
THE RIGHT STUFF

For a project to succeed, it needs a team that can perform. **David Parmenter** outlines how a company can make the most of external consultants in these circumstances

Behind most successful managers are the successful projects where they have been able to obtain leverage by using consultants properly. You have a choice: learn to achieve by getting the right consultants 'on the bus' or hire unwisely and set yourself up for failed projects. From my observations and first-hand experience as a consultant, I set out some pointers to help you use consultants successfully.



NEVER GIVE A NEW PERSON A NEW JOB

Peter Drucker, for many people, was the Leonardo de Vinci of management. His work will be appreciated more in 400 years' time than at present. We all would benefit from reading *The Definitive Drucker*, a book that offers a summary of the sage's advice.

Drucker observed that many new initiatives failed because the wrong people were leading them. When we recruit a new employee or consultant to undertake a new job or project, such as the introduction of lean or the balanced scorecard into the organisation, there will be much uncertainty among staff and management.

Staff will be wondering, what is going to happen with my job? Are my favourite tasks about to disappear? What effect is this going to have on my pay?

These doubts, along with the added insult of the Porsche Carrera in the visitors' car park, often lead to the stonewalling of any potential project progress. There may be some staff and management who will do their utmost to make the consultant fail. The consultant, in such circumstances, is given as much chance of success as a mountaineer solo climbing Mount Everest. It can be done, but only by a freak of nature.

Instead, Drucker advised that you find a project manager in your organisation who holds the highest stack of IOUs. Train them, support them with a mentoring-based consultant and watch the project fly. The theory goes that staff and peers will go over the trenches for them.

“A PRINCE WHO IS NOT HIMSELF WISE CANNOT BE WISELY ADVISED”

Regrettably, many managers do not have the skills to manage large complex projects, let alone handle the additional requirements when adding consultants to the mix. That is, if you do not have strong in-house project management skills, contracting them in will not solve the problem. Project management skills must reside within the project manager, the project sponsor and the senior management team (SMT).

Where skills in project management are lacking in any of these three areas, chaos can reign. The SMT needs to fully understand project management techniques so they can be forewarned and take the necessary actions when their large projects are going off-track. Many of the large failed projects I have worked on have been screaming for help during much of their life and in many cases the SMT was helpless due to the huge gap in the team's knowledge and experience.

It is not uncommon for young enthusiastic managers to be given the headroom to extend beyond their level of competence on large projects. The common symptom in these cases is that the management team, up to and including the SMT, could do no better or were no wiser.

So, play to your strengths. Do not have big projects if you are not a big-project organisation. It is as simple as that. Then you will not need to shoot the messenger.

INVEST IN A COMPREHENSIVE SELECTION PROCESS

The recruitment process cannot be bypassed or short circuited. As Drucker reminds us, it is better to spend 40 hours in a comprehensive selection process (putting up fences at the top of a cliff) than spend 400 hours sorting out the mess (at the bottom of the cliff).

Therefore it is imperative that you invest as much time as possible in the pre-selection process, before you are in dialogue with short-listed consulting firms. Your first point of call is to shortlist three to five consultants based on reputation. This is easier than you think. A great starting point is to ask consultants who have had starring roles previously with this or previous organisations you have

worked with. Ask them for referrals. You may even find they put themselves forward for part of the assignment and will work alongside a recommended consultant they have known for years.

Great staff and great consultants know other great staff and consultants. That is how the business world works best.

Having made a shortlist, it is worth contacting a couple of their previous clients to ask: “Would you take Mr X on for another consulting assignment?” As Jack Welch in his book *Winning* pointed out, you might be surprised how frank they are. Assuming a thumbs-up, go on to ask how the consultant works best (they may not realise it themselves).



CREATE LEVERAGE TO MAXIMISE THE VALUE FOR MONEY

On all projects, ensure you use in-house staff in the project team. In most cases where a client has said, “we do not have the resources”, I have been able to prove otherwise. Graduates with bright, quick and insightful minds can be located. All you need to do is search the employee database. Ensure you have assigned at least two young staff members to the project. These young graduates will reduce the time spent by the consultants, and at the same time make the project more interesting for the consultants. There are few experienced consultants who do not enjoy working with young and motivated in-house staff.

RISK MANAGEMENT: IS IT ABOVE OR BELOW THE WATERLINE?

Jim Collins, in his great book *Built to Last*, talks about risk management. The SMT needs to know whether a risk is above or below the waterline. Just like a ship, a project can take many hits above the waterline, but few below them.

Thus with project risks, always separate out those above or below the waterline. More sophisticated risk management may be of dubious benefit. In reality, it is trying, often unsuccessfully, to put objectivity in a subjective area.

UNREALISTIC TIMEFRAMES – THE RULE OF THREE

Don Tricker, former coach of the New Zealand softball team, is a gifted leader, and can boast three World Cup gold medals in a row. He said he had discovered the secret to realistic project timeframes. He called it the ‘rule of three’.

Over time, Tricker became frustrated with coaches promising more than they could deliver. He noted that in reality you don’t have five days a week to do tasks; sport is about people, and issues that emerge are typically people issues that take time to resolve. “When planning, I assume that I’ll have three days in the week, with two days for firefighting or unplanned activity,” he said. He now plans all projects on the basis that full-time means three days a week. He has found that projects are now completed on time.

So, if you are told the consultant will be full-time on the project, don’t be naïve. Work out the total requirement and divide by three eg, 60 consulting days will now take 20 elapsed weeks, not the 15 you had originally planned.



HAVE THREE PILOTS WHEN TESTING A NEW SYSTEM

Peter Drucker also loved doing things in threes. He said a CEO's main role was to develop three protégés; a project should be piloted in threes. The logic being that a solo successful pilot will not have fully tested the system. Divisions can always say that the pilot did not represent their business, and so on.

HEED THE WARNING SIGNS EARLY

Not all consultancy relationships are going to work. The key is to recognise early on that the relationship is off the rails and to investigate the breakdown. Warning signs of a project going off track include:

- in-house project staff are too busy with other duties;
- the project has been simmering for a long time before consultants were involved;
- only one or two of the SMT members are aware of the project;
- project team members talk in jargon;
- the project team produces prestigious reports (a reporting machine, rather than an action team);
- you are writing letters to the consultants;
- 'terms of reference creep' is beginning to become an epidemic; and
- you see the consultants as contractors performing a task you could do better if you had the time.

Beware of managers who suddenly fall out with the consultant; the best action in the first instance is to organise some conflict resolution. Often a perception rather than facts may be the root cause of the problem.

Finally, celebrate the finish. I am a great believer in celebrating the completion of a project; just don't forget to invite the consultants to the party. ■

NEXT STEPS

- Read the book *The Definitive Drucker* by Elizabeth Haas Edersheim; it will help you understand the master and help with all your work as well as consultant based projects.
- Celebrate every success the project has, no matter how small; it will create an impetus.
- Remember the rule of three when assessing how long you will need the key consultants.
- Put more time into the selection of the consultants and reap the benefits.



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