



## **Benefits of independent management consultancy**

### ***Introduction***

Small, independent consultancies have always existed in the market place along side the larger players. For many years now the larger consultancies have marketed themselves as generalist “one stop” shops, and have dominated the sector by influencing senior management through the sheer weight of resource available to them, and the notion of being a ‘safe place to shop’. However, it is more often the smaller specialists that are actually prepared to initiate and implement change on behalf of their client.

During the last few years the market has seen a significant shift. The large firms have still managed to prosper, but largely through outsourced or key supplier relationships rather than business and management consultancy. Meanwhile, smaller specialist consultancies are beginning to flourish again by offering uncluttered independent advice based on real experience and knowledge of their subject. The smaller players are less likely to have a vested interest in maintaining the status quo of an organisation.

Small niche consultancies, such as JPSA Consulting, are now enjoying success through their ability to provide practical and experienced resources that are willing to share their knowledge and experience with clients and their staff. Niche consultancy does not suffer from the usual barriers to entry into an organisation that the larger supplier may as they are selling individual experience and research at an organisation or person level, rather than the volume resource of the larger groups. Niche consultancy is a quality service that thrives on the independence, knowledge, relationship and trust it builds with its clients.

### ***What is the niche for independent Management Consultancy?***

By ensuring that the client’s needs are understood, goals can be defined, and an action plan implemented to ensure that both the organisations and the sponsor’s objectives are achieved. Today’s business environment is a continually changing place. Organisations find themselves under a wide variety of pressures, ranging from regulatory requirements on control and reporting, to the cultural differences and expectations of managing global teams and projects. As people are given more responsibility in an organisation, they often find themselves managing tasks, people or projects where they have a minimal amount of personal experience or training. In these circumstances, a niche consultancy is able to provide independent advice, experience and support in a safe environment.

The value that niche consultants can add can be considered in the following key areas:

### ***Research and Development***

Niche management consultants are able to consider the current and future projects and management issues faced by an organisation, with the benefit of independence from the daily politics that often plagues line management. Those projects may be procedural,



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such as business continuity or financial control reporting (for example, Sarbanes-Oxley or Basle II), or they may be more esoteric management issues such as global integration and changing management styles. Niche consultancies can provide free thinking advice that is both researched and tested with peers of a relevant background.

### *Network Management Support*

Niche consultancies, like JPSA Consulting, have developed extensive networks of people and like minded organisations that compliment each others services without creating a financial burden on their operating costs. They are able to provide the services of highly skilled and knowledgeable people at realistic rates, without the overheads of the larger firms. For example, JPSA consultants have access to the intellectual property developed by the consultancy as a whole, and the network's experience for the execution of their assignments. This can provide the clients with significant benefit from an enormous array of knowledge. These networks can also provide an introduction to independently focused organisations that provide quality and competitive specialist services in a variety of areas.

### *General and Discretionary management*

Niche consultancies are particularly well equipped to provide management support in a variety of areas. JPSA Consulting for example offer the following services to their clients.

**Change Management** – addresses many soft and hard management issues such as cultural development and integration, knowledge management, organisation development, workflow management, document management and expectation management.

**Operational Management** – this area will address functional line management of an organisation either as additional resource, or in an ongoing advisory and mentoring role. This can address specific operational issues such as line management, cost management or the introduction and facilitation of new management procedures that compliment and support an existing management team.

**Procedure and Process Development** – As functions develop and mature the need for process and procedure increases or at least change. Based upon practical management experience in a variety of organisations this area will bring together and roll out quickly and efficiently the current thinking on best practice.

**Programme and Project Management** – provides effective management experience to deliver to time and cost both interrelated and individual projects. Within this area JPSA can also address the management and planning information provided by a project office.

**Interim Management** – provides senior people to fill and often fix temporary gaps in a management structure. These assignments usually lend themselves to line management



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requirements, but can also address, for example, the temporary role of outsource planning and coordination.

### ***Consultants versus Contractors***

There is often some confusion over the role of contractors versus consultants, particularly with regards to the small, niche consultancy. Where the small, niche consultancy is concerned, considerable investment goes into providing the right people to the right position and then supporting them through the network or account management. Niche consultancies, such as JPSA, only place resources that have practical and relevant experience and are known to them either by previous client assignments or strong recommendation from network contacts. Contractors do not operate in this way. Contract resource is often found through Internet searches and usually requires the management support of the client organisation. This is an additional employment burden that many companies are trying to avoid.

### ***Conclusions***

Independent, niche management consultancies, such as JPSA Consulting, are uniquely placed in today's marketplace to provide flexible and cost effective advice in a multitude of areas. Niche consultancies are made up of like minded individuals whose skills compliment or enhance one another and who are willing and able to share knowledge with their clients. They will independently support and improve an organisation's management capability and capacity.

In the last few years a large number of experienced managers have taken early retirement and stepped out of day to day management issues. In many cases this has been pre-empted by the need of companies to cut operating costs, most significantly in head count. However this process has left a void in the personnel development with managers unable to share experience with their natural successors. Independent consultancies like JPSA will provide experienced managers to share their knowledge and advice on a part or full time basis.

In the areas of discretionary spend, such as projects or training and development, a careful balance of permanent and consulting resource is a sensible use of the skills available. By building a close relationship with a niche consultancy like JPSA Consulting, senior managements are able to leverage their operational size and management capacity with the changing expectations of the organisations management. Used properly, the cost of consultancy can provide a return by ensuring everyone's time is used in the most effective and productive way.

*Written, by Jim Anderson, for the JPSA Consulting – May 2005*