

Title:

Putting Professionalism back in Management Consulting

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856

Summary:

There has been a change in business change consulting. Professionals who did things their own way were replaced by inexperienced staff who faithfully followed a methodology to produce contract-satisfying deliverables. We need a new consulting model so that consultants can work in partnership with the enterprise to leverage enterprise capabilities and put professionalism back in management consulting.

Keywords:

enterprise,management,improvement,consultants,change,capability,risk,implementat
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Article Body:

I have seen many changes in my forty years as a professional management consultant, particularly in the business change and management improvement practices. My specialty is applying information technology for the benefit of the business. In the 1960s and 1970s, we developed information systems from the ground up to satisfy user requirements. It was clear that users could not envisage how IT could really benefit the business. So much of our value was in helping users define and understand the main results the business had to produce and then in designing the fullman-machine solution to produce better results. We did not implement the system, we implemented the methods and procedures to improve results using the system.

Then in the 1980s, things began to change. Application packages quickly replaced custom development. This lowered the cost of a quality system, but it also created a gap between the system and the business.

Since he no longer developed the system, the professional, who understood the business, had to dig deep to understand the functionality of the package to apply the advanced features that enabled the business to improve. The professional who understood the package did not understand the business and saw his role as explaining use of system.

For consultants, employing the application package to improve the business was

difficult and risky. The risk had to be contained, so the approach became system implementation to convert a defined portion of the existing business over the new system.

So consultants chased the new business opportunity in packaged system implementation. It started with the big audit consultants, whose approach to consulting tended to parallel the approach to auditing--use junior staff to follow methodologies and produce deliverables.

Consulting firms developed methodologies for system planning, system evaluation and acquisition, and system implementation. The methods were executed by junior consultants, who no longer needed the analytical capabilities and business knowledge of past professionals.

Methodologies began to spread to other facets of consulting like strategic planning, etc. In the 1990's a new wave came in business process re-engineering, producing new business transformation methodologies. These methodologies concentrated on the business, but avoided IT, since business change could be executed quickly, and IT change was notoriously slow. This created a gap the other way between the business and the system.

Then integrated applications systems were relabeled as ERP systems and proclaimed to employ industry "best practices" that would automatically solve the problem. Many consultants supported a particular ERP package implementation, so then system planning and system evaluation and acquisition methodologies favored that package to bring in the enormous implementation revenues.

But, ERP system implementation employed the same implementation methodologies that concentrated on conversion of existing data, business rules, and practices. Employing industry best practices required strong user effort beyond what the consultants provided.

In recent years, there have been exposes of the problems with management consulting. Books have been written about the bad practice that also developed within management consulting firms.

Much of the professionalism has gone out of management consulting. What do we have to do to bring professionalism back into consulting, particularly for business change and management improvement consulting.

This is one of the issues we have been discussing at the Business Change Forum, in order to define problems with conventional methods and discover breakthroughs in enterprise management.

We need to employ a new management consulting model that requires change by both

the enterprise employing consultants and the management consultants and consulting firms. The enterprise must have the capability to manage its own development and manage the achievement of benefits. The consultants must get away from employing rote methodologies, and return to professionalism to work in partnership with the enterprise.

The new consulting model involves the following elements on the part of the enterprise:

- o Structure the enterprise to define and manage precisely what the enterprise must do to be successful
- o Structure enterprise capital to manage all capital utilized to produce enterprise success
- o Install a professional capability to manage enterprise investments and development programs

The new consulting model involves the following on the part of consultants:

- o Help the enterprise understand and plan the value to be created by change and improvement to provide the return on the investment
- o Work with the enterprise in partnership to create precisely-defined value
- o Provide proven professionals with analytical capabilities and specialty experience
- o Leverage the enterprise teams to produce enterprise products and improvements. Do not do anything that the enterprise can do itself
- o Work with the enterprise through to utilization of improvements for benefit and return on investment
- o Do not implement information systems, implement the improved process that incorporates the system
- o Do not provide consultant deliverables for review. All documents are accepted enterprise knowledge and records. There is one consultant deliverable, shared enterprise success

Management consultants need the new model to eliminate the old problems and risk

in gaining benefit from business change and management improvement. Only when we have a way for the enterprise and their consultants to work together in partnership for measured success, will we have a way for consultants to return to the professionalism of old.