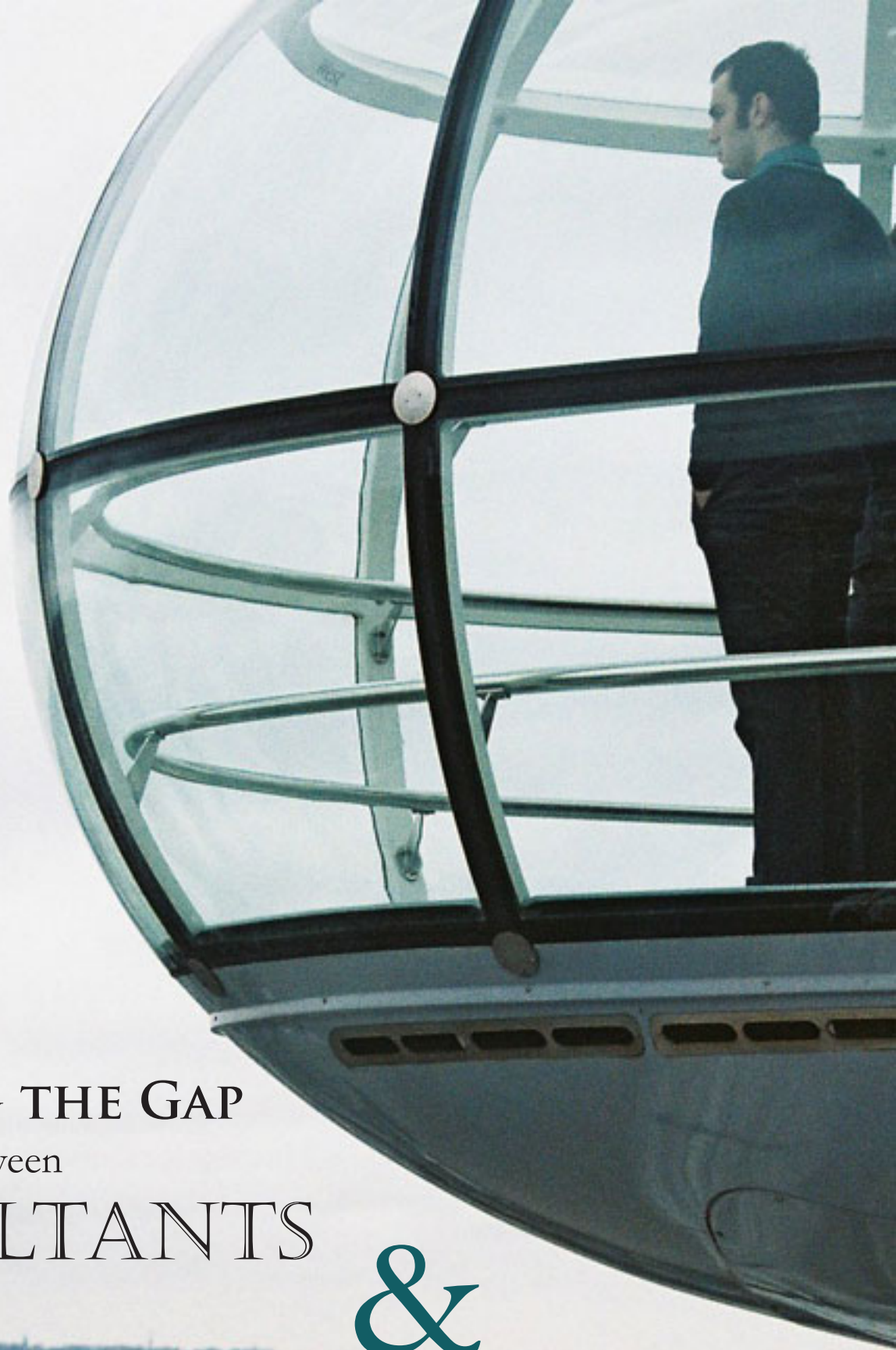




INTELLIGENT
INSIGHTS
INTERNATIONAL



BRIDGING THE GAP
between
CONSULTANTS

&

Clients



The adage of “consultants are people who take our watch, tell us the time and charge us for it” still rings true in clients’ belief system.

When a client has a need and presents his business problem, a solution is expected from its consultant. Under pressure and the need to impress their clients, some consultants “shoot from the hip”, thinking that they are paid to brainstorm and provide more input and ideas to their clients. Nevertheless, the outcome that is achieved is down-trodden with further confusion and management fad. Some of the frequent responses that get the better of the client would be “we already know the problem” – or worse—“the solution that you are suggesting, isn’t it obvious?” Such responses are only a fraction of the negative perception that clients have on management consultants. The adage of “consultants are people who take our watch, tell us the time and charge us for it” still rings true in their belief system. Under such condition, the management consulting industry, not only has to come out with great solutions but also educate its clients on the process of research if need be. How does a consultant or researcher reach solutions? Why is one technique used over another?

Most clients do not care about the technique that was applied in the work. Majority believes that if the results are achieved, the technique must be correctly applied. This is true, but what if there are better ways and faster ways to achieve the desired solution in a cheaper manner? Also, more often than not, results such as return of investment cannot be directly observed until a few quarters of the financial year have passed. By providing justification on every step of the way, the client will have a sense of assurance that the consultant is constantly committed to the client’s performance. At times, in the middle of the research process, a client which is well informed can provide additional feedback that refines the consultant’s methodology further. Bringing the client along in the research process also provides a check and balance mechanism in the contract between the client and the consultant. Consultants would not be tempted to sacrifice more detailed results through choosing a less rigorous technique. Trust would also be formed from the mutual respect developed from the relationship between the client

and consultant from this ethical perspective. Despite some clients claiming that they already know what is wrong, they are unable to find the source. Sweep it under the carpet as they may, insofar as they remained profitable. In our experience, we had gone to the extent of guaranteeing that we would not take a single cent if the client does not witness an improvement in their operations. However, such offers sometimes are not received well by clients as they still remain sceptical towards the whole idea, or just being to lackadaisical to act on something which is free. Let us look at a real case that was in a negotiation recently. A small-medium manufacturing company (MX) is unable to meet their delivery dates, plagued by quality problems and dissatisfaction among their customers. Worst of all, their production capacity is not maximised and poor scheduling is the direct result of cannibalization of order quantities from larger batches to fulfil smaller clients. Therefore, large clients are dissatisfied and most orders are postponed. Available to promise dates just remain as mere formalities. The only reason that this company MX is surviving is due to the parent company providing a large business to it. Therefore, internal marketing was one of the reasons that managed to keep the business alive, in conjunction with the high demand for its products for this market segment. The general manager has to physically check with the production on a daily basis to ensure that they are on the right track. Inventory, production outputs and schedule are hand written.

In the case discussed, we guaranteed that we would solve their problems and the client has to only pay us the percentage savings for the year. However, the client was still contemplating. Instances such as this when the client has been given the preliminary assessment of his problems, yet remains on the fence is beyond the call of consultants. The client has to first be compelled and want to solve its problems. Nonetheless, most clients especially if they are not business owners do not want the commitment of engaging an external consultant. This is due to the fear that the owner would perceived them to be incompetent. Other reasons were also due to the rising duties of having to manage more responsibility and once performance increases, their targets for the next evaluation period would also increase. Many won't fare well when given more responsibility and accountability. Again, in this case, it is up to the consultant to educate the manager and provide him with the right justification and impetus for change. Imagine, if the problems are solved, more profitability leads to being able to hire a more capable workforce. This might be the driver for the general manager to become a strategy planner and executioner rather than his current role as merely an operations manager. Indeed, for all those to occur, both clients and the consultants should understand their respective roles in their business collaborations. Only when the gap has been bridged that successful relationships can be established. □



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