Foundations of Management Systems Consulting

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What is the need for this course?

- This short course is to help understand some basic concepts of management consulting and encourage management consultants to apply the principles and basic concepts of management consulting in *initiation, execution and closure stages* of the management consulting project.

- Correct application of the basic concepts of management consulting not only helps to avoid challenges (sometimes trivial), but also helps to avoid unnecessary misunderstandings, confusion and conflicts.

- This is a foundations course that teaches only the foundational concepts, and I hope to develop a full length course (3 Days) in the coming months.

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Course Objectives

- By the end of this course participants will be able to understand, recall and describe:

  - What is Management systems consulting?

  - Some terms and Definitions in Management systems consulting

  - Management consulting service as a project.

  - Management consulting process overview.

  - Responsibilities for management consulting

  - Stakeholder engagement.

  - Project governance

  - Communication

  - Risk Management in Management consulting projects

  - Capabilities of Management Consultancy Service Providers (MCSPs)

  - MCSP code of conduct

Introduction

Management consultants use their know-how to support clients in any sector locally, regionally and globally to deal with important issues such as handling complexity, achieving sustainable organizational growth, innovating, achieving change and enhancing productivity. The management consultancy industry makes a substantial contribution to the world economy.
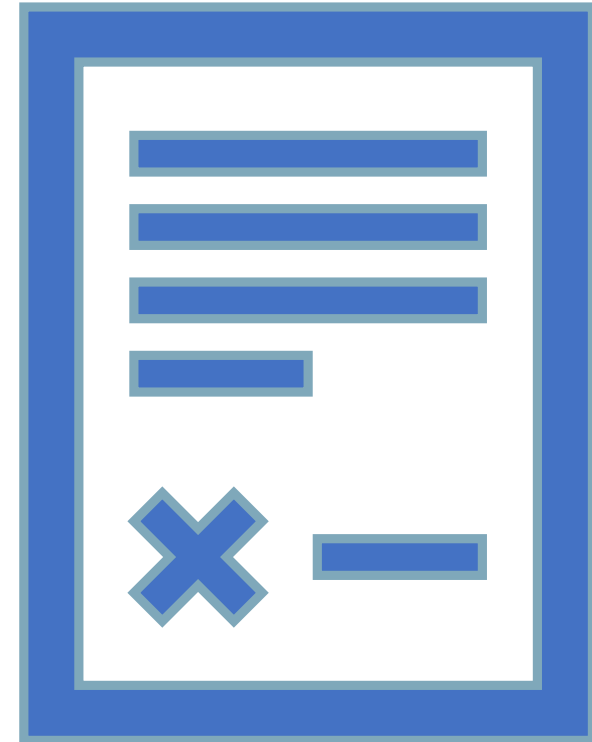
What is management consultancy service?

- A set of multidisciplinary activities of **intellectual work**, within the field of management, which aims to **create value** or promote changes, by providing advice and proposing solutions, by taking into account actions or by producing deliverables.

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Who is a management consultancy service provider (MCSP)?

An organization that offers and delivers management consultancy services.

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Assignment

- Service to be provided by the MCSP to the client and the recipient as described in the agreement.

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Client

- Organization that agrees to the management consultancy services supplied by the Management Consultancy Service Provider.

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Project

- A unique process , consisting of a set of coordinated and controlled activities with start and finish dates, undertaken to achieve an objective conforming to specific requirements , including the constraints of time, cost and resources.

Project Governance

- A system by which an organization makes and implements decisions in relation to projects.

Management consultancy service as Project

Every management consulting service has a definite beginning and definite end, therefore it is a 'project'.

Therefore all project management principles and practices need to be followed during this project, only then the consulting service can be managed effectively and efficiently.

Note: Management consultancy services provided to large organizations with presence in multiple countries and multiple cities is managed as programme. Programme consists of multiple projects.

Note from my experience: Many consulting service providers submit a project plan to client at the beginning of the project, but it is rarely followed.

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Project Practices

Some of the important project management practices to follow during consulting are:

Project Human Resource Management

Project Risk Management

Project Communication Management

Project Stakeholder Management

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Project Team Structure

The MCSP should have a clear team structure such as:

- Lead Consultant and/or Project Manager
- Consultant/s
- Supporting Consultant/s

Each of these roles should have clearly defined responsibilities and there should be no confusion (or conflict) about what is expected from each of these roles.

Client should be communicated about these roles and responsibilities and must have clarity on whom to communicate during the execution phase.

Client often becomes confused when multiple people in the MCSP project team addresses their concerns and queries. Project communication Management along with Project HRM will help to avoid this.

The management consulting process

Consulting process includes three activities:

- Contracting
- Execution
- Closure

Contracting

The client and MCSP reach a clear agreement on the scope and approach of the service to be provided and commit to working together.

This activity starts once the client and the MCSP have reached an understanding of the other party.

Execution

Once agreement has been reached, the next part of the assignment is execution.

The MCSP provides the service in accordance with the agreed approach and plan. The MCSP and the client need to collaborate with confidence, fairness and mutual respect to achieve a mutually positive outcome.

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Closure

The final stage of the assignment is closure.

After completion of the assignment, including the delivery of all deliverables and assessment of the results, the assignment is "closed" by resolving any unfinished items and meeting all contractual and legal obligations.

It is critical that the MCSP gains acceptance from the client that the assignment is complete.

Responsibilities in Management consulting

- The Management Consulting Service Provider is responsible for its resources and work, however the ultimate accountability for decisions, outcomes, deliverables and the impacts on stakeholders lies with the client.
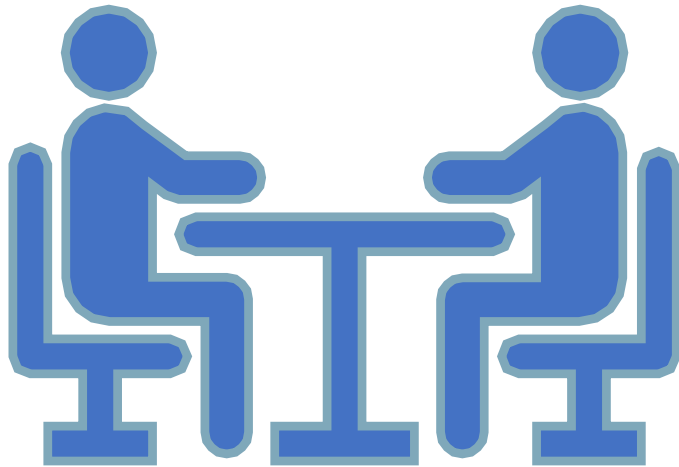
Stakeholder engagement and agreement

- The MCSP should engage in dialogue with the client to identify the relevant stakeholders and agree on their involvement.

- The MCSP together with the client should then engage with those relevant stakeholders **to agree on their involvement.**

- The role of stakeholders and their relationship with the MCSP should be described in the agreement.

- The agreement should include:
  - access to information;
  - consultation;
  - communication;
  - roles and responsibilities

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Code of ethical and professional conduct

A code of conduct should be observed in order to guide the ethical and professional conduct of the MCSP during the assignment.

This code of conduct should include major topics such as:

professional behaviour;	sustainability;	social responsibility;	conflict of interest;	integrity.

Project Governance

- An appropriate system for project governance should be agreed.

- The project governance system should include:
  - scope of work and deliverables;
  - policies, processes and methodologies to be used;
  - stakeholder responsibilities and accountabilities;
  - interactions such as reporting;
  - process for escalation of issues;
  - process for identification and management of risks;
  - mechanisms and controls to monitor, support and enforce ethical behaviour;

Communication

Clear understanding between the client and the recipient and the MCSP is critical for the success of the assignment.

Effective communication maximizes understanding, creates confidence and minimizes risks.

An effective strategy and policy should exist for communicating with relevant stakeholders for the duration of the assignment.

Risk management

01

The MCSP should continually anticipate, evaluate, prioritize and manage risks and quality issues associated with the assignment. Both the commercial and project-related risks should be considered.

02

The MCSP should coordinate and apply the required resources to minimize, monitor and control the probability and impact of unforeseen events.

03

All decisions relating to the engagement risks as well as risk identification and mitigation strategies should be approved according to the MCSP's own policies and procedures.

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Capability

- The MCSP is responsible for developing and maintaining appropriate capability throughout the assignment.

- The MSCP should only seek and accept those assignments that it is capable of fulfilling.

- Capability includes:
  - managed staff, including contractors (expertise, consulting and personal skills);
  - other resources, including access to specialized knowledge, methodologies, tools and technology and other relevant non-staff resources.

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Examples of capability

Domain Expertise

- Industry knowledge
- Business knowledge
- Deep Knowledge of the standard/s

Consulting skills & People skills

- Knowledge and experience of consultancy processes
- Cognitive skills
- Problem solving skills
- Resourcefulness
- Communication skills
- Collaboration skills
- Conflict management skills
- Relationship Management skills

Ongoing evaluation and improvement

The MCSP and client should agree on a suitable methodology for ongoing evaluation and feedback throughout the assignment.

Even if no evaluation is included in the agreement, the MCSP should have a process to learn from the work it undertakes.

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