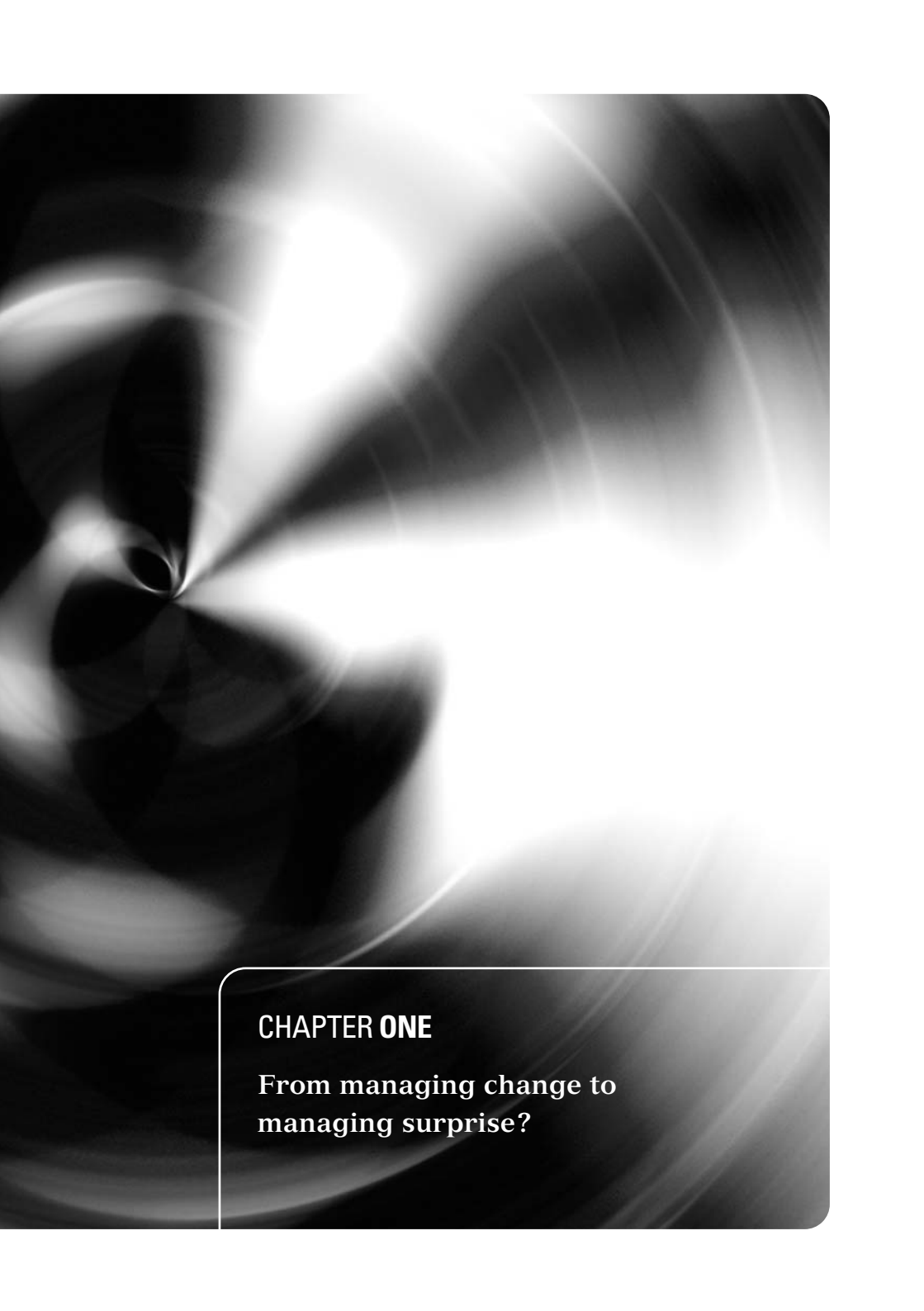




CHAPTER ONE

**From managing change to
managing surprise?**

ONE

From managing change to managing surprise?

This book is titled '*High Performance Consulting Skills*' and builds on an earlier work '*Supercharge Your Management Role*' that was first published in 1996 and reflected on some of the radical changes taking place in organizations and in particular managerial roles and support functions. Since then those trends have accelerated beyond anyone's imagination.

Between 1998 and 2000 nearly four trillion euros worth of corporate merger transactions were implemented. We have witnessed the traumatic rise and fall of the Dot Coms, along with the rise and collapse of the global telecommunications sector where literally billions of euros appear to have been overspent on securing 3G licences. We are currently experiencing the worst bear market since the Second World War. Added to which we have witnessed some of the most flagrant abuses of corporate power and leadership ever seen at Enron, WorldCom and more recently in Europe with Ahold. All of which has been set against an increasingly insecure and politically unstable world as witnessed by the immense tragedy of September 11th.

It is against this continued volatility and turbulence that organizations are striving more than ever before to achieve new capabilities of flexibility and responsiveness. Organization structures and job roles are in a constant state of flux. Old models of organizing no longer provide tomorrow's growth. Existing concepts of management that rely heavily on notions of planning, checking and controlling are being assigned to the dustbin.

The future is now more uncertain than ever before. In response, organizations are daily announcing major shifts in strategies, product lines and service offerings. Technology is promoting new forms of organization structure and location is becoming less of an issue as to where work is organized and executed. Our old assumptions about how to design, manage and run organizations are subject to constant and radical review. The fact is that we are involved in a period of major upheaval and transition; where simply doing more of what we have done in the past will not sustain us in the future. Today we have to manage by the 'second hand' not the calendar. Increasingly the question is not are we better this year than last, but are we better today than we were yesterday? Equally our planning horizons seem to have to be set in terms of weeks and months rather than years.

So as organizations pursue the benefits of rapid technological change, so to, are new ideas about managing people being explored and implemented. Concepts such as empowerment seek to place greater emphasis on people accepting increased responsibility and control for their work. Such ideas are gaining ground throughout the competitive world. Knowledge management has become one of the buzz-words of the late 90's and early millennium. As a result it is becoming clear that what managers have traditionally practised is being questioned. The classic planning, controlling and reviewing functions of management are being transferred to the people who actually execute the real work. The race to do it 'right first time' means that organizations can no longer afford large numbers of managers controlling people. Self-management is the philosophy and approach that many organizations want to operate in order to win in the competitive world.

Many middle management roles are simply too cumbersome and expensive for organizations to compete against faster and more innovative low cost competitors. The result is a

desire to explore new and more radical approaches to the notions of supervision as a means of reducing costs and accelerating competitive capabilities. Many of our existing organizational concepts and practices have had their roots in the 1960's genre of management, so real innovation has been a long time coming.

'The bigger my budget and headcount, the bigger fish I am' philosophy has historically been the basis on which many successful management careers have been built. Indeed such behaviours have been actively encouraged by many organizational reward and appraisal systems. For example, traditional job evaluation techniques have often rewarded jobs that have been characterised by size in terms of the numbers of staff reporting and budget responsibility. But these types of approach have often resulted in management behaviours and practices consisting of internal politicking, empire building and game playing. None of which add value or service to the customer. It is also an approach that results in people becoming overly reliant on their managers to make decisions and take action. In many leading organizations this traditional form of management activity is viewed as redundant. Organizations that possess and promote dependency cultures will not win in the new information and knowledge based era.

In order that organizations can become more innovative, flexible and customer responsive they need to devolve power to the point of customer contact. This requires people to be highly trained and also empowered to take decisions that were previously in the exclusive realm of managers. Thus we enter a new world of organizational working. Where self-directed teams rely on their collective motivation, skills and capabilities to get things done. Rather like the Formula One racing pit team; when it comes to the real work you do not want someone looking over your shoulder to tell you whether you have done it right or not. The reality is that you already

know it. At the same time your commitment and skills ensures that for 99.9% of the time you are delivering! Consequently management in the traditional sense becomes an irrelevance. Figure 1 illustrates the transition that is taking place.

YESTERDAY'S PERSPECTIVE	TODAY'S PERSPECTIVE
I am in control	I serve others
I direct and command	I facilitate
People have to come to me	I go to people
I breed dependency	I promote independence
Status and position are important	Status and position are less important than contribution
I think functionally	I think processes
I like clarity and boundaries	I like ambiguity and change

FIGURE 1: THE TRANSITION FROM OLD TO NEW MANAGEMENT

We are therefore witnessing a major shift in the world of work. A shift that is already having immense implications in terms of how we have think about organizations and how they need to be designed and managed.

These changes will however, continue to bring pain as well as opportunities. Many people no longer derive satisfaction from their work. Indeed many managers arrive at their offices and feel under siege from the hundreds of daily e-mails and a 'more and more with less and less' approach.

Some managers are desperately looking for motivation and security in an ever increasingly hostile corporate environment. Given the radical shifts taking place in the corporate world there is little doubt that managers will continue to face immense pressures to reassess their roles. The pressure to increase productivity and demonstrate real added value is relentless. Faced with these challenges the consulting model of operating has the capability to provide hard-pressed managers with a means to move towards a more positive role in the knowledge era.

Support functions under attack

Another aspect of these dramatic changes is that traditional organizational support functions are under severe attack. In the 1990's concepts such as business process re-engineering, with its emphasis on eradicating non-value added activities resulted in many critical appraisals of conventional support functions such as human resources, finance, internal audit and information technology. This pressure has continued with ever more functions having to make significant changes to their methods of operation. Faced with competitive pressures, organizations are no longer prepared to fund activities that do not add value to the organization, or support the provision of service quality to the customer. Outsourcing has become a global business with lots of major organizations off loading many support activities to a third party. The challenge is simple – 'If you don't add value then you'll have to go!'

When subjected to rigorous analysis and the question 'Why do we do that?' it becomes clear that many aspects of the traditional support function's work do little to support the central nature of the organization. All too often support functions have developed to the stage where they consume large amounts of resource without necessarily contributing

to the organization's fundamental goals. In many ways they can be said to have replicated the worst aspects of the old managerial model of controlling and checking and as such they face similar challenges in terms of refocusing their role and contribution. The temptation for any support function is to turn inwards and see itself as the primary customer in organizational relationships. Thus it loses sight of its central purpose and begins to become an end in itself; often growing excessively and engaging in blocking rather than supporting activities to the rest of the organization.

The opportunity

It is against all these fundamental shifts in the world of work and organizations that the increasing use of internal consultants is being observed. Internal consultants achieve results through influence rather than the application of formal executive power. Whilst being aware of the inherent political nature of organizations, internal consultants avoid becoming involved in complex and negative inter-departmental rivalry or politics. By using their specialist technical knowledge, influencing skills and models of organizational change, internal consultants achieve performance improvements. Their method of operating is to enable people to solve organizational problems without the classic need to claim credit for success that for so long has been the driving force of much managerial behaviour. On a strategic level we see internal consultancy providing the following benefits:

- A more flexible and responsive organizational role for managers. Based on contribution not status, and as such in tune with the future direction of the winning organization.

- An overwhelming focus on the delivery of a ‘value added’ service or contribution; as opposed to controlling and interfering type contributions.
- A relationship that is based on a consultant-client concept rather than a command and control regime.
- A move to process and outcome based thinking. Resulting in the removal of traditional loyalties and hostilities to other functional areas.

What exactly is consultancy?

To define consultancy work is to differentiate it from more conventional forms of management. A consultant’s work begins when part of an organization’s strategy, structure, processes or systems fail to deliver the necessary levels of performance. Consultants are employed to close the performance gap and their contribution might involve a total solution or the provision of some form of specialist technical support for an agreed period of time. The consultant’s involvement in a project can therefore be of a short or long-term nature. The consultant’s role is to assist their client without taking over control of the problem. Good consultancy involves providing advice in such a way that it enhances the client’s ability to solve their future problems and challenges. You in effect leave something behind – an improved capability. A key reason why the role has so much potential for helping managers operating in flatter structures with empowered workforces.

Invariably a consultant’s work also involves the management of change. Whilst having to influence a client and a situation to get things done differently you must achieve this in such a way that your client becomes fully committed to the solution. Being able to influence clients without any formal executive power is one of the defining characteristics of the role. Successful consultants do not rely on overt authority

or control to succeed. Instead they rely on their high levels of expertise and influencing skills to persuade people to move to action.

The difference between expert and process consulting

There are two quite distinct types of consulting style and they involve the expert and the process consultant. Both have very different characteristics and methods of working with clients. Figure 2 highlights some of the characteristics and advantages and disadvantages of both types. Most of you reading will be familiar with expert consulting which is typified by the classic external consultant who applies all their knowledge and expertise to diagnose and solve their client's problem in a directive and often prescriptive manner. This form of consulting is very attractive to clients as it can be applied in a very fast and focused way. Information technology for example, has traditionally been an area that has been dominated by expert consulting.

The major difficulty with expert consulting is the lack of client ownership or commitment that results. All too often the recommendations of expert consultants fail at the implementation stage because insufficient emphasis has been placed on developing the client's commitment to the outcomes of the project. Expert consulting involves a directive style and, whilst it is very fast, it does mean that significant issues like client involvement and ownership can be overlooked.

Expert consulting can also prove ineffective in developing the long-term capability of clients. When an expert consultant completes their work they often leave with their expertise so the client is unable to cope with similar problems in the future. Expert consulting can therefore have the effect of breeding organizational dependency on the consultant. Clients are unable to operate without the expertise.

This is of course great news for the consultant but not so good for the client who maybe paying the fees. Process consulting helps to build a client’s capability to solve the problem the next time around. To that extent it seeks to promote independence.



FIGURE 2: EXPERT AND PROCESS CONSULTING

The excessive use of expert consultancy can also lower the morale of a client’s organization as it assumes the knowledge and capability to deal with the problem was not within the scope of the client’s team. This can be particularly demotivating if the people involved do believe they have the capability to tackle the problems.

In its defence expert consulting does have the benefit of being able to address the right problem with the right expertise.

An organization cannot always be sure that it does have the necessary solution to a problem and so there may well be a need to bring in expertise in very specialist fields to tackle challenging issues. To that extent expert consulting will always have a place in organizations and so remain a credible approach despite its limitations.



Expert and process consulting

A definition of highly available computing

– The Expert Consultant

‘The use of redundant components in conjunction with appropriate fall-over and restart mechanisms in both hardware and software to permit event notification of failure conditions coupled with application and/or database checkpointing and rollback/recover algorithms, thus establishing reasonable assurance within predicted norms that a combination of redundancies will allow a confidence factor to exist and that mean time to repair shall be small enough variable in conjunction with simultaneous mean time between failure of the aforementioned redundant components that the overall system availability will be significantly above normal performance’

Common sense translation – The Process Consultant

‘Your computer system should be up and running 24 hours a day, 7 days a week, 365 days a year, so you don’t have to be.’

Adapted from an advertisement placed by Data General, Economist November 1994.

In contrast process consulting works on the assumption that a client has the necessary capability to address the problem but needs guidance and advice in the 'how to' of addressing the problem. The emphasis is therefore on helping a client to think through the problem and produce a solution that has a very high degree of commitment and ownership. The major difficulty with process consulting is that it can be much more time consuming than the expert approach. Developing commitment through involvement and discussion is always a longer process, and frequently the urgency of organizational life prevents such time being expended on problem-solving. Quick fix solutions are so often the order of the day.

Process consulting works on the assumption that the client has the necessary expertise to tackle the problem. This of course may not be true. So you may end up wasting a lot of time addressing a problem with the wrong approach or find out that you failed to fully appreciate the problems involved. Whereas the prompt application of some effective form of focused expert consulting would have solved the problem.

Conversely, when it works well, process consulting has the added benefit of enhancing a client's ability to deal with the problem the next time it happens. As such it improves your organization's overall capability. This is something that cannot always be said to be true for expert consulting.

When selecting a form of consulting expertise organizations frequently choose the expert approach because it appears to offer greater benefits in terms of speed and focus. In practice these benefits prove more imaginary than real and much of this book will focus on the process skills that need to accompany any underlying technical expertise. By combining both sets of skills people can develop into truly outstanding internal consultants.

Depending upon your area of functional expertise most internal consultants will need to develop an agility to balance the expert and process continuum. Knowing where to be on this continuum at any one time is the art of a good consultant. External consultants often underestimate the power of process management. They fail to see its power in both developing their client's capability and in generating commitment and ownership to solutions. Hence our general ability to recite horror stories involving external consultants who didn't listen and simply imposed solutions.



FIGURE 3: WHERE IS YOUR BIAS – EXPERT OR PROCESS?

As an internal consultant, whilst you will apply your technical expertise, whether it be in project management, systems design, training or financial planning, be aware of the constant and potential dangers of assuming that as the expert you know all the answers. Thus forcing your solution onto a client regardless of their own views. Process consulting demands that you focus not only on the problem but also on your client, and you will need to be able to judge the right time to be at either end of this continuum.

The reality of most organizational problems is that there is never one right answer to solve a problem. There are always several options that might be applied. Consequently success in the consulting process involves getting to one of those solutions. More importantly it involves getting your client to the solution that they feel most committed and comfortable with. Achieve this and you are likely to gain immense credibility with your client. Recognising when you need to challenge your clients and when you need to step back are key skills that have to be developed. So learn to balance the expert and process role.

What is the difference between the internal and external consultant?

The classic story of the external consultant who borrows your watch to tell you the time, charges you for it and then keeps the watch, is perhaps a little exaggerated but reality seems to suggest a lot of evidence for the caricature. We are all familiar with the problems associated with external consultants who enter organizations displaying huge amounts of arrogance. Who all too frequently, believe they know what the problem is before even asking any questions. This form of behaviour characterises the worst form of consulting and frequently results in an enormous waste of time, effort and resource. Of course there will always be good

and bad external consultants. It also seems likely that there will always be opportunities for good external consultants to thrive. But too often the solution to a problem already exists in an organization way before the arrival of any external consultant.

We have probably all had experience of organizations that are too dysfunctional in the way they are managed to listen to their own people when it comes to diagnosing problems and developing solutions. Despite the prevailing wisdom of some leaders, people who work in organizations do generally know what the problems are. They also understand the underlying issues and have the ideas to fix them. Regrettably, their views and ideas are all too often ignored or dismissed. One of the central themes of this book is to challenge this depressing convention. Indeed it might be argued that it is too often the leadership of an organization where the problem really lies when it comes to encompassing new ideas and approaches.

Internal consultancy provides an exciting and alternative option to these classic but highly frustrating situations. Consultancy is an operating style that aligns itself to the demands of flatter organizational structures and highly skilled knowledge workers.

But in exploring the nature of internal consultancy it is perhaps useful to begin with a comparison with external consultancy as this can help to highlight critical aspects of the role. In examining differences between the two it is not our intention to set one group against another but to simply recognise that there are key differences. As an internal consultant these differences should influence how you ultimately market your services. You will see from the list below that some of the differences can be used to aggressively promote a case for using internal consultancy as opposed to adopting the external route. At the same time there are some issues that will require you to examine and question your

own ability to be truly objective and impartial in carrying out internal projects. This question of objectivity is often a major reason why clients may seek external consultancy assistance. In some situations you may well find yourself competing with external consultants for a project. You therefore need to have a clear view of the relative advantages and disadvantages of either approach in order to shape your business case and proposals.

External consultants are:

- **Employed for a fixed period** to work on a specific client problem.
- **Potentially able to get the full attention of senior managers more easily** – clients tend to value more what they have to pay for.
- **Presented as experts** – they have specialist expertise and experience that is not present in the organization. This is often combined with an extensive knowledge of either specific or different industries which clients find very attractive.
- **Generally highly motivated and committed people** who display high levels of energy to their work and clients. And whilst many are paid lots of money for doing this, their motivation and commitment is often to their work and clients first and their pay cheque second.
- **Not always conversant with their client's business.** Thus the client may have to pay for the consultants to learn about their business in the initial stages of a project. This can be expensive.
- **A flexible resource** – the organization is not burdened with long-term costs when the work is finished the consultants leave. Although in some organizations this never seems to happen!!!

- **Able to learn from their clients** and use this learning with other clients.
- **Not emotionally involved in their client's problems** – they have no history of investment in the situation and can therefore be more objective and critical in reviewing situations.
- **Independent** – this is of course debatable – given that someone is going to be signing a bill.
- **Often investing in new approaches and methodologies** – they have to have something new to offer clients.
- **Not always required to live with the consequences of their work.**
- **Not always being entirely honest when they say 'we've done this!'** What they often mean is that 'we haven't but we have really great people and expertise and we are really confident we will find a solution'.
- **Capable of developing a sense of dependency from their clients** – 'we cannot function without you now'.
- **In a business themselves** – they are selling people and time and are interested in consultant utilisation and profit maximisation.

Internal Consultants are:

- **Employed full time** by the organization.
- **Likely to understand the overall business better** than external consultants.
- **Sometimes more knowledgeable than external consultants.** You should know your business and industry extremely well. You may also have developed an approach or methodology that is ahead of any external consultancy group.

- **Normally part of a specific function** – Information Technology, Training and Development, Finance, Business Development, Internal Audit.
- **Aware of the right language and culture of the organization.** You know how things work and how to get things done.
- **Able to identify with the organization and its ambitions** – as employees you have a big emotional commitment.
- **Liable to being taken for granted** or lacking the credibility of some external consultants.
- **Prone to being too emotionally involved in an organization** – thus perhaps influencing your ability to be truly objective.
- **Required to live with the consequences of their advice** – you are still around long after the external consultants have left.
- **Able to spread their knowledge and experience throughout the organization** – you can enhance your organization's overall capability.
- **Required to redefine past organizational relationships** – the move from 'colleague to client' requires a period of adjustment.



Insight

Working with external consultants

In our experience most external consultants are highly motivated and committed people who want to succeed and deliver high quality work. However because of the negative perception that people in organizations frequently have of external consultants there can be a tendency for people to be hostile towards external consultants. This often results in difficult and strained relationships on joint projects.

If you work with external consultants on a project, seek to work with them and harness their skills and expertise rather than adopting a negative or antagonistic approach. Good external consultants will always respond to positive people and both sides will gain. So get closer. Don't distance yourself, see it as a learning opportunity – but at the same time make sure your positive approach is reciprocated. Don't allow people to simply use you.

So fundamentally internal consultancy promotes the concept of enabling people to develop solutions to their own organizational problems and in so doing develop their long-term capability as well as their organization's. Internal consultancy also provides a basis for managers to propel their existing roles into the organization of tomorrow.

The characteristics of internal consultancy

So what truly characterises being an internal consultant?

Internal consulting is an independent service

Many organizations problems occur because managers become too involved with a problem and so close their minds to certain possibilities or solutions. The need for fresh and independent thinking is one of the main reasons why external consultants are used so often. Although, it is arguable whether external consultants are truly independent. Someone, somewhere is always paying the bill and that can always influence what is reported or recommended. But the ability of internal consultants to provide an independent perspective and analysis is one of their most valued contributions. However, this is an extremely difficult role to play because as an internal consultant you are paid by your organization and as such are part of it. Being critical of something you belong to and which also ensures your financial well-being can be very difficult. You may need to frequently challenge your client on difficult or contentious issues. This may involve confronting managers who are senior in status. In many organizations this can be an extremely challenging task for anyone. Yet providing an independent perspective is an essential requirement of the role. Clients frequently need to have their assumptions and methods questioned. Simply operating as a 'rubber stamp' and confirming a positive image on everything your client is doing may mean failing to carry out an effective consulting role. To challenge the client's objectives, aims and plans is part of the day-to-day role as an effective internal consultant.

Internal Consulting is an advisory service

Internal consultants are not employed to take difficult decisions on behalf of harassed or over-worked managers. As advisors, internal consultants are responsible for the quality and integrity of their advice, but it is their clients who ultimately carry the responsibility for implementation. Providing 'advice' in consulting terms can range from a technical input to the provision of counselling or facilitation expertise, but providing the right advice, in the right manner and at the right time is the critical skill of any effective consultant.

For the line manager using the skills of the internal consultant the objective is to empower their team to develop their own solution rather than impose one. The emphasis being to consult and enable not direct and control.

Internal consulting is the application of specialist knowledge, skills and experience

Internal consultants are often employed to work on a problem when part of their organization is either short of specialist skills or lacks the necessary expertise. Depending on your technical background your contribution may involve the introduction of new systems or operational methods. In others the problem may be of a more general nature and involve you operating as a facilitator rather than a technical expert. As a facilitator you are seeking to provide your client with a framework or process to help them solve the problem rather than provide a direct technical or expert input. See the facilitator role as another change from the conventional line perspective which says, 'I will now take over!' Yes, as an internal consultant you have to provide advice and direction but you must stop short of taking over the leadership mantle for the problem.

All internal consultants must keep their knowledge base and expertise up-to-date. The ability to comment or talk about the latest developments in your field of expertise or what is best practice in your industry adds credibility and power to your case. If all we can do as a consultant is talk about a very narrow and limited range of expertise and experience we will find it difficult to get clients to listen to us. Ultimately clients are buying knowledge and advice.

Internal consultancy is a proactive role

In our experience simply changing the title of a department to internal consultancy unit will not result in any immediate overnight transformation. Indeed, if your organization has a negative perception of your department or support function you will need to work hard at changing this image. Simply sitting in your office and waiting for the telephone to ring might (depending on the previous performance of your department) mean waiting for a very long time. Internal consultancy demands a proactive approach with lots of positive networking throughout your organization. The need to explore and identify problem areas and look for opportunities to assist your clients in tackling business challenges is crucial. The need to develop some kind of marketing plan either for yourself or your group as part of this initiative is also vital. Our section on marketing will explore these issues in more depth but being an internal consultant means that you have to start putting yourself around your organization and marketing your services.

Internal consultancy requires a higher business perspective

To become a highly successful internal consultant demands a will to possess or develop an ability to contribute beyond any narrow areas of functional expertise. Whilst traditional organizations have encouraged functional areas of expertise we have all experienced the barriers and hostilities that spring up between functions and departments. Petty conflicts between sales and marketing, research and production are common in all organizations. Any internal consultant or unit, no matter what their area of expertise, must rise above feelings of professional or functional loyalty and display a higher and wider business perspective. Internal consultants need to see themselves as business people first and functional experts second. To contribute to major business issues requires recognition within your organization as an informed person who understands the full business picture and not just a narrow range of technical issues. This again demands a strong sense of personal commitment and development to ensure you keep up-to-date with external issues involving the economy, politics and competitor activity. Clients gain confidence from dealing with consultants they see as knowledgeable and well informed. Narrow perspectives and outlooks do not impress. If you want to get involved in major organizational issues you need to develop a well-rounded outlook on the world in which your organization operates. Be aware of your technical expertise and continually develop it, but do not allow it to become all consuming.

Internal consultancy requires flexibility, personal confidence and credibility

Internal consultancy is a challenging and demanding role. On one level it can involve a very clear and explicit role but on another it has the potential to be an ambiguous role with lots of changing priorities and no clearly defined set of day-to-day tasks. Consequently as an internal consultant the need to be comfortable with a loose role that may mean not knowing what you are going to be doing from one day to another. For some people this can provoke a sense of dis-comfort as they prefer a job that involves a clearly defined set of tasks and responsibilities. But this is not what internal consultancy involves. To operate successfully you have to be comfortable with ambiguous situations and at the same time display a high degree of self-confidence and credibility.

Feeling at ease when working with different groups including senior colleagues and being prepared to challenge and confront them on important issues is vital. This needs to be done without appearing rude, arrogant or patronising. Ultimately your influence and power can only come from the quality of your advice and the manner in which you deliver it. It is not a role for the faint hearted or introverted!

Why use an internal consultant?

In the following section we examine the reasons for employing internal consultants on a project or assignment. We will be working on the assumption that your organization has the capability to establish a consulting unit and that this unit might evolve or develop out of an existing specialist support function role or a more general business development group. Alternatively, if you are going to be operating on an individual basis, you might want to reflect on the reasons why you are being hired as you become involved in projects and other types of internal client work.

Internal consultants can be used for many different reasons so it is important to understand the circumstances surrounding an assignment and to establish why you are being asked to provide assistance. Understanding your client's motives at an early stage can offset problems later on in the working relationship. Your client's motives for employing you can either be positive or negative and in some situations you may have to deal with both. Listed below are some of the classic reasons for using consultants. Look out for the negative uses of consultants as they can be hazardous to your success.



POSITIVE uses of consultants

TO IMPROVE ORGANIZATIONAL EFFICIENCY

Improving organization efficiency is perhaps the most obvious and common reason for using consultants. Organization structure and efficiency reviews involving overhead cost reductions are classic consultancy projects as are those involved with improving operational performance through new management information systems. In the late 1990s we had the widespread use of business process reviews that involved mapping organizational processes in order to streamline core organizational processes. In other situations there may be problems involving customer response times or quality control problems that necessitate a multi-functional response involving systems and training, and development expertise. In all these projects the objective in using consultants is to apply an independent and expert perspective and resource on a difficult and urgent problem.

SUPPLYING AN INTENSIVE AND FOCUSED RESOURCE ON A TEMPORARY BASIS

Major organizational change involving a re-organization or the development of a management information system requires large amounts of senior management time. Day-to-

day operational pressures frequently prevent managers from concentrating exclusively on such tasks. Some senior management teams also find it difficult to focus on both operational and strategic problems at the same time. Management teams often get caught up in other matters or political battles, and progress can be delayed. Internal consultants provide a focused and dedicated resource to assist managers in overcoming these problems. Establishing project teams who focus exclusively on a project or task means that senior management time can be focused and used more effectively.

TO SECURE A CONFIDENT

Some clients like to develop a consultant relationship in order that they can have access to a confident. Being able to listen to a client's problems or issues in a range of disguises can be a much valued role for any internal consultant. In some instances you may be required to simply listen. To enable your client to express their views on an issue without passing judgement. In others you might be required to challenge or provoke your client's thinking; perhaps to consider alternative approaches or courses of action. This aspect of the internal consultant's role demands that you develop a relationship over a period of time. For clients who do not feel comfortable discussing sensitive issues with their peers or colleagues it can be an extremely valued and powerful role for any internal consultant to perform.

TO CONTRIBUTE TO AN IMPORTANT DECISION-MAKING PROCESS

Where major decisions or projects are involved, managers may want to obtain additional input from consultants to help their decision-making processes. It may be that research or specialist technical information is required. This involves consultants drawing on their own experience or alternatively obtaining information from other sources, perhaps from outside the organization. It may be the case that your client is asking you to challenge or test a project or proposal to ensure that every possible issue has been addressed and thought through. Your involvement in such cases is likely to be limited to providing a very focused and technical input for a limited period of time.

TO DEMONSTRATE THAT BUSINESS OPPORTUNITIES ARE BEING IDENTIFIED AND DEVELOPED

Employing consultants on specific business projects is a method by which senior managers can demonstrate that their organization is maximising all the opportunities available to it. Again day-to-day operational pressures sometimes prevent managers devoting the necessary time to explore and examine potential opportunities. Consultants offer the necessary flexibility of resource to enable managers to investigate new ventures.

Conversely some managers who are under pressure or criticism by other colleagues might employ consultants to demonstrate that they have a difficult situation under control. Clearly this action might be interpreted as a negative use of consultants because it can involve them in complex and potentially hazardous organizational politics.

TO REDUCE THE RISK OF A PROJECT'S FAILURE

Where highly complex and expensive projects are concerned the involvement of consultants with high-level expertise can obviously reduce the risk of a project running into difficulties. Employing specialist expertise or project management skills provided by consultants helps provide comfort to senior managers that an important project is being properly resourced, supported and managed. As well as providing the expertise you may be acting as a comfort blanket to the organization.

Potentially NEGATIVE uses of consultants

Of course there are those instances where consultants can be used for negative or even subversive reasons or purposes. In such cases you need to be extremely cautious of getting involved as the potential outcomes of these situations can have negative implications for your credibility and reputation. When this happens your ability to operate successfully in your organization becomes seriously impaired.

TO HELP UNDERMINE AN EXISTING MANAGEMENT GROUP OR SITUATION

In some situations a consultant might be employed to deliberately attack a specific proposal or initiative that has been sponsored by another manager or group. This can involve you in an acrimonious relationship and a 'no win' situation. There is a distinct difference between situations where you might be asked to critically evaluate or validate a proposal or action plan, and those where there is a hidden political agenda that is not explained to you at the outset of a project. You should always probe to establish the reasons why your client has decided to involve you. If your suspicions are aroused probe harder to uncover the real motives.

If you suspect or sense a difficult situation you will need to explain to your prospective client your concerns. You need

to point out the potential dilemmas you face in trying to operate successfully in the long-term if you become involved in such a project. Always remember that if you are seen as someone who does the 'dirty work' of others you will have problems when next trying to operate in other parts of your organization.

PROVIDING MANAGEMENT WITH SUPPORT TO JUSTIFY PREVIOUSLY AGREED DECISIONS OR ACTIONS

In certain situations, internal consultants maybe asked to tackle assignments in order that a manager can justify an already agreed course of action by reference to a consultant's report or recommendation. This is not an unreasonable request, but as a matter of principle, and in your own self-interest, you should try to avoid such projects. Internal consultants must always safeguard their reputation and independence. Accepting work of this nature can influence peoples' views on your integrity. If you lose your integrity then your ability to operate successfully in the future will be seriously impaired. People who are suspicious of your motives and behaviours are unlikely to co-operate with you in providing information and assistance. As an internal consultant avoid overtly 'political' assignments.

TO HAVE SOMEONE TO BLAME

Whilst we have advocated the use of consultants on important projects it is also the case that in some extreme situations certain managers will view the involvement of consultants as providing them with a convenient scapegoat in the event that a project does not produce a satisfactory outcome. In such situations it is critical that you secure your client's agreement to all stages of a project and that you manage their commitment throughout the project so as to avoid criticism at a later stage. If you sense the situation is one where you will be unable to emerge without damage you should avoid entering the project at the outset.

Managers might also use internal consultants to recommend or implement particularly difficult actions such as staff reductions or business closures. The tactic can involve hiding behind the consultant's recommendations so as to push through the difficult process in the hope that the reputation of management is not diminished. Suffice to say, people often see through the tactic with the result that a management's reputation is often further damaged rather than enhanced.

However, there maybe some legitimate reasons whereby a client might legitimately employ this tactic for some longer-term benefit that might not be immediately apparent. There are circumstances involving complex re-organizations and key staff deployments where it maybe acceptable for a manager to refer to a consultant's recommendation. In such situations, the manager may have in mind the stability of future working relationships and the need for the consultant to be fully recognised as the agent of the changes. Indeed it can be argued that this method of using consultants is the act of a skilled and thoughtful manager trying to take a long-term and beneficial outlook on a difficult problem.

Clearly none of these situations are easy to cope with or manage, so you need to carefully weigh up the potential benefits and losses involved and discuss these with your potential client before becoming involved in such projects.

How to become an internal consultant

The Manager

The skills contained in this book are highly relevant to any manager in a modern organization. The move from traditional command and control structures to more empowered working practices, means that managers are increasingly becoming enablers or facilitators to their people. The new role provides a means of support that allows people to develop and improve organizational performance without the necessity to feel dependent on conventional management powers. Consultancy skills, and in particular the process skills involved in handling client relationships, can be employed not just on projects but also in day-to-day working relationships between managers and their people. The consultancy model provides a viable means by which traditional managers can start to change their operating mode to the modern world.

The Support Function

Any support function can become an internal consultancy unit by merely possessing or having developed a body of knowledge, experience and skills in managing specialist activities or tackling difficult technical problems. However, experience indicates that there also needs to be an underlying organizational move towards developing an internal consulting capability. Such changes need to be accompanied by a clear communications strategy which sets out the rationale for introducing the role and the implications for managers, and their working relationship with the new support function. It is not sufficient to simply change the role without communicating and educating managers about the new regime. Managers who have been used to a traditional form of support function will need to understand the new changes in service provision.

Some organizations that are aggressively pursuing the consulting concept, have gone as far as to introduce new financial procedures which require line managers to contract with the consultancy unit for a project or assignment fee. Other organizations have changed the operating role without altering the funding or resourcing requirements. In either situation senior managers and those employed in the consultancy unit will need to ensure that they have communicated thoroughly with the rest of the organization. Failure to do so will invariably result in confusion and managers complaining about the new service provision. Any line manager, who for fifteen years has picked up their telephone to their personnel or IT department and received an immediate response, will react angrily the first day they are told that it will be a week before you can meet them. You have to clearly inform managers about the new role. It is a communications process that cannot be left to chance and must involve a high level dialogue with all managers throughout your organization.

Time to convert and redirect

Embarking on this approach also demands time and patience. In most organizations it is not possible to simply close down one day and start operating as a consultancy unit the next. Invariably managers and functions require a period of adjustment. Time is needed to convert from the old to the new, as is the recognition that there will be tensions in making the transition. These changes require careful planning as you and former customers need to adjust to a new working relationship.

In addition to possessing functional or specialist expertise, consulting skills also requires the ability to collect and analyse information, to develop options, and recommend practical and workable solutions and action plans. The need

to keep pace with the latest developments, methodologies and techniques in your specialist field of expertise is vital. The continuous development of skills and knowledge base is a critical means by which to achieving credibility and influence with clients. It is only over a gradual period of time that anyone can expect to make the transition and people need to be realistic about the time this will take.

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