

## **SYNOPSIS**

Many organisations struggle with the effective use and management of consultants. Many consultant reports gather dust on shelves because the brief was too broad or too narrow, or implementation did not proceed due to internal resistance generated by key players who were not consulted or disagreed with a particular aspect. When the consultant steps outside the front door the impetus for implementation often disappears. This paper discusses the use of Value Management techniques to get better value for any investment you make in specialist consultants.

### **1. Introduction**

Smaller permanent work forces mean that technical expertise from outside an organisation is becoming increasingly necessary to assist in the resolution of a problem or as input to a complex design. Preparing a brief for such an assignment takes time and effort as does orientation of the consultant once he/she arrives. A Value Management Workshop can be used to quickly brief the consultant on the background and other influences. As a team-member his/her expertise is drawn out efficiently and effectively to help solve the actual problem. Other team-members learn from the concentrated exposure and are committed to the recommendations of the team's report.

### **2. Why a Consultant?**

Organisations use specialist consultants for several reasons. They may be retained to provide expertise not available from the organisation's permanent workforce. Often their task is to provide a learned second opinion on a course of action being taken or contemplated by the organisation. Their independent assessment may be required before management will approve implementation. Finally, they may be required to supplement the workforce, to carry out work not able to be done due to staff shortages. This will usually occur with peak load activities. This need tends to be more akin to contracting as work is usually more supervised and directed by permanent staff.

Over recent years, organisations have shed layers of staff and often these staff provided specialist expertise. More and more organisations can no longer afford the luxury of in-house experts and rely on consultants to fill this knowledge gap.

### **3. How do we get a Consultant?**

Engaging a consultant can be quite a torturous process, especially in the public sector and can result in considerable cost in management time. Often an organisation knows that it needs particular expertise in resolving a problem but writing a clear concise brief to meet this perceived need is not always so simple. If the problem could be accurately defined, there may not even be a need for the outside expert. In analysing the process the first two functions which need to be carried out are:

- DEFINE NEED &
- PREPARE BRIEF

Once a brief is completed and approvals are obtained to engage a consultant, the selection process begins. Depending on the rules of the organisation, offers to provide the required service are canvassed either by tender, expression of interest or specific request. Prospective providers are interviewed, offers received and a selection made based on consultant experience, methodology and value for money. Recommendations are made and consultant appointed. This function can be summarised as:

- SELECT EXPERT

The outside expert is now ready to start.

### **4. What do Consultants do?**

Prior to being awarded the job, all prospective consultants spend time interpreting the Brief, developing a methodology and preparing a submission. So the consultant's initial effort is direct towards the function:

- PREPARE SUBMISSION

Having been successful in winning the job, the consultant then sets about becoming familiar with the problem. Depending on his/her methodology, this may be done by interviewing staff, reading past reports, collecting relevant information or, in most cases, a combination of all three. This phase:

- GATHER INFORMATION

can take quite a while as the consultant endeavours to understand the problem and its influencing environment. Members of the client organisation will contribute varying amounts of time during this phase as they attend interviews and/or assist the consultant to obtain information. This client function can be shown as:

- PROVIDE INFORMATION

by the functions:

- ANALYSE DATA
- FORMULATE ALTERNATIVES
- RECOMMEND ACTIONS
- DOCUMENT STRATEGY

This is where the consultant's experience and expertise is brought to bear and, in many cases, may represent only a relatively small proportion of the total time spent on the assignment.

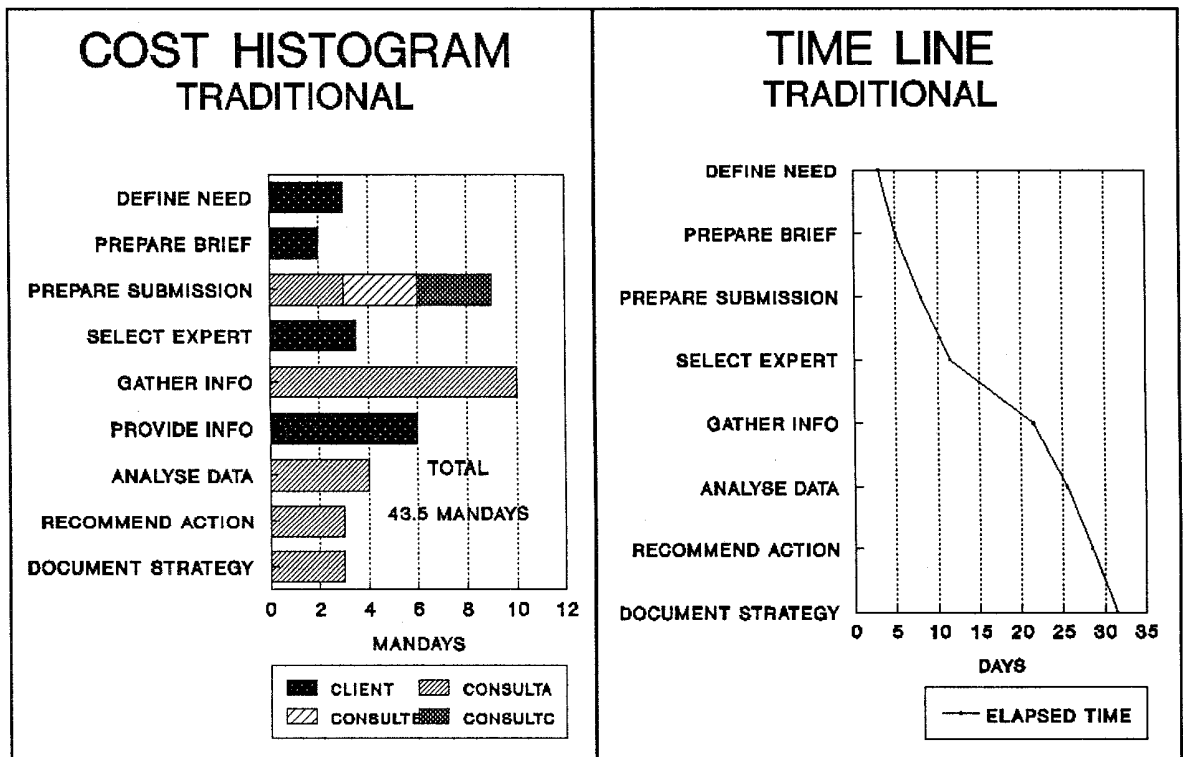


Figure 1

Figure 2

A histogram of the cost of achieving this result for a typical 20 manday consultancy is shown in Figure 1. It is likely that in addition to the 20 days' of paid consultancy, the client would contribute another 14 to 15 mandays and all consultants submitting offers, an additional 2 to 3 mandays each. Figure 2 indicates in days the progressive elapsed time from inception to completion assuming no delays. Over 20 days are likely to have passed before the consultant enters the real value adding analysis phase.

At the end of the assignment there is still a distinct possibility that the client may not have been totally satisfied. If the original brief was inappropriate and did not

focus on the real problem then the report may address the wrong issues. Also recommended solutions may be technically sound but if they have not taken full account of local conditions or the organisational culture then acceptance will low.

How can the process be improved to provide a better outcome and ensure that a higher proportion of the consultant's time is spent on value adding activities? From the above, it is clear that the briefing and information gathering processes need to be improved.

## **5. The Value Management Process.**

Those familiar with the value management process will recognise a certain similarity between the functions identified so far and the Value Management Job Plan. This plan consists of five (5) distinct phases, viz.

- INFORMATION PHASE
- ANALYSIS PHASE
- CREATIVITY PHASE
- JUDGEMENT PHASE
- DEVELOPMENT PHASE

What distinguishes Value Management from other techniques is the strength of its information phase, especially its functional analysis. Using a multi-discipline team, the key issues and information about the system under investigation are drawn out and discussed. Information about the system is exchanged and a group consensus as to how the system now operates is achieved.

## **6. A More Efficient Process.**

These strengths of the Value Management process can be effectively used to get better value from specialist consultants, particularly in the areas of brief creation and information collection.

Having recognised the need for specialist expertise in handling a situation, organise a two day workshop to analyse the system involved. Attendees at the workshop should include key internal stakeholders and a specialist consultant in the area of concern. This consultant should be selected from Consultants' Register and employed on an agreed daily rate. This avoids the valuable management time normally taken in preparing the brief.

The workshop would be facilitated using value management techniques to answer the questions:

What do we do now?  
 What is the value/cost of what we do now?  
 What must we do?

The rigorous nature of the process especially in the functional analysis phase ensures that all issues are examined. Internal and external influences, areas of concern and opportunities for improvement are identified. The workshop environment encourages team members to share a tremendous amount of information. Not only has the external expert been thoroughly briefed about the project but he/she has been able to gain an appreciation of the organisational culture and identify areas where more investigation is required.

At the end of the workshop, it is possible that the perceived problem may have been solved through communication and pro-active input from the specialist. At the very least, the problem will have been thoroughly defined and client management will be presented with a list of prioritised issues which need to be addressed. Areas requiring further investigation due to lack of firm data will also be highlighted.

These issues will be presented in the form of a task or scope statement which can then be tackled in any of three ways:

- assigned for in-house investigation
- assigned to consultant for specialist investigation
- assigned to multi-discipline task force for investigation which may or may not be handled by value management techniques.

If we were to reconstruct the previous traditional consultant example using the above approach, results as shown in Figures 3 & 4 would be obtained.

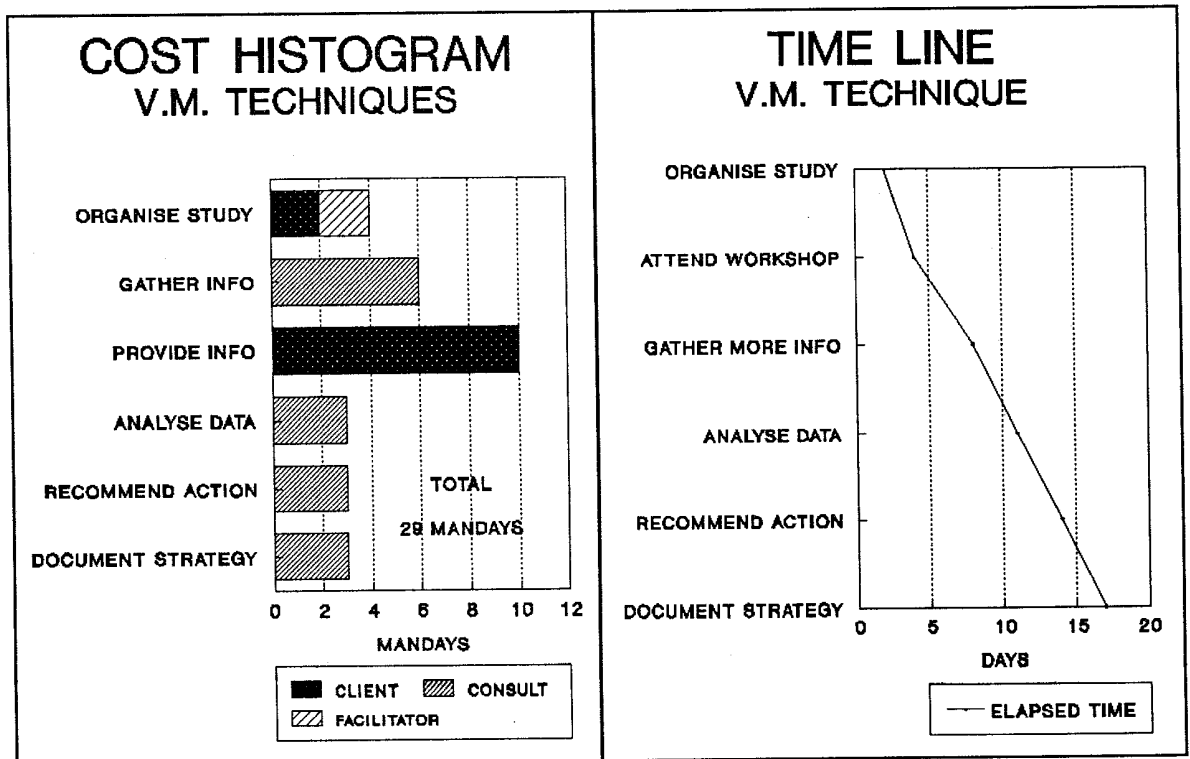


Figure 3

Figure 4

Instead of paying the consultant for 20 mandays' work, the consultancy could be reduced to 2 days (the workshop), or if a definite task is identified requiring specialist input then it is likely to be a total of 15 days or less. The client would still contribute 12 mandays but the majority of this would be in the 2 day workshop where their effort is highly focused and productive. There would, of course be 2 days' input from a Value Management facilitator.

More importantly however, as is indicated in Figure 4, the consultant may be able to complete the assignment 17 days from inception compared with over 30 days in the normal process.

## **7. Advantages**

Quite apart from the savings in elapsed and charged time achieved by using the techniques outlined above, both organisations and consultants will benefit in several other ways.

- i Firstly, through the structured analysis and involvement of stakeholders the real problem is addressed.
- ii In such an environment, the specialist is able to contribute his/her expertise in a pro-active way. This technical knowledge is then able to be adapted by other team members to suit local conditions. Recommendations should therefore be practical and able to be implemented.
- iii Working as a members of a team in a formal Value Management workshop assists internal stakeholders to better appreciate and understand the specialist technical input from the consultant. There will be a certain amount of knowledge transfer between participants as the issues are debated and resolved.
- iv Involving staff in the analysis of a problem in conjunction with a specialist consultant promotes ownership of any solutions generated. What results is a team solution not a consultant's solution and team members will have a higher commitment to its implementation.
- v At the end of the workshop, the specific skills of the specialist may or may not be further required. If they are, the organisation has had the opportunity to assess the abilities of the consultant through his/her contributions during the workshop. The organisation is also in the position to more easily generate a brief and the consultant has comprehensive background knowledge of the assignment and is better able to provide a realistic quotation.

## **8. Conclusions**

The very powerful functional analysis and information gathering techniques of value management can be used very effectively to reduce the cost of specialist consultants and also to shorten the overall delivery time.

The technique could be used by specialist consultants to provide a more competitive service but its great advantage for clients is its ability to focus on the - real problem and make pro-active use of the consultant's specialist expertise.

