



Aalto University
School of Business

37E01500 Project Management and Consulting
Practice

Part II Consulting

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Contents – Part II Consulting practice

- Learning objectives
- Topics in Part II
- Motivation to learn consulting practices

Learning objectives

- **Understand the general aspects of consulting practice and how it is to work as a consultant**
- **Have knowledge of management and controlling of projects in consulting environment**

Topics in Part II

- **Introduction to consulting industry and major practicing areas**
 - e.g. strategic, operations, HR, focus on IT consulting
- **Consulting in different contexts (different sorts of consulting projects)**
 - Visitor lectures
- **Consulting skills and professionalism, ethics**
 - The human dimension: personal attributes, relationship building, team building
 - Diagnostic tools and data gathering techniques (e.g. meetings, questionnaires, interviews)
 - Frameworks for problem solving, communication recommendations
 - How to become a successful IT consultant
- **Practices and consulting process**
 - Typical stages of a consulting engagement: problem framing, analysis design, gathering data, interpreting results, and presentation of recommendations
- **Looking ahead at management and IT consulting**

Motivation to study consulting practices

- Career opportunities within consulting firms, within a company's internal consulting team or as an independent consultant
- Acquire skills to work in an organization, which is buying external consulting services

Introduction to Consulting Practice



What is consulting?

“providing help on the content, process, or structure of a task or series of tasks, where the consultant is not actually responsible for doing the task itself but is helping those who are.”

“is an advisory service contracted for and provided to organizations by trained and qualified persons who assist, in an objective and independent manner, the organization to

- *Identify problems*
- *Analyze problems*
- *Recommend solutions*
- *Sometimes help with implementation”*

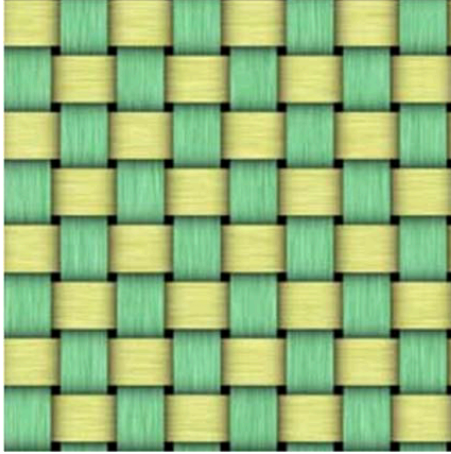
Source: F. Steele, P. Block, Greiner & Metzger, and the International Council of Management Consulting Institutes (ICMCI)

What is management consulting?

“Any time you are trying to change or improve a situation but have no direct control over the implementation”

Provision of independent advice and assistance about the process of management to clients with management responsibilities

Dimensions of IT consulting



Human Dimension

- People's feelings about the problem
- Interests in improving current situation
- Interpersonal relationships
 - In client organization
 - Between consultant and client

Technical Dimension

- Nature of management or business process problems faced
- Ways in which these problems can be analyzed and resolved

Tilson 2011

Why consulting?



Source: managementconsulted.com

Relationships with clients

Expert role

- *Confined to technical issues . . there is usually more*
- *Consultant has all responsibility / accountability*
- *Client passive . . will not be committed to recommendations*

Pair of hands

- *Consultant acts as subordinate to client*
- *Control retained by manager . . but consultant could be scapegoat*
- *Consultant totally dependent on client's ability to plan work*

Collaboration

- Collaborate on defining problem and collecting / analyzing data
- Client more likely to be committed to recommendations
- Joint responsibility and accountability

Key elements of consulting 'contract'

Obvious

- 1. Boundaries of analysis (define scope. . . what's in & what's out)
- 2. Objectives of project (solve / teach / improve by x%). . . be specific
- 3. Deliverables (oral/written/level of detail/solutions vs. guidance etc.)
- 4. Time schedule (start, milestones, interim reports, completion, final report)
- 5. Fees and expenses

Not so obvious

- 6. Consultant and client's roles (want spirit of collaboration)
- 7. Information and access to people required (key)
- 8. Support required (communication, time with execs, analyst time)
- 9. Confidentiality (who gets reports / deliverables)
- 10. Feedback (optional but it can be useful to find out what happened)

Key considerations when contracting

- **Ask about client(s) and less visible parties**
 - Your boss?
 - Client's boss?
- **Make expectations explicit**
 - Elicit client's expectations
 - Clarify what you want from the client
- **Probe clients concern's about**
 - Loosing control
 - Exposure and vulnerability
- **Discuss directly why contracting phase isn't going well**
- **Say 'no' or postpone if project has less than 50% chance of success**
- **Put it in writing . . . to clarify mutual understanding . . . and to still get paid if things get off track**

Understand the client objectives

Three fundamental questions

- *What does the client want to happen?*
- *What fundamental question does the client want answered?*
- *How does this project fit with everything else?*

A good objective

- *Is urgent and compelling*
- *Achievable in weeks rather than months or years*
- *Has measurable, bottom-line results*
- *Is something people are able and willing to step up to*
- *Relates directly to what people can affect*

Understanding resource constraints

Resources	During Project	During Implementation	After Implementation
Client/sponsor			
People			
Time			
Budget			

- How much time and attention
- Must be engaged or others won't be

- How many and names of people available?
- Is this adequate?

- Time to complete activities

- Capital and operating expenses
- Which accounts?

Understanding power and politics

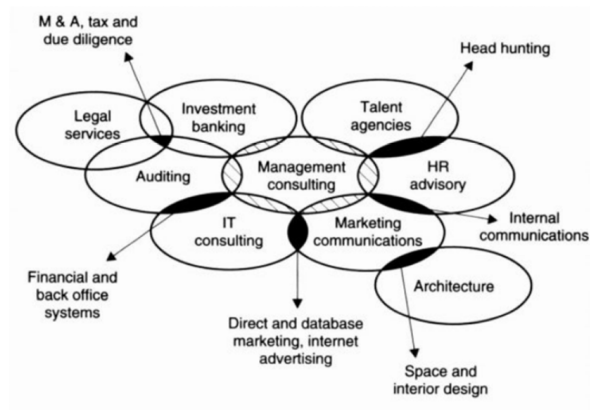
Formal power

- Formal management roles and authority

Informal power

- Power brokers
- Administrative assistants
- Key advisors
- People with special skills or key knowledge in the organization
- Troublemakers and those who are trusted by peers

Consulting as professional service



Source: Mark Scott, "The Professional Service Firm: The Manager's Guide to Maximising Profit and Value"

What is needed to be a (IT) consultant

Optimism

Flexibility

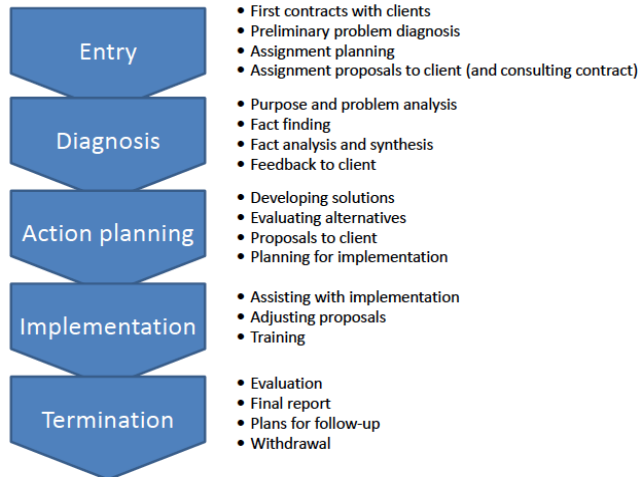
Sense of adventure and bags of energy

Ability to persevere

Realistic view of your business potential if doing this on your own

Source: Remenyi

Phases of consulting



Top consulting firms

There are various ways of viewing consulting firms

Vault.com lists types of consulting firms by prestige and other factors:

<http://www.vault.com/company-rankings/consulting/>

Further reading

The McKinsey Way, by Ethan M. Rasiel

**Designing Solutions for your Business Problems, by Betty
Vandenbosch**