

# Why Use a Consultant?

**Key Learning Points:**

- Reasons to use a consultant
- Implications of using a consultant
- Whether to use a consultant or internal resources
- Political implications of using a consultant

*executive ability: the art of taking all the credit for the hard work done by others*

The reasons and rationales for using consultants are vast. Some clients minimize their use of consultants and prefer to use them only in the most desperate or trying of circumstances when there is seemingly no other option available to them. Other clients see positive strategic implications in using consultants: These clients never consider consultants as the absolute last choice available, but rather recommend and expect their organizations to use them where feasible. And of course,

there are those in the middle—the great majority of clients that fall in between those two polarities of opinion and action—that use consultants upon occasion and view their use as appropriate in certain circumstances or situations.

From my own experience as both a client who used consultants and now as a consultant to industry executives, the least productive time to use a consultant, or at least the time to have the minimum expectations of the consultant's contribution, might seem counter-intuitive to some readers. If consultants are called in to "bail out" an executive when essentially "Rome is burning" and time is of the essence, they are rarely able to bring the full measure of their experience and knowledge to the client. Clients might think these times would be ideal for a consultant: "We only need the consultant in these times of crisis. We are able to manage the situations that arise on a daily basis just fine. It is the extreme, out-of-the-ordinary situations that require someone with more background, resources, and exposure to methodologies." What happens more times than not in these situations is that the consultant is constrained by the following:

- Previous commitments made by internal employees ("I pledged to my boss that I would get that software integration done in the second quarter and it *has* to happen or I will lose face!")
- Oversights ("I did not realize that Marketing would care if we saved a few cents on our production costs by lessening the packaging expenses and reducing the amount of color used on the label.")
- Mistakes ("How was I supposed to know that employees cared about being able to access their corporate e-mail from the road—I don't travel on business!")
- Errors ("It never occurred to me to ask our Information Technology Group if they had any interest in being represented on the team determining our sales order entry system. I figured it was a 'sales' issue.")

Being constrained by situations such as those listed above forces the consultant to make decisions that are hasty and might sacrifice quality for meeting a deadline.

A sign that appears in my local dry cleaner's store sums up the dilemma quite nicely, "Your inability to plan is not my call to action—it will be ready in five days!" Unfortunately, few people use that dry cleaner because of the unwillingness to rush certain jobs. Within the consulting profession, the overwhelming majority of consultants who have been in business more than three years can likely share their own stories of having to accept projects that were required to be completed in times far too compressed and at a sacrifice to the potential benefit of the project had it been better paced and scheduled. Some consultants willingly accept rush jobs and simply charge higher fees for the inconvenience of being forced to cut corners, rush, provide less than their best work, and just meet a deadline.

Rather than have my own in-house production facility that reproduces manuals, workshop materials, presentations, or findings reports, I use a local printer that I have established a relationship with over the years. This printer is fond of telling new customers unfamiliar with how service providers operate the following: "You, as a customer can choose two out of three options. But I will choose the third. You can have it cheap and fast, but I will be unable to do a very high quality job. You can have it fast and high quality, but it won't be cheap. You can choose to have it high quality and cheap, but it won't be done fast. The choice is yours. I know that as a customer, I might want all three, but practically speaking, I will be unable to accomplish all three. One of them will have to be compromised."

I see the same things occurring with the kinds of consulting projects mentioned above. Clients find themselves behind the "8 ball" and then seek relief from their own shortcomings, but expect the consultant to magically create answers without having completed the due diligence that so often is required to provide true "value-added" benefit. Of course, this also leads to clients and consultants accepting "square pegs for round holes" in an effort to meet a deadline and explains why there is such a proliferation of standard, one-size-fits-all solutions. These solutions are seemingly easy to implement, though any client can affirm after trying to do so that what seemed possible on paper becomes a whole lot harder in actuality *because* it is not a solution geared for that company specifically. In addition, these solutions appear to resolve the issue for the moment; however, both client and consultant

are engaged in an activity that approaches an ethical gray area when they use “cookie cutter” solutions. Hiring the consultant to do what the client *should* know will be ineffective and the consultant had *better* know is not designed to succeed is really not in the organization’s best interests and leads to blaming behaviors, lawsuits, and hard feelings when down the road the results are not what were expected and the finger-pointing begins and culpability must be assigned.

## Reasons to Use Consultants

There are times—other than just the extreme situation described above—when it makes sense to use a consultant. While some situations are “better” than others (to be subjectively determined by each client), they all do occur with some regularity according to the clients and consultants I have come in contact with:

1. Some clients seek outside expertise that cannot be found or is undeveloped internally. When staffing (and especially in our current economy when so many companies are looking to become as efficiently staffed as possible to reduce fixed costs and overhead), many companies will not see the economic value in hiring and paying full-time salaries and benefits to “specialists” who are called upon only rarely (if ever) as an “insurance policy” in case the need arises. While most smaller and mid-sized companies will need the recurring skills of a bookkeeper and will hire one, a full-time accountant on staff might be judged to be beyond the needs of that company. That same company might occasionally contract with and use an attorney for trademarking or copyrighting products and advertising campaigns, but will not have that person on staff as corporate counsel to handle future lawsuits or other legal issues that are as of yet, unidentifiable. In these examples, it makes good business sense to “pay as you go” for the services of an expert that a company does not require on an ongoing basis. From a client’s perspective, even if the fees charged for the consultant are more than it would cost on a “per-project basis” had the company hired someone with that background to join their staff, the economics of *not* having to pay for the services when the