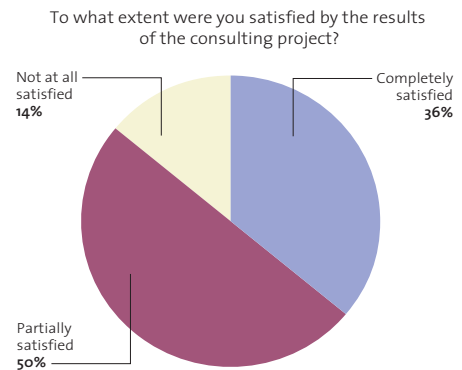
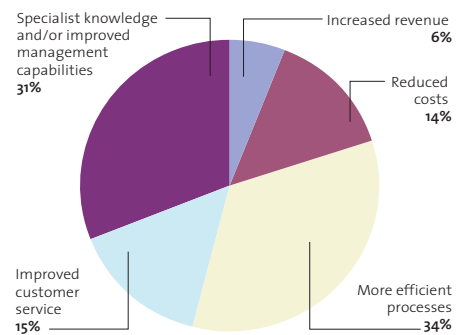


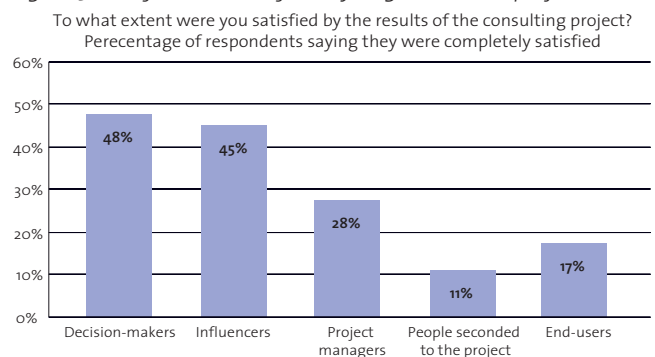
Figure 2: The benefits of using consultants
What were the benefits to the project?



2 WHY HIRE CONSULTANTS? THE FOUR Ps OF CONSULTING

Asked why they have used consultants for a particular piece of work, clients typically respond in quite high-level terms: 'to implement an IT system' or 'to improve productivity in such-and-such an area'. But what are the fundamental reasons why people hire consultants? What is it that consultants do that a client's organisation cannot do by itself?

Figure 3: Satisfaction levels fall as you go down the project hierarchy



*See p25 for further details of the survey and breakdown of respondents

Figure 4: Breaking down clients' use of consultants

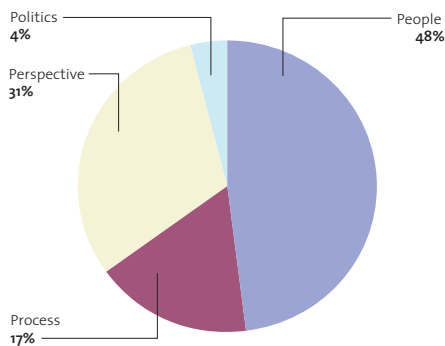
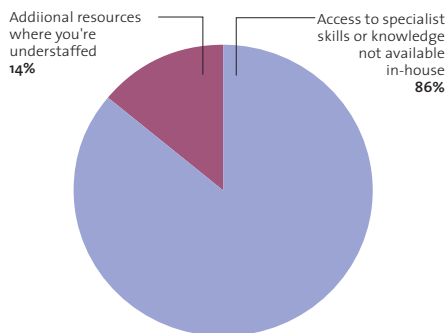


Figure 5: Specialist skills versus generic resources



'Consultants provide specialist skills on a short-term basis, so that we don't have to go through the expense of recruiting a full-time employee to meet a temporary need,' says David Bradley, IT director at Aegon. 'Their breadth of experience means consultants can know far more about a particular process or area of business than we do. Sometimes, too, consultants can be a catalyst for change: people bring them in because they can't take a decision and they need independent input, or because they've had to take an unpopular decision and need someone to take the flak.'

There are four fundamental reasons why clients hire consultants:

People – access to specialist skills or additional labour

Process – use of a tried-and-tested methodology

Perspective – the need for independent or innovative input

Politics – to validate a decision or push through an unpopular change

Short, comparatively simple projects may be motivated by just one of these; larger, more complex projects may be driven by a

combination. The MCA/MT survey suggests that almost half of all consulting projects are people-related, and a third are perspective-related (Figure 4). Politics does play a part, but only a small one.

2.1 People

Clients hire consultants because they lack specific skills or knowledge internally, either in a particular sector or in resolving a particular issue.

Mark Murphy is the customer service director at Britain's third-biggest airport, Stansted. Half of his staff work in security. 'The work is dictated by machinery, regulation and the volume of customers travelling via the airport,' he says. 'It's as simple and as complicated as that.'

It is not hard for people to feel disenfranchised in such an environment, where they have very little say in their work. However many good ideas they have about what could be improved, the opportunity to put them into practice is severely limited. 'Because people's lives depend on us getting this right, they are reluctant to change things,' says Murphy.

The pattern of activity at the airport makes his job a particularly unenviable one: the hub for many of the low-cost airlines serving London, Stansted has a rush hour between 5am and 7am, with other, smaller peaks during the day. 'We needed more capacity during the busiest periods, but more flexibility during the quieter ones,' he says.

Having worked with a team from Capgemini at Tesco, Murphy asked the firm to help work with the management team and security officers in order to engage these essential employees and channel their ideas and energy towards solving this conundrum. 'We didn't have the capacity or capability to do this purely for ourselves and wanted specialist input from people who'd worked on similar issues elsewhere, so we could learn from their experience,' he explains. 'We weren't looking for a standardised approach but for people who could use that know-how to adapt what they had learned to our own specific issues.'

At the British Council, Clare Withycombe makes the same point. 'We were looking for a consultant who had experience of applying career management within an IT solution to help us address the development needs of our 8,000 employees worldwide; we did not have this unique combination in-house. Professional credibility was also important: we used consultants

who were thought leaders in this sector and who would know what had worked – and what hadn't – elsewhere.'

But clients also use consultants as an extra pair of hands, because their own people are just too busy, although this is a far less important driver than access to specialist skills (Figure 5). Having bright people who can apply themselves to a range of different activities is what matters here.

'The key issue for me has been bandwidth,' says Simon Short at Vodafone. 'Using consultants buys us time and space. There are lots of things we would like to get done, but if we really want to change something or think about something differently, then we have to create the opportunity to do so.'

Argues Andrew Osborn at Wiltshire County Council: 'We have to keep delivering services, meet government targets and invest for the future, and we simply don't have the capacity to do everything we want to do ourselves. We wanted our people to gain private-sector skills from working with consultants, but we also had to recognise that we're already very busy and that we couldn't afford to take people off their day jobs entirely.'

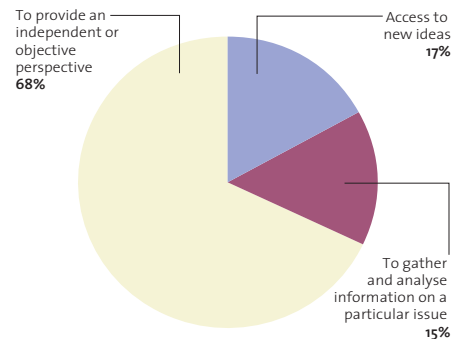
Says Robin Mair at Scottish Enterprise: 'Our strategic remit and funds come from the Scottish Executive. Essentially, we are left to decide the approach, much of which we deliver directly, but sometimes specific projects require that we bring in people – consultants – to help do the work.'

Les Webb found himself running his family haulage company, Strongserve. 'By the time my father died, the company had reached a point of stagnation. Having 25 HGVs and 40 employees was like having 25 rubber ducks in the bath and 40 kids trying to get my attention, all in the same bath.'

'There was so much to do that I didn't have time to do anything properly, even if I'd had the opportunity to acquire the necessary skills. So we brought in a consultant from marketing consultancy Code Red for one day per week to help with developing and marketing the business and get us back on track.'

Using consultants for short-term input is testimony to the growing complexity of business and the specialisation of labour in the economy as a whole. However, it is undoubtedly also the result of many years of cutbacks and structural change in organisations. Bob Dench ran Barclays' investment management businesses and is now on the board of AXA. 'Why didn't we use our own people? Because there was no fat left in the

Figure 6: Different aspects of the external perspective provided by consultants



organisation. We'd taken the business through several intense efficiency exercises and we did not want to recruit permanent staff for short-term work. Such an approach also enables organisations to turbo-charge their businesses with short bursts of very high level expertise.'

2.2 Perspective

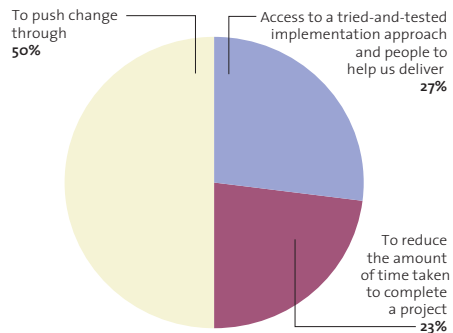
One of the most valuable contributions that consultants make is to bring an external, independent perspective to the many intractable problems facing managers today. This may take several forms (Figure 6): 68% of respondents to the MCA/MT survey who used consultants in this way looked to them to provide an objective or independent input, 17% to inject new thinking, and 15% to provide information and analysis. But whatever form it takes, the objective is the same: to help organisations make better decisions.

At Prudential, Gary Gordon would never use consultants lightly. 'I'm not a big fan of using consultants to determine the direction or strategy of a business,' he says, 'but if you are going to be a successful organisation, you need to recognise your strengths and weaknesses, especially when it comes to making significant business decisions.'

'Consultants are helpful when they provide you with another perspective on your business. You can bring them in, in an advisory capacity, to ratify your plans rather than create them, to introduce subtle changes because they have a wider range of experience they can draw on. A good consulting team will help you challenge your assumptions.'

At JD Williams, Paul Short agrees. He used LCP Consulting to help identify and implement improvements to the company's supply chain. Although, like others, he was using outside advisers partly because his own staff were already incredibly busy, consultants

Figure 7: The reasons why consulting processes are important to clients



brought the added benefit of knowing what was going on in the marketplace. ‘I wanted to be able to benchmark myself against what was happening in the marketplace,’ says Short. ‘We have a lot of skills internally, but not always the freshness and newness we need.’

Robert Sternick does not particularly care for consultants, either. However, when his company, Infast, faced difficult decisions about sourcing its products overseas rather than making them locally, with the potential loss of hundreds of jobs, consultants provided valuable support. ‘In such situations, everyone internally has their own preference and it becomes difficult to separate facts from emotion. Consultants, as outsiders, can be neutral.’

2.3 Process

Some clients have the resources they need to complete a project but are not sure how best to go about it, so they use consultants to ensure that the work will be completed successfully, within budget and on time.

According to the MCA/MT survey, 50% of clients who use consultants like this do so in order to push change through, 27% to take advantage of a methodology that has been used successfully elsewhere, and 23% to speed up delivery (Figure 7). Perhaps not surprisingly, people in larger organisations or involved in medium to large-scale projects were three times as likely to use consultants to help with process.

At Unilever Food Solutions in the Netherlands, Herman van Herterijck is a firm believer in people and process. Faced with the task of getting 23 comparatively autonomous country operations to develop a co-ordinated business plan, he used an approach called ‘Strategy into Action’, developed by Quest International, to help facilitate the planning cycle and – primarily – to ensure that the different bits of the business worked together.

‘Communication in a business shouldn’t just be top-down, but bottom-up and laterally,’ he says. ‘Strategy in Action helped us do this, because it gave us a framework and discipline within which we could have a continuous dialogue at a time when there were still many internal barriers to communication. It didn’t pre-judge the outcome, but helped us ask and answer the questions that were important to us.’

The picture is a similar one at Mothercare, where Kurt Salmon Associates helped the company improve its product assortment mix and ultimately increase sales. ‘One of the main reasons why we used Kurt Salmon Associates was that they had a tried-and-tested tool to manage merchandising,’ says Gillian Berkmen, Mothercare’s product director. ‘This project was about putting structure and expert processes into the way we worked. We were so stretched that we didn’t have the time to step back and put discipline around what we were doing.’

Garry Johnstone at BT hired a team of consultants from Trinity Horne to help improve performance management at its customer contact centres. ‘We needed a company with a track record of doing this kind of work,’ he says. ‘Trinity Horne designed the process: we had a nine-module programme that every manager in the centre went through so that we could ensure consistency across our entire organisation, and have saved more than £12 million as a result.’

Comments Trinity Horne’s David Turner: ‘Nothing here was rocket science. The difference was that we had a proven process that showed BT what could be achieved and how the improvements could be embedded in its business.’

Momentum is important, too. Says Turner’s colleague Martin Haynes: ‘We didn’t come with any baggage but could ask blunt and stupid questions that got to the heart of the matter. Sometimes, people make themselves believe something can’t be done. They give themselves all the reasons why they can’t do it, but not the reasons why they can.’

Colin Brown at Westinghouse Rail Systems agrees. Faced with the need to reduce contract costs by a third without compromising safety standards, he asked PA Consulting Group to help. ‘There was a mass of analysis to be done before we could go forward, but PA also injected some energy into the business that we simply didn’t have. The rail industry hasn’t been good at continuous improvement, certainly in comparison with other transport sectors. We haven’t had to change for a very long time, and lacked both the skills and guts to do so. We begrudge every

penny we spend on consultants, but we also know we need them if we're going to get something done.'

2.4 Politics

Sometimes, however, decisions taken may not be acted upon: consensus may be superficial and individual managers may have their own agenda. Here, the role of the outside consultant is to precipitate action: to force through an unpopular measure or to push managers into making a decision they have shied away from.

When Bernard Conlon joined Redcats, the UK arm of the international French-owned retailer Pinault-Printemps-Redoute, it was immediately clear that the company, like all its competitors in the home shopping sector, was seeing more and more customers either paying late or trying to avoid paying at all. 'A large part of the problem lay in the collections team,' he says. 'The people there had been doing the same job for a long time and the department as a whole had never really been challenged to do better.'

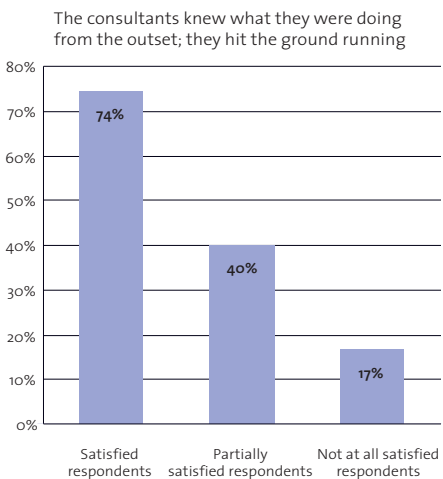
Conlon brought in a team of consultants from Impact Plus with the aim of reducing the business' bad-debt charge by between 5% and 10%. 'Consultants may sometimes tell you what you already know, but their value lies in being a catalyst for change. If they can make a board of directors listen, then it is money well spent.'

Karl Fenlon, head of tax and treasury at Hanson plc, makes a similar point. He used consultants from Mercer HR to untangle a particularly complex pensions issue. 'We needed someone who could build consensus among our board members,' he says. 'That required credibility on the technical and actuarial aspects, as well as someone whose independent input we could trust. Moreover, there were so many moving parts, such complexity to the issues, that it was akin to juggling jelly.'

'We badly needed people who could set out those issues in plain English, debate the options and get the buy-in of different trustee boards. It would have taken us a long time to get the latter's backing without external help.'

Says Charles Cowling of Mercer HR, who worked with Fenlon: 'You never truly understand the internal politics of an organisation until you've experienced it first-hand. All the preparation in the world can't prepare you to manage change, and managing the people side in a project like this was hugely important if we weren't to get bogged down in internal debate.'

Figure 8: Consultants have to be experts...



3 MAXIMISING THE VALUE OF CONSULTANTS FROM THE TOP DOWN

Every manager has their own view on how you best manage consultants. Most will tell you it is a combination of credibility on the part of the consultants, clarity of objectives, and good communication. These aspects are undoubtedly important – and they are all discussed below in greater detail – but the fact they have all come from the top down may be the reason why so many people caught up in consulting projects are so negative about their experience. Improving the way in which junior and middle-ranking staff work with consultants is just as important to success.

3.1 Credibility of the consultants, clients and consulting firms

That consultants know what they are doing is an undoubted prerequisite for success across all types of projects, not just people-related ones. The more knowledgeable a consultant has proved to be, the more satisfied the client is. On average, 74% of people in the MCA/MT survey who were satisfied with the work done by consultants thought their consultants knew what they were talking about, compared to just 17% of dissatisfied respondents (Figure 8). Dissatisfied clients believe they do their consultants' work for them (Figure 9).

Business and technical knowledge was certainly why Eleanor Harris, operations director of BA London Eye, sought the help of BT Global Consulting. 'We were at a real crossroads in our business: we'd been hugely successful at attracting a high volume of customers, but we also needed to drive up revenue per customer to keep pace with rising costs. We've very limited space in physical terms, so the usual opportunities – a shop or café –

Figure 9: Consultants should not be free-loaders

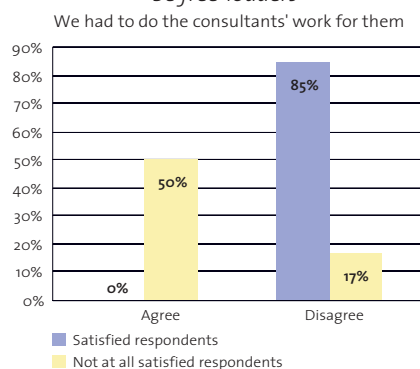
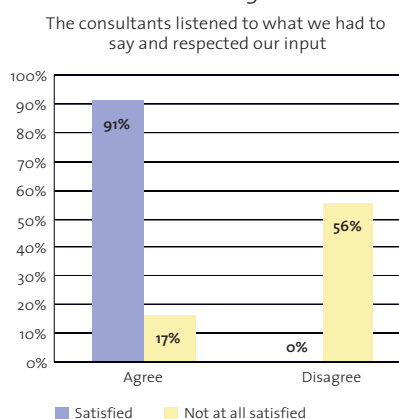


Figure 10: Consultants should be experts, but not arrogant



weren't open to us. Instead, we wanted to enable customers to buy a themed package – travel, accommodation, visits to other attractions as part of a romantic weekend, for instance – along with their Eye ticket. That meant having deals with multiple partners and being able to handle all the transactions between us electronically.

'Our original ticketing system was designed by Disney for theme parks, but we needed something that took us more into the world of lastminute.com.'

Harris and her team turned to BT, which was running the existing ticketing system, for ideas. 'BT already understood a lot about our business, but they also knew what was practical and possible, and how the technology would work, so we could sit down with them and develop our vision together. We've now got what we believe to be the best ticketing system on the market and it's already having an impact on our sales: special "flight" tickets have doubled this year alone.'

Equally important was the fact that the London Eye project team knew what they were talking about. 'They're an intelligent client,' says Alex Barrie at BT, 'and that undoubtedly made our lives easier.'

Harris agrees: 'I've been involved in consulting projects where both sides have claimed to be partners but still applied the old them-and-us mentality in practice. Our relationship here was excellent. BT has been open-minded and listened to what we have to say; where we've suggested changes, they've taken them on board in a positive, not grudging, way. And that has generated a huge amount of trust between us.'

'This project was a real leap of faith,' says Harris, 'and we've all invested a lot in it.'

Expert consultants are not arrogant but are prepared to listen to what the client has to say: nine out of 10 respondents to the MCA/MT survey who were satisfied with the consultants they had used said they had been listened to (Figure 10); no dissatisfied client did. Perhaps not surprisingly, respondents involved in small projects were far more likely to be positive about this than those involved in large-scale projects; people were also more likely to be negative if the consultants had been brought in for political reasons. Completely satisfied clients were also twice as likely to make sure the consultants were able to hit the ground running.

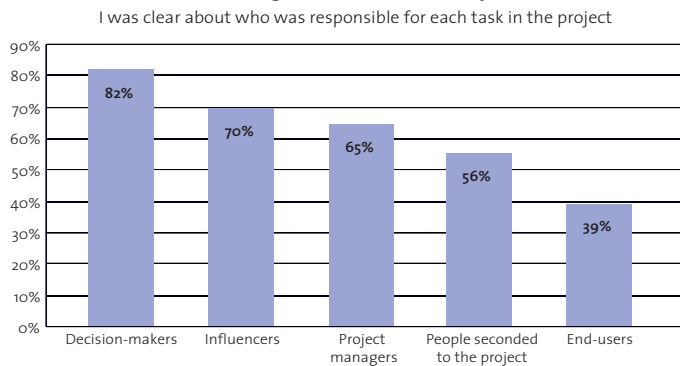
Nor is expertise important only in terms of the one-to-one interaction of client and consultant.

Thomas Cook may be one of the most widely recognised and respected brands in the world but, by 2001, multiple acquisitions had made the company a behind-the-scenes nightmare.

'We had several separate ledgers and head-office sites, along with different ways of doing things in different parts of the business,' recalls Ian Ailles, managing director of specialist businesses, Thomas Cook UK & Ireland. 'With so many challenges in rebuilding our brand and improving customer service, we asked Accenture to work with us on re-engineering our finance, IT and HR functions in a 10-year deal.'

For Ailles, the decision was compelling. 'Thomas Cook employs around 12,000 people, with the majority of them in shops or

Figure 11: Clarity does not cascade down through the organisational hierarchy



overseas, so there was only a small number of people I could have drawn on internally to help do this. I have two or three treasury people, but Accenture has access to a global team of experts, some of whom are based in America, so I'm tapping into a far bigger intellectual pool.'

The point is echoed by two of PricewaterhouseCooper's clients. 'One of the benefits of using consultants is that they give us access to a range and breadth of experience and knowledge we don't have internally,' says Celia Harrington at the Department for Work and Pensions. 'So it's not just individual experts we're looking for but the entire network of experts behind them.'

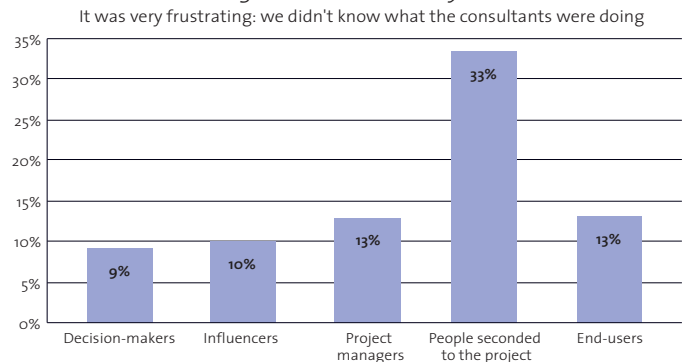
Agrees Andrew Jones at Vodafone: 'Consultants have to be able to leverage the strength and depth of the firm as a whole. A good client-consultant relationship is as much about the firm as it is about the individuals.'

Expertise, individually and collectively, is the starting point, believes PwC's Jeff Thompson. 'If you don't have this, then you end up giving people what they want but not necessarily what they need; you can't solve the problem in hand, but just have to apply a standard solution; you can't challenge someone's assumptions or foresee the implications of changes they make. It is the bedrock on which the rest of the consulting process is built and sustainable results are achieved.'

3.2 Clear sense of purpose

The MCA/MT survey shows that clarity is something the people who commission consulting projects preach but do not always practice. Decision-makers were twice as likely to be clear about why the consultants had been hired and who was responsible for what (Figure 11). Going back over the proposal a consulting firm had written at the start of a project was 10 times more

Figure 12: But frustration does cascade down the organisational hierarchy



common among unhappy clients than happy ones. Unhappy clients were also half as likely to have developed a business case for the project quantifying the expected benefits.

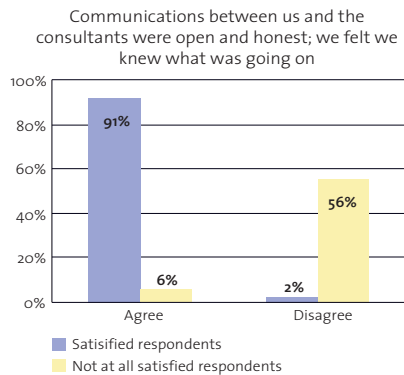
Levels of frustration about the role of consultants were markedly higher among people seconded into a consulting project than among project managers (Figure 12). The only exceptions to this – ironically – were occasions where the consultants had been called in for political reasons: here, the people involved in the day-to-day workings of a project appeared to have a much clearer idea of what was going on than their bosses!

Wiltshire County Council has used Serco Consulting to help it on a two-year business programme aimed at transforming the way it dealt with customers. 'One of the main reasons why the project has been so successful in delivering savings is that we were absolutely clear about what we wanted Serco to do,' says Osborn. 'We spent a lot of time debating this before the start of the project, concluding that for us, e-government was less about technology and more about the way we related to the public, so we could give the consulting team a very clear brief.'

On the other side of the country, Waltham Forest Council was struggling to improve its position in the Government's Comprehensive Performance Assessment league table. As part of a wide-ranging programme of change, it asked LogicaCMG to help re-engineer its business processes through the implementation and management of an integrated finance, human resources, payroll and procurement system.

'We knew exactly what we wanted to deliver, where we wanted to concentrate in change management terms and exactly how we wanted to apply best practice,' says Chan Badrinath, who was responsible for the programme. 'Projects often don't deliver

Figure 13: The importance of effective communication



because people keep adding things to them so that they lose focus. We were very strict about what was inside and outside the scope of the project.'

Her point is echoed by Gordon at Prudential. Like Waltham Forest Council, Prudential wanted to improve customer service. 'We asked for Xantus Consulting's help to transform our voice and data networks and our customer contact centres,' he says. 'We were extremely clear about the outcome we wished to achieve: lower unit costs with improved levels of service.'

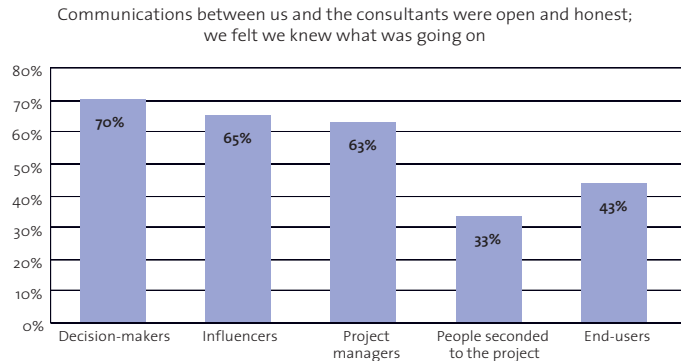
That is the key, Gordon believes, to avoiding the problems of scope-creep that beset so many projects. 'It comes down to very strong management. You have to have clear objectives and a team of people who understand the objectives and have ownership. One of the main reasons why scope-creep happens is that clients don't have good enough people leading the engagement and haven't thought through the implications of their objectives.'

And, adds Vodafone's Simon Short: 'A clear set of objectives allows you to prioritise. Projects fail because people haven't been freed up to do the work properly. The consultants get frustrated because they organise workshops and only one or two people turn up, both of whom are substitutes for more senior people. Like other organisations, Vodafone can do 10 things but it's trying to do a hundred, so prioritisation is essential. We have to be able to say: if we want to do this, then these are things we won't be able to do as a result.'

3.3 Communication

'...But,' continues Short, 'you can tell people what you're trying to achieve and why you're using consultants over and over again, but no matter how many people you tell, they won't all get the

Figure 14: People who work closely with the consultants often feel uninformed



message, so you have to keep doing it. You've also got to maintain continuous contact with the consultants – one of the things that has helped with the project PwC are doing for us is that they're not just turning up for a 3pm-5pm meeting and going away. They're based here the whole time, which means we can bump into each other and chat things through around the coffee machine, just as we would with our own people at Vodafone.'

Communication was one of the areas highlighted by the MCA/MT survey where the gap between satisfied and unsatisfied clients was greatest (Figure 13). Interestingly, it is less likely to be an issue in process-related projects than in other forms of consulting, perhaps because more communications effort is built into the formal plan, although it is more likely to be an issue the larger a project is or the longer it lasts.

The survey once more reveals the disparity between the views of those responsible for running consulting projects and those at the coal-face. Client staff seconded into a project to work with the consultants were half as likely as decision-makers to believe that communication between themselves and the consultants was open and honest (Figure 14).

Simon Short's experience strikes a chord elsewhere. At Scottish Enterprise, Mair and his team did not just have regular meetings with the consultants from Parallel 56 but also ensured that information from those meetings was posted on an external website and a project intranet so that anyone who was interested could see what was going on.

'The people who were involved from our side tended to have other, concurrent responsibilities,' he says, 'so this was a highly effective way in which we could keep everybody briefed.'

At Waltham Forest Council, Badrinath and her team organised regular road-shows, workshops for senior managers and a dedicated newsletter. 'What we focused on was explaining to people how the new systems would improve their lives,' she recalls.

Ask clients if there is anything they would, with the benefit of hindsight, like to have done differently in a consulting project, the chances are they will say better communications. 'If there's one thing I would go back and change if I could, it would be to spend more time telling people what was going on,' says Brown at Westinghouse. 'The message has to be consistent; it has to ring in everyone's minds.'

Sternick at Infast feels the same. 'You have to over-communicate so that everyone understands the situation. Just because you understand it doesn't mean that others do.'

3.4 Commitment from the top

One of the biggest challenges facing Osborn at Wiltshire County Council was ensuring that his colleagues did not just consign Serco's recommendations on potential savings to a dusty shelf. 'If we were going to realise the benefits of carrying out this study, then we needed to own and implement it,' he says. 'If senior managers didn't go along with it wholeheartedly, then nothing would happen.'

'Most managers were positive and saw this as an opportunity; some viewed it as a threat, but there was a significant minority who simply didn't respond at all and with whom it was difficult to engage. If there's one thing I'd have changed in retrospect it would have been to put even more effort into managing all the stakeholders.'

Paul Short at JD Williams agrees. 'One of the advantages of using consultants is that people take the project much more seriously than they would do if it was just an internal one. They know we're paying the consultants to be there – and we're paying them a lot of money – so they're much more likely to turn up to meetings. But you've also got to think about upwards communication and commitment.'

'Everyone in the business knew about the supply chain project, continues Short. 'It was a cross-functional project and we had three members of the JD Williams board sitting on the steering committee. But we could still have done more to deliver the kind of quick wins that would have won people over at an early stage.'

Comments Paul Thomas of LCP Consulting: 'We were lucky, in Paul Short, to have a hugely strong and capable sponsor.'

The project delivered excellent results in the end – unfulfilled orders, for instance, are down by a quarter – but one of the lessons for Thomas was the importance of driving out short-term benefits as fast as possible, to reinforce people's commitment. 'There were a lot of young, relatively inexperienced people on the client side: more quick wins would have helped bring them on board more quickly.'

At Mothercare, Gillian Berkman is clear that total and absolute sponsorship from the board was vital to seeing through some contentious changes. 'The advantage of Kurt Salmon Associates' approach was that it rapidly became clear which lines were unproductive, so the results were very tangible. The downside was that people had to work in a more disciplined and consistent way.'

Says Helen Mountney at Kurt Salmon Associates: 'The project would never have succeeded if Gillian hadn't been so personally committed to making it happen.'

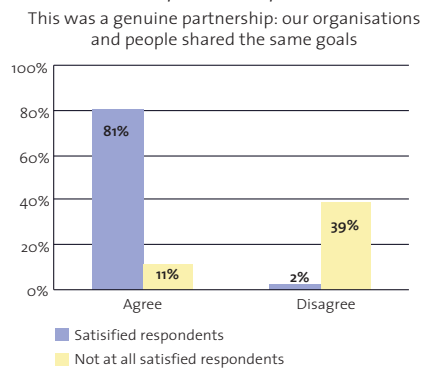
Nor is it just clients who need to be committed. According to Gordon at Prudential, one of the reasons why Xantus' work there was so successful was the consultants' personal commitment. 'Perhaps it's because of the size and specialist focus of the consultancy, but they've a lot of passion for what they do.'

Suggests Infast's Sternick: 'I think consultants need to learn there's another way of working with clients than simply offering advice. Being in the thick of things is undoubtedly more challenging but it's ultimately more rewarding. A conventional consulting project has rules to protect you, but if you try to apply those rules outside the confines of a project, then you're bound to fail.'

Performance-related consulting fees play a part here, although they are by no means the whole story: about half of the 30 managers interviewed for this report used some form of fees contingent on success. Barrie and his team at BT Global Consulting had an incentive to provide the British Airways London Eye with a state-of-the-art system because the contract with the client will allow them to sell the software to other tourist attractions.

'One of reasons we chose Accenture,' reveals Ailles at Thomas Cook, 'was that they were willing to be innovative about the

Figure 15: The value of “working in partnership”



finance deal. We needed to invest but were already under pressure in terms of profits, so we tied payment to achieving our business objectives.’

Argues Withycombe at the British Council: ‘Performance-related pay works well, but only if your expectations are clear. In our case, the final payment was in effect the licence fee for continuing to use the software on an annual basis, so it wasn’t hugely complicated and the implementation went quite smoothly.’

Bradley at Aegon has a warning: ‘Performance-related pay works well if you already have a good relationship. It doesn’t create a good relationship. At heart, the client-consultant relationship succeeds only if each side respects the other and is committed to a project in far more broad terms, not just financial.’

4 MAXIMISING THE VALUE OF CONSULTANTS FROM THE BOTTOM UP

Credibility, a clear sense of purpose, communication and commitment: these are all top-down approaches to ensuring that consultants add value. Yet the MCA/MT report shows clearly that it is the lateral relationships between the consultants and members of a client’s staff involved in the project that are vital in determining success.

This is a factor people loosely term ‘collaboration’ or ‘working in partnership’. More than three-quarters of people responding to the MCA/MT survey (81%) believed their work with consultants represented genuine partnership working, compared to just 2% of dissatisfied ones (Figure 15). Interestingly, partnership working seems to be more successful in people-related consulting projects than in process-related ones, perhaps because the consultants’ role is clearer and less threatening (Figure 16).

Figure 16: Partnership working is more prevalent in people-related consulting projects



But what do people mean by collaboration or partnership working in practice?

Eilish Henry is responsible for a project at HM Revenue and Customs (HMRC) that aims to use lean techniques to improve the efficiency with which tax returns are processed. A third of HMRC’s 100,000 employees are involved in processing returns of one sort or another: the need to improve customer service and government efficiency targets (equivalent to a 30% saving in processing costs by March 2008) has meant the stakes are particularly high. To complicate matters, the department also had a backlog of work from its Inland Revenue days and a culture that had tended to put achieving numerical performance targets above quality and customer service. ‘That was a real quandary for us,’ says Henry. ‘We didn’t seem to be able to achieve both.’

Lean manufacturing techniques appeared to offer a solution, but Henry and her team needed to pilot them, first on self-assessment returns in one office in Scotland, and then in larger centres in Cardiff and Portsmouth. The department used McKinsey to help with the initial Scottish pilot and PA Consulting Group to help with the two subsequent ones.

‘We started with a clear view of what we wanted to achieve,’ says Henry, ‘and if we’d had the skills internally we’d have used our own people to evaluate it, but we just didn’t have any experience in this field.’

Within weeks of starting the pilots, it became clear that a significant reduction in turnaround times and improvement in quality were possible. As the process is rolled out to over 7,000 staff this year, it is expected to deliver between £59 million and £99 million in annual savings.

Henry attributes the success to two main factors: having a clear set of objectives and effective communication. But the one aspect of this project that stood out was the extent to which HMRC's people became engaged in the process. 'Don't underestimate the challenge to our front-line staff,' she says. 'They've had to adjust to a very high level of personal accountability and engagement; managers have had to broach difficult issues with their staff – the quality of their work, their attendance record – and some people remain very unhappy about the changes.'

'That's why the tremendous commitment of the consultants to make this a collective endeavour – not something done by them to us – has been so important. They went to enormous lengths to understand our business and their willingness to do so genuinely impressed our sometimes cynical line managers. They didn't try and bamboozle the people they worked with, with the latest methodology or fad.'

'But, above all else, they helped coach our people so that they got something out of the project at a personal level. We invested a lot of time and effort developing their management skills, and there's been a huge payoff from this.'

HMRC's experience highlights three factors that have an impact on the bottom-up success of a consulting project, all of which are reinforced by the MCA/MT survey:

- Having an integrated team of consultants and clients working side-by-side
- Ensuring that the consultants take a flexible approach and remain responsive to the inevitably changing demands of their clients
- Ensuring that people involved from the client staff gain at a personal level.

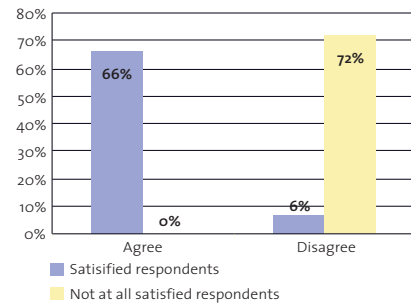
4.1 Integrated teams

Among consulting projects that have gone well, it is hard to find one that has not involved a joint client-consultant team. Moreover, integration is not just a question of people working together or being based in the same physical location. It is a point, too, that comes out of the MCA/MT survey: 66% of satisfied clients thought teamwork had been so effective that it was hard to tell whether someone was an employee or a consultant; 72% of dissatisfied clients disagreed (*Figure 17*).

In re-engineering the business at Waltham Forest Council, Badrinath needed LogicaCMG's external input, but she was

Figure 17: The importance of teamwork

We worked well together; it was hard to tell whether someone was an employee or a consultant



also at pains to ensure that the Council's own staff were involved: 'We had representatives from all parts of the business, champions for the different processes involved. We had joint project managers, whom we'd meet together once a week, and both had equal access to our management and that of LogicaCMG.'

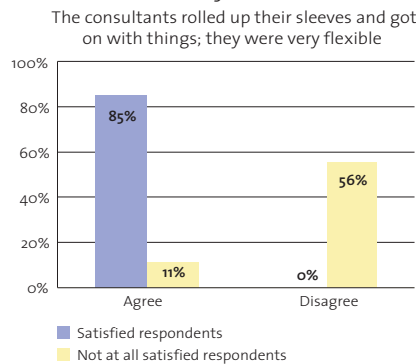
'We made it clear that the same rules applied to both sides: we told the project manager from LogicaCMG to flag up blockages or instances where the behaviour of our staff could cause problems, and we told our project manager to highlight any issues with LogicaCMG. We didn't differentiate between LogicaCMG's staff and our own.'

At Infast, Sternick ensured that reporting lines between his team and that of Rossmore were linked. 'Some of our people reported to managers from Rossmore, and some of Rossmore's people reported to our managers. There was quite a pushback to start with: people complained at being asked to report to someone in another organisation. But it ensured we were a single team: we could get things agreed and done in a much shorter space of time, and the overall results were much better.'

Julie Palmer at the Driver and Vehicle Licensing Agency (DVLA) sums up her experience of working with IBM Global Business Services thus: 'We had a shared plan; we never saw ourselves as them-and-us but as a single project. We sat together and solved problems together: there was a genuine team spirit.'

Says Johnstone at BT: 'We assigned the team from Trinity Horne to offices in our building, treating them as an extension of our management team. They critiqued our people, and vice versa. Rather than complaining about people behind their back, we talked about issues openly. But, equally, we'd accord the same

Figure 18: A flexible approach results in satisfied clients



respect to the people from Trinity Horne as to our colleagues. And they deserved it: they worked in what is the engine-room of our operation.'

For Haynes, what made the difference at Trinity Hall was the process the two sides had for working together. 'The key thing was not paring things back to basics and, because most of us have earned our stripes outside the consulting industry, we had a degree of credibility with the people on the ground.'

4.2 Flexibility

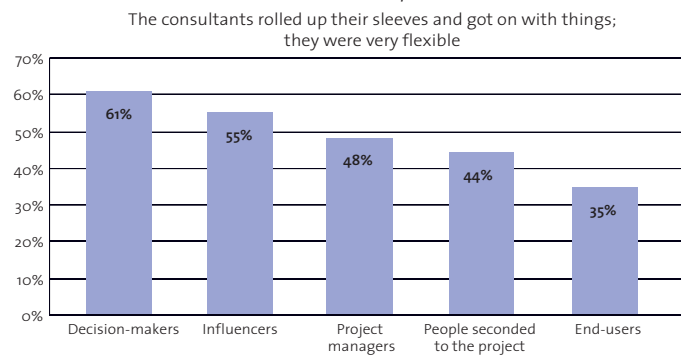
But it was not just the experience of Trinity Horne's people that was important, but the fact that they were willing to think on their feet. 'One of the things that matters in situations like these is having practical ideas, not coming in with a set of predefined solution,' explains Turner at Trinity Horne.

That point is reiterated by almost every client you speak to. 'One of the most important factors in success is that the consultants come in with a blank sheet of paper, not a template to which they make your problem fit,' says Conlon at Redcats.

Harrington at the Department for Work and Pensions agrees. 'DWP is such a large organisation that even moving from one part of the department to another can be confusing for consultants. We therefore give them an extensive background briefing, because we want them to be able to adapt what they do to fit our environment and culture. Deploying a standard methodology won't work.'

Similarly, a massive 85% of satisfied clients thought their consultants had been pragmatic and responsive to change (Figure 18), although once again the proportion of people who thought this reduced as you go further down the project

Figure 19: But people on the ground think consultants could be more responsive



hierarchy. Sixty-one percent of decision-makers believed the consultants had been flexible, but only half as many end-users did (Figure 19).

Indeed, it is clear that, when clients talk about wanting consultants to be innovative, it is this ability to come up with a solution that precisely fits a unique set of circumstances which counts most, not wheeling in the next big idea.

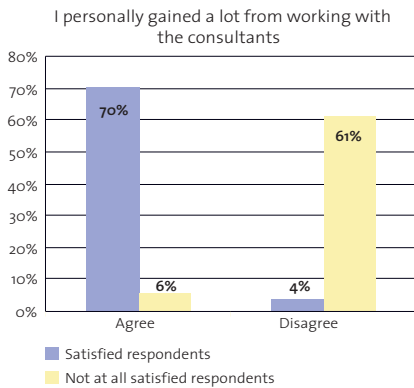
Bob Dench has often used consultants from Troika in his career. 'One of the reasons I keep going back to them is they know a huge amount about financial services and are willing to challenge their own – and our – assumptions. In the conventional consulting model, a partner sells the work but only turns up for occasional meetings, leaving the more junior consultants to do most of the work. However hard they work, they're working to a pattern, so you don't get any deep moments. When we work with Troika, we get surprises in the best sense: they tell us things we genuinely hadn't thought of. That's stardust.'

4.3 Individuals should benefit, as well as organisations

'I've seen a number of projects that were all consulting-led,' says Vodafone's Simon Short. 'They were effectively ignored by people here, and there was no buy-in to the final result. Having joint teams is the starting point, but that's only a means to an end – giving our people a chance to think differently about something, the opportunity to stand back from their day-to-day work and engage in more challenging thinking.'

His colleague Jones agrees. 'The real value in using consultants lies in transferring knowledge to us, so that we can become our own experts. The best consulting projects help people develop at a personal level.'

Figure 20: The importance of being selfish



Joint working and not imposing a rigid methodology are both important to people who work side-by-side with consultants, but the single most important factor in making the relationship work at this very personal level is the extent to which the people involved from the client side gain something from the experience. After all, why should they put up with the disruption of having consultants in if they don't benefit?

Among respondents to the MCA/MT survey who were satisfied with the work the consultants, 70% had also gained personally from the experience, compared with just 6% of those who were dissatisfied (Figure 20). This remains true irrespective of the size of the project, the role of the person responding and the length of time the consultants were around.

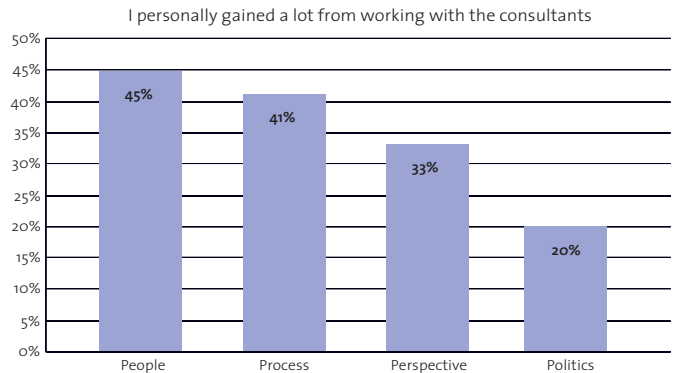
That no-one gets out of bed on a Monday morning to improve their employer's share-price is a truism of modern management, so why should we expect the people involved in consulting projects to think any differently? What is in it for them?

In the first place, as Simon Short and Jones point out, they should be acquiring new skills.

'We want consultants to develop our staff,' says Osborn at Wiltshire County Council. 'We want our people to be able to apply this thinking in the future.'

At the British Council, Withycombe had been concerned about how people would feel about something as personal as a new career management system, so she organised a senior person from Right Management to give a talk. 'It wasn't specifically related to the project,' she explains, 'but it added credibility to what we were doing, and people felt they'd got something out of it.'

Figure 21: Individual gain is greatest in people-related projects



At Stansted Airport, Murphy did not drop his security managers or officers into Capgemini's hot-housing process without preparation. 'The first phase of the project sought to improve their overall management capability while at the same time working directly with officers on demonstrating how we could be more efficient. This was by far the most effective way of providing them with the motivation to take part. We were appealing to them at a personal level, not simply a corporate one.'

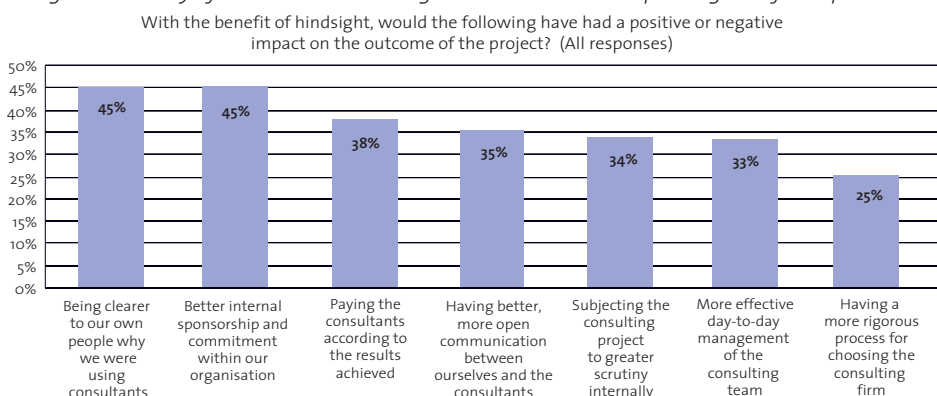
Says Gordon at Prudential: 'My philosophy is that you come to work to learn, which means the value of consultants is based on what they leave behind. If they leave behind a more open-minded, capable team in the medium to longer term, then that's money well spent.'

Learning from consultants takes willingness on both sides. 'If you've got someone who's afraid of consultants, it will be a disaster,' says Bradley at Aegon. 'They have to be prepared to learn. But you also need a consultant who wants to teach, who is self-confident without being arrogant. Some consultants equate the two, and that will irritate a lot of people.'

It follows that the people-related projects, where consultants are primarily brought in because they have specialist skills, are the ones where this sense of personal gain is greatest. It is least in politics-related projects (Figure 21).

Consulting projects can – and should – open up new career opportunities for those involved. 'We've learned a lot about process design by working alongside the consultants,' says Palmer at DVLA, 'and we're doing most of the follow-up work ourselves. That creates new possibilities for the people involved as we roll out the work in different parts of the business.'

Figure 22: Clarity of communication and greater commitment top the agenda for improvements



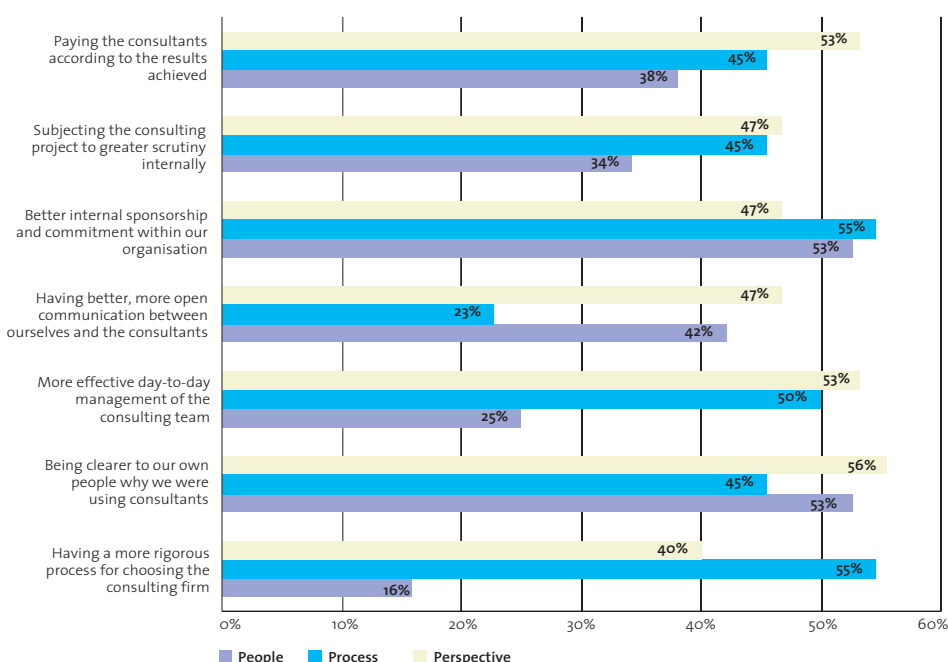
Badrinath at Waltham Forest Council makes the same point. ‘We’re really proud about what we’ve achieved here and we’re actively encouraging those involved to take on more responsibilities, both here and in other areas.’

Says Brown at Westinghouse: ‘The work we did energised our business at all levels. We found people and involved them in the programme. Some of them had downshifted, others had got stuck in dusty corners of our business, but all of them were bright enough to see the potential for doing interesting work. For these people, the project has been a springboard to new, better careers.’

5 BALANCING PERSONAL RELATIONSHIPS WITH PROFESSIONALISM

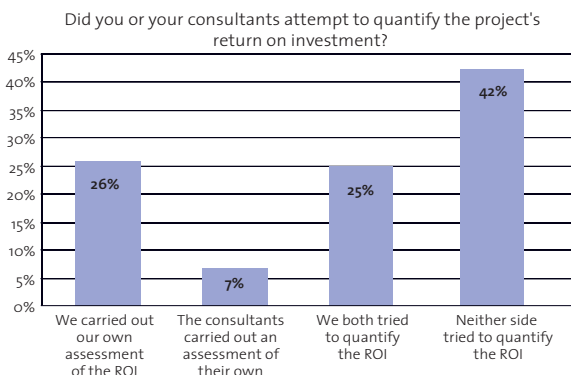
What would clients do differently if they had, in a perfect world, the chance to run a particular consulting project over again? Almost half the respondents to the MCA/MT survey said they would have been clearer to their own people about the rationale for bringing consultants in and would have worked harder to gain internal commitment (Figure 22). Both elements were more important than paying the consultants according to the results of their work, although this was still the third most important factor.

Figure 23: Comparing priorities by different types of project



Note: The sample of politics-related consulting project was too small to analyse in this way

Figure 24: Most organisations do not attempt to quantify the benefit of using consultants



However, this result is a reflection of the significant proportion of people-related projects, typically where consultants have been hired to provide specialist input, in the sample. Let us look at different types of projects separately (Figure 23).

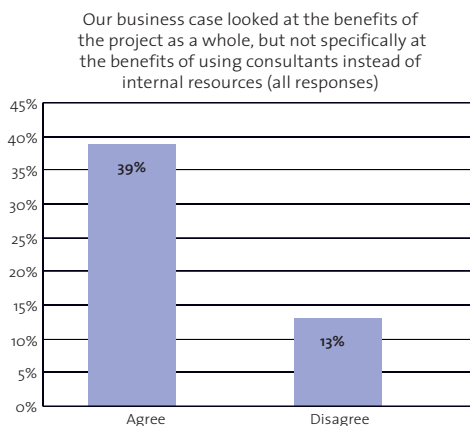
The priority for perspective-related projects (perhaps where the consultant is providing independent advice) is for clients to be clearer to their own people about the reasons for bringing consultants in. This makes good sense: unlike people or process-related projects, the benefits of using consultants in perspective-related ones are less tangible. If you are involved in a project, you can see when a consultant has a different set of skills or a new technique, but independence or even innovation are less visible. It follows from this that clients involved in these types of projects are particularly keen to pay the consultants according to performance, injecting tangible value into the process.

Two factors scored equally highly for process-related projects. This was the one type of consulting where clients felt they could, with hindsight, have benefited from a more formalised process for selecting the consulting firm. But these projects were also seen to suffer particularly from lack of internal sponsorship – presumably a reflection of how scale and complexity make it hard for people to see what they gain from a project and to feel any sense of ownership of the results.

Consulting projects that go wrong tend to focus on the top-down factors at the expense of these bottom-up ones. This is largely because, from the point of view of the person who takes the decision to bring consultants in, the bottom-up factors may:

- add complexity – integrated client-consultant teams are undoubtedly more difficult to manage and there is a risk

Figure 25: Where people do look at return on investment they look at projects and not specifically at the input of consultants



- that issues will fall down cracks between the two sides
- cloud the issues – being responsive to change rather than working by rote may be attractive to the people working with the consultants, but it can threaten to derail a project
- increase costs – flexibility can be expensive
- create dependency – people who personally gain from having consultants around may want to keep them.

So how should organisations balance these potentially conflicting requirements?

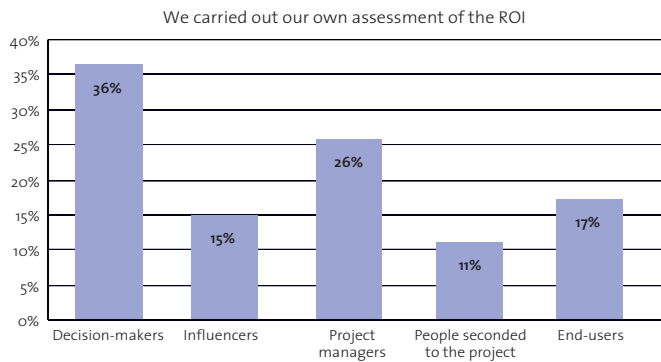
5.1 Disciplined relationships

Belinda Crowe is head of information rights at the Department of Constitutional Affairs and is responsible for teams dealing with, among other things, electoral policy, freedom of information and data protection. ‘Our work is fast and furious,’ she says, ‘because these are the kind of issues that attract a lot of ministerial and public attention; we’re a relatively small team and we don’t have much control over our workload.’

Crowe has been using a consultant from Penna Consulting to provide independent input to her management team, challenging assumptions and injecting new ideas as well as looking at how the team interact and what their development needs are. ‘For the past two years, we’ve had quarterly meetings off-site, just to go over how we’re doing and what needs to change,’ she explains. ‘Even with Penna’s input, it has taken us a while to feel comfortable with them, but the process has undoubtedly helped give us the space to grow as a team.’

Continuity has been essential: the same consultant has been involved since the outset. ‘That means he knows our business and us as people,’ says Crowe. ‘It wouldn’t have worked if we’d

Figure 26: Are senior people more aware than others of the value consultants contribute?



had to start again with someone new. Knowing the consultant as well as we do means we can push back on things and challenge his assumptions, too.'

Others agree. 'Working with one consultant throughout the project was fundamental to us,' says Withycombe at the British Council. 'It made us feel very confident in the arrangement.'

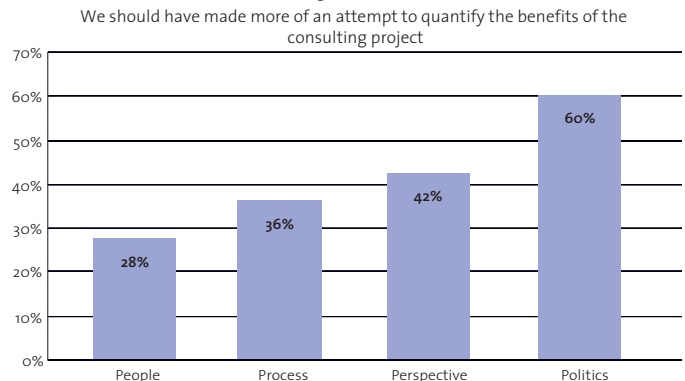
Says Conlon at Redcats: 'The project was a long one, so having the same person from Impact Plus heading it up throughout that time was hugely important. Any large-scale consulting project can be tense at the outset: once you know who you're dealing with, both sides can relax.'

Concludes Thompson at PwC: 'Personal long-standing relations are very important. They mean you know an organisation better and you're more personally accountable. Knowing both you and your client are in the relationship for the long-term also encourages you to invest time and effort in making it work. It's the most effective source of good governance.'

What is crucial, though, is that the relationship remains a professional one. But is it really possible to combine personal collaboration and professional distance? Two factors matter here. The first is that the consulting firm does not abuse its position. 'There were consultants who treated you as the next rung on the ladder between where they were and the large-scale contract they wanted to win,' says Dench, formerly of Barclays.

'One of the reasons I have liked working with Troika is that they've a deliberately low-key approach. Even when the bottom was falling out of the financial services consulting market and

Figure 27: The less tangible the project, the more participants think that an effort should be made to quantify the benefits of using consultants



the firm was going through a difficult period, they never tried to lock us into a long-term process we didn't need.'

But walking the tightrope between collaboration and professionalism, Dench believes, is also a matter of discipline on the client's part. 'I don't think either side ever lost sight of the fact that this is a commercial arrangement. We were always aware that we were both in it to make money for our organisations, and we were as protective of our integrity as they were of theirs. We never got into each other's pockets; there wasn't a great deal of socialising – it wasn't that sort of relationship.'

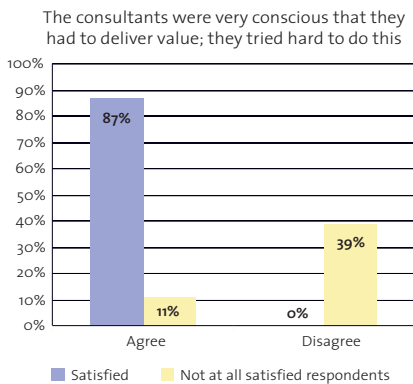
Reiterates Sternick in talking about his work with Rossmore at Infast: 'It's a question of discipline. As long as you have a clear vision, defined goals, a schedule of what needs to be achieved in front of you and pressures forcing you to finish on time, the personal relationships you forge will never overstep the mark.'

5.2 Attaching a value, not a price tag, to consulting

The MCA/MT survey reveals that both clients and consultants could improve the way in which they try to understand the value that consultants contribute. More than 40% said that neither side had tried to quantify the return on investment (Figure 24). Nearly 40% said they assessed the benefits of a project in its entirety and did not capture the input of consultants separately (Figure 25).

These findings do not vary significantly according to type or duration of project, but they do when we look at the results in terms of respondents' roles: decision-makers are substantially more likely to say they carried out an assessment of the return on investment (Figure 26), so perhaps the issues is less that

Figure 28: Comparing perceptions of value



organisations do not do this and more that they do it but do not communicate it to others involved in the consulting project.

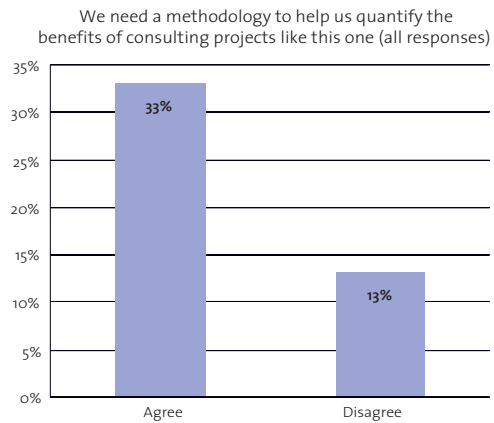
People who have taken part in politics-related consulting projects feel this particularly acutely: twice as many respondents here thought more should have been done to measure the value of the consultants' contribution compared to those involved in people-related projects (Figure 27).

That more effort is not made either to evaluate the consultants work or to communicate the evaluation is ironic. In the MCA/MT survey, the extent to which consultants were perceived to have made conscious efforts to deliver value was one of the areas of starkest contrast between satisfied and dissatisfied clients. Eighty-seven percent of satisfied clients felt this was the case, compared to just 11% of dissatisfied ones (Figure 28). Not surprisingly, a third of all respondents felt that it would be helpful to have a methodology that allowed them to quantify the benefits of consulting projects (Figure 29).

Speaking to people responsible for particularly successful projects, it is clear that they think very seriously about how best to measure progress and value the contribution that consultants make, although no-one finds it easy.

'We had base-lined our existing processes and surveyed our staff nationally before we started, so we had a huge amount of data on the status quo,' says Henry at HMRC. 'That gave us a fairly clear picture of which performance indicators we should track, such as quality, turnaround times, staff engagement and training levels. We reviewed progress on all of these things regularly – in some cases, weekly – with all the relevant people, so there was no way anyone could escape responsibility.'

Figure 29: The need for a better way to value the input of consultants



Many get external input. 'We did a business case,' says Waltham Forest Council's Badrinath, 'not least because funding for the project had to be found out of retiring legacy systems and reducing headcount – there was no new money. We have continuously tracked and reported on the benefits of the system that LogicaCMG has implemented, and we've had an independent study done on the return on investment to validate our figures. The new system paid for itself in 18 months.'

At DVLA, Palmer and her team market-tested the estimates of the man days put together by IBM. 'It was a very accurate estimate – the other figures we were given were between 1% and 5% of IBM's originals, so we felt very confident we were getting good value for money.'

But the key to this issue is to shift the conversation from deliverables to business outcomes, argues Thompson at PwC. 'So many organisations still measure success in terms of a discrete project: they reach that sudden, classic point in implementation when they realise they've got what they asked for, but not what they want.'

'Valuing consulting is about being clear why you're hiring consultants in the first place, identifying what success looks like at the outset and putting down the metrics you want to be judged on. What will success look like? What do you personally want to get from the project? Do that for everyone in the project – on both the client and consulting side.'

6 THE SURVEY'S RESPONDENTS

The Management Consultancies Association, in conjunction with *Management Today*, surveyed about 180 UK managers in April 2006. Respondents were asked to comment on one consulting project with which they had been recently involved. These projects covered a wide range of functional areas (Figure 30); just over half lasted between one and six months; around a quarter lasted between six months and a year (Figure 31). Respondents' involvement in the project varied, from decision-maker to end-users who were not directly involved in the project but were affected by it (Figure 32). About a quarter of those surveyed had framework agreements with consulting firms or operated lists of preferred suppliers.

Figure 30: What functional area of your business did the project cover?

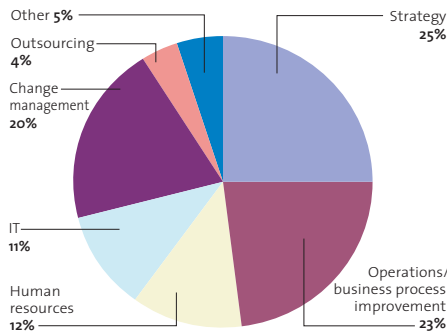


Figure 32: Which one of the following best describes your role in the project?

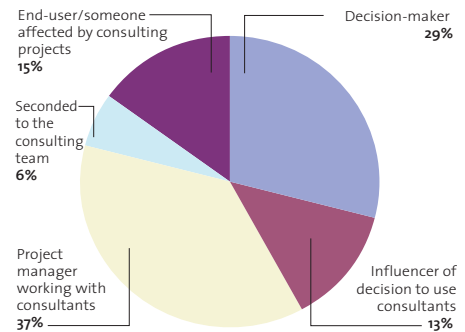


Figure 31: How long did the project last?

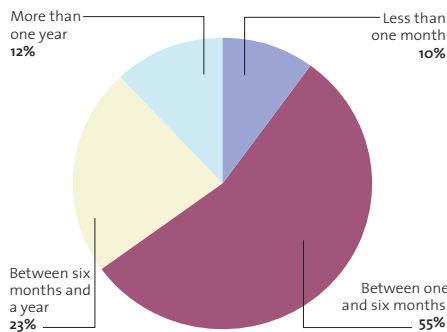
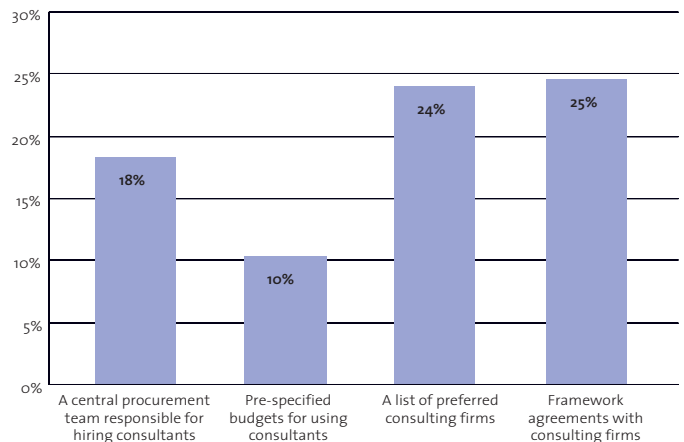


Figure 33: Type of procurement process



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About the MCA

The Management Consultancies Association was formed in 1956 to represent the consultancy industry to its clients, the media and government. Management consultancy is an increasingly important industry for the UK economy, with revenues for 2005 estimated at £11.9 billion. MCA members represent about 70% of the UK consulting sector, employ about 50,000 consultants and work with the FTSE-100 and all government departments. Nine of the top 10 UK-based consulting firms (by consulting fee income) are members.

As well as setting and maintaining standards in the industry, the MCA supports its member firms with a range of services including events, publications, interest groups and public relations. The Association also works with its members to attract the top talent into the industry.

The MCA provides advice on the selection and use of management consultants and is the main source of data on the UK market.

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About MT

Founded in 1966, *Management Today* is Britain's leading monthly business magazine. It has a circulation of 99,198 (ABC July 2004-June 2005), and is read by more company directors than any other business magazine in the UK.

Website: www.mtmagazine.co.uk

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Arkimeda (www.arkimeda.com) produces an annual report, *WhiteSpace*, that tracks developments in thought leadership in the consulting industry.

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