



consultancy with clear direction

White Paper

Effective Commissioning of Consultancy

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Effective Commissioning of Consultancy

Introduction

This paper provides a short guide to key factors that commissioners and clients should consider when engaging external consultants to undertake work on their behalf. It provides commissioners with an outline of factors that should be taken into account before formally engaging consultants, and also provides a reference point for managing the client/consultant relationship once the relationship is established.

This paper is underpinned by three elements:

1. The authors possess hard-won knowledge and experience gained from many years' experience as commissioners contracting consultants on behalf of the health service, local authorities, government agencies, voluntary organisations, universities and private sector companies.
2. The authors are themselves consultants and have a wide experience of providing consultancy in public and private organisational arenas, and of key factors that contribute to the success or failure of a project.
3. The paper synthesises comments of commissioners who have used Ergo to undertake work on their behalf and a review of literature relating to the study of successful consultancy.

Consultancy is, at its most fundamental, a relationship between the commissioner and the consultant that exists to enable the commissioner to achieve an outcome, important to their organisation. From the outset the commissioner needs to have confidence that the consultant can achieve what he or she is contracted to do. For commissioners to develop this confidence, the consultant should be able to provide evidence of a number of discrete qualities likely to underpin capacity and capability. Suggestions of key qualities that contribute to establishing confidence on the part of the commissioner are summarised in the section "Knowing your Consultants".

Less obviously, successful consultancy makes demands on the commissioner that, if unmet, can undermine the consultancy process and its outcomes regardless of the quality of the consultants. Suggestions of elements that apply to the commissioner that are likely to enhance a successful relationship are summarised in the section "Understanding your own requirements" which is a useful starting point when you are considering using any firm of consultants.

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Understanding Your Own Requirements

Some commissioners are very well aware of what is required and can construct a project plan with clear aims, objectives, timescales and resource requirements and methodologies required to gather and analyse data. However, it is also the case, that some or all of these fundamental requirements may be unclear or unconsidered.

As a first step, you could ask yourself, the following questions:

What do you want to achieve and why?

Does it link to your business plan or is it a piece of work that might improve performance of your organisation but is not essential or fundamental? Will your customers, organisation, your staff or partners benefit? Remember that to get support from others in your organisation there must be some tangible benefit for them.

Capacity versus capability, or both?

Is the reason that you cannot undertake the required work in-house because your organisation does not have the capacity to carry it out or to implement potential recommendations? Or does your organisation lack this particular expertise or motivation, or is your organisation short of capacity and expertise together?

Do you need to achieve quick wins or long term change?

Sometimes the need for change is so urgent, that there is a danger that the usually longer lasting, but more difficult and costly long term change will be put on hold simply to buy time for this change. Good commissioning and good consultancy should be clear about longer term change and short term fixes should be styled to be consistent with longer term aims.

What resources are required?

Do you have a separate consultancy budget or will you have to fund it from elsewhere? If the latter is the case, who do you need to convince to secure a suitable budget?

As well as the timescales and financial resources needed, how will your existing employees support the process? Will they participate in a limited or more integral way and will they provide practical support for the consultancy? You will need to take account of the fact that if you want your staff to engage with the consultancy, learn from it, and implement its findings integration

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is the better bet. We try and take staff with us in order to ensure that our recommendations will be embraced not just by top management but by staff across the agency or agencies. By simply expecting staff to provide administrative and low-level practical support you might find that staff do not participate fully nor offer their best insights, and may resent the consultants (as (overpaid) and as representing an unwanted addition to workloads.

Political support and defining accountabilities

Does your planned consultancy process have support at the right level? Without this, and without access to key opinion formers for your organisation, the consultancy process starts as an uphill struggle. This is particularly true when the proposed consultancy involves partners and diverse stakeholders.

The above are simple questions, but the answers to them are often extremely complex and it is not unusual for potential commissioners to be unable to answer many of these questions that fundamentally influence the commission.

If you would like to find out more about successful commissioning Ergo offers a free organisational diagnostic, to help you to quickly build a realistic tender through an **Ergo Options Report**.

We will send in some of our most experienced consultants to spend a few focussed hours with you - and if relevant - your team, gaining a clear understanding of the issues you are facing.

We then go away, analyse the data we have gathered, and draw up a confidential **Ergo Options Report**. We will give you some time to digest the findings and recommendations in our **Ergo Options Report** before discussing with you how you would like to proceed.

Take action:

Contact one of our lead consultants now to find out more visit ergoclear.com

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Knowing your Consultants

Identify areas of general and specialist expertise required

Can the firm that you engage prove it has the expertise required for your commission or are they re-hashing a version of something they did for another client? Ask potential consultants to show they understand the sector in which your organisation works, statutory or financial limitations that apply to it and the pertinent policies, accountabilities and objectives. What other information would give you confidence that the consultant has understood your very particular requirements and can meet them?

Ideally, commission consultants who have expertise in your area or allied fields. No firm can have done everything before, but do they have the right transferable skills? Don't be afraid of new eyes taking a fresh approach, but do ensure that your consultant has undertaken similar, transferable work. For example, if you are a petrochemical company that wishes to alter shift patterns for oil-rig workers, you might benefit from a firm that has an understanding of work-life balances, of factors that leads to accidents at work rather than a consultancy which has petrochemical sector expertise but limited knowledge of interpersonal dynamics and safety systems.

At Ergo we believe that no two commissions are the same, which means that off-the-shelf consultancy is of limited use.

We help our clients to set strategic and operational objectives; manage or commission new services, or rescue failing services; manage performance and redesign organisational structures; evaluate and improve how organisations and partnerships work together and provides learning and development opportunities for staff.

Ergo specialise in strategic review and development; operational and interim management; human resources development and capacity building; and strategic communications for internal and external stakeholders to improve organisations.

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Match the consulting firm with your organisation

Commission the right level of consultancy – if you are a multi-billion, multi-national you probably want a firm with global reach. If you are a national, community or local organisation, smaller firms may be better placed to meet your needs.

Ergo does not pretend to be a global organisation. But, we are currently working with a variety of organisations at a local level through to national remit. We currently work with Government departments, primary care trusts, local authorities, the international and national voluntary sector and multi-agency partnerships across the UK and Europe.

In addition, Senior Directors at Ergo examine and approve every potential commission. This is not just because we want to ensure that we can help you, but also because applying for work is a time consuming and expensive process and it is poor business practice to waste resources on making applications for work we are unlikely to be commissioned to undertake for any reason.

Identify a track record

Commission an organisation with a track record because you want it to be around to finish the project. Can it provide testimonials and references and put you in contact with previous clients – if not why is that?

Does the firm take on work for which they have relevant experience, skill or qualification or does it apply for every tender no matter how little experience the firm has in the sector?

With over 80 years combined experience, Ergo consultants draw on lessons learned from a very wide range of organisations. We are skilled at pulling together information, and producing practical strategies. We build on your existing strengths and find the simplest

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way to solve issues. We combine academic rigour and research with real-world experience. We deliver on time, and on budget. We are happy to work with you on small or large projects.

Ergo has a track record of 15 years of highly satisfied clients. We would be delighted to put you in touch with some of them to prove it.

Is the firm creative yet realistic?

Are your consultants intelligent and confident enough to question you? Will they provide you with a range of creative options to consider, that might provide a different or more efficient method (not just safe and expected options) to investigate the problem or indeed attempt to solve it that you might not have thought of? Are they honest and realistic about your ideas and expectations, and their own limitations?

Ergo consultants always work collaboratively, keeping you informed of what we are thinking and what we need to do together to succeed.

Does it offer value for money?

Can you terminate the commission at key stages, and if so, what will be the effect of the termination?

Who will actually carry out the work? If you engage a prestigious university or global consulting firm it is unlikely that research, implementation or project management will be undertaken by the professor or senior partner that is formally accountable for the commission. It is more likely that less experienced staff will do most of the work and senior staff will exercise little direct influence upon the project unless things have gone seriously wrong. This may not matter but make sure that you know who will be working on your project and the relative contributions of team members.

When you engage Ergo, you have direct access to a senior consultant (usually an Ergo Director) who will be **directly** involved with the

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project at the coal face of your organisation rather than twice or three times removed from your organisation. This means we can really understand how your organisation runs: we do not depend on the perceptions of junior or relatively inexperienced staff involved in delivering the project.

Will you be engaged throughout the commission?

There really is no such thing as a straightforward project, and surprises are not always welcome. Many consultants spend weeks analysing, secretly huddling with their colleagues before shocking you with a report at delivery time. You end up with a report that misses or misunderstands vital information and you may either have to abandon the project or even have to re-commission different consultants.

We can work within rather lax reporting regimes. However, as a preference, we prefer to keep stakeholders informed of our progress and our provisional thinking. This ensures no unpleasant surprises and keeps stakeholders and staff engaged with the project. It also enables the ongoing review of our performance and any finessing of our intervention as required.

Does it provide fit for purpose policies and practice guidance?

As a potential commissioner you will undoubtedly want to know that the organisation you commission has policies that match your ethical and legal requirements. Does the consultancy have policies and procedures that fit with yours? Are their policies and procedures covering health and safety, equal opportunities, and procedures for investigating grievances transparent, appropriate (rather than simply plagiarised from some other organisation or the internet) and open to examination and review. Does the consultancy have robust data management, security and retrieval processes. Does it have a disaster recovery strategy in place? Would you want your commission to go up in flames because

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your consultant's offices did, and they had not mitigated that risk?

At Ergo, all of our policies and procedures are reviewed and tested annually. The latest versions are available for download on our website.

Does it possess an accessible Code of Practice?

Does your consultant work within an agreed Code of Practice? This goes beyond adhering to policies and procedures: it forms the moral climate in which any organisation operates. It should set out expectations and obligations on both the consultant and the commissioning organisation, and help both parties get the most from the relationship. As a minimum, it is expected that the code establishes a baseline for activity upon the firm and consultants working on your behalf, and including areas such as: confidentiality; meeting clients' needs; tendering and contracting; consultancy practice; personal conduct and legitimate expectations of the part to be played by clients in furthering the work.

At Ergo each individual consultant is bound by our Code of Practice. We are happy to sign this at the start of every commission and provide you with a copy attached to each of our contracts.

Fees

It is important to know whether the charges that you incur will correspond with your budget for the life of the project

We believe fees should be clearly structured so you know exactly what you will get for your money. All our fees are published on our Web site ergoclear.com

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Indemnity

Everyone hopes a commission will go well and without damage or injury to staff, service users or the consultants themselves. However it is vital that consultants maintain adequate insurances to protect your organisation should things go wrong.

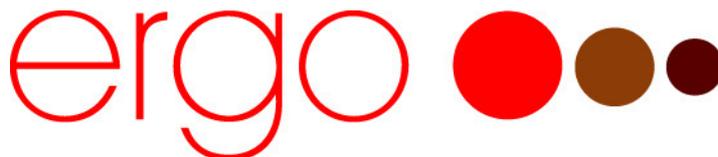
Ergo has Public Liability cover of £5 million and Professional Indemnity Insurance of £500,000. In addition some of us have professional indemnity provided by British Association of Social Workers and British Psychological Society. Certificates of insurance are available from p.scott@ergoclear.com

Contact information

Ergo Consulting Limited (formerly Lucas Sandberg) is a company registered in the UK #4760390. Reg. office: at Suite 3, 24 High Street, Ruddington, Nottingham NG11 6EA

For more information on items contained in this report and for help with quickly building a realistic tender, contact us for a free Ergo Options Report.

Take action: contact one our lead consultants now.



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