

## USING CONSULTANTS

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Management Consultants are frequently viewed with suspicion in Trinidad and Tobago. People often wonder if they are consulting because they have been unsuccessful in a job, or been laid off or some other murky reason. They suspect that they are trying to get a paycheck without providing anything useful in return. They are seen as another form of hustlers.

We all accept now that the quality of our information systems depends not only on the hardware, but also on the software used and the quality of its implementation. Even though many of us have experience with unreliable MIS consultants who never meet a target, we continue to view them as indispensable, because we understand the importance of what they do. What we need to understand as well is that there are other systems we rely on that are just as critical, and also need a similar level of support such as logistics, distribution, marketing, and human resources. If support resources are not available in house, they should be sought outside, as failure of any of these systems could cause the business to fail.

Using a consultant need not be a painful exercise. As any other transaction, you have to know what you want, why you want it and how much you are prepared to pay for it. Before selecting a consultant some thought should be given to the requirements the consultant should meet. The consultant should have qualifications and experience relevant to the area being investigated. If the issue is a production issue, an industrial engineer should be sought, if a personnel issue, a human resources expert. Care should be taken to evaluate the level of the consultant's qualifications and the quality of experience. References should be checked to ensure that the consultant has a track record of success in dealing with similar problems. Wherever possible, more than one consultant should be asked to quote for providing the service. The process of evaluating them can provide a better view of the services being offered as competition helps to define alternatives.

The next most important item is to define the Terms of Reference, or the activities that will be undertaken. These should be done in as much detail as possible, so that everyone can agree in advance what has to be done. An incomplete Terms of Reference gives the consultant considerable opportunity to be unproductive and waste time and effort. If defining the Terms of Reference is difficult, a preliminary or "diagnostic" assessment should be undertaken. It is normally a short exercise of three to five days and frequently compares the business with similar operations in the industry. The results of the exercise should be a clear description of what is wrong, what must to be done in the form of the Terms of Reference for a more extensive project.

Next, the results of the exercise should be clearly outlined in measurable terms. If the exercise will not result in an increase in sales or a reduction in costs it probably is not worth spending the money. Even human resource projects must be submitted to this rigor, as it is well known that if something cannot be measured it cannot be managed.

A cost and time budget should be set, with payment to the consultant being linked to meeting agreed targets and milestones. The Terms of Reference, and the terms of payment should be set out in a contract that is signed by both parties before the work begins.

From the start of the project, a coordinator should be appointed to monitor the consultant's work and ensure that it meets the Terms of Reference. Unanticipated difficulties should be promptly solved so that the work can go forward smoothly and meet targets. As in everything else the more that is put in, the better the chance of getting the desired output.

The increasingly complex and competitive business environment causes even small businesses to draw on resources they cannot afford to maintain in house on a full time basis. Consultants are an important tool in these circumstances, but like every other tool, the user must have a clear idea of how to use them.