

Contractors vs Consultants

are **TEMPORARY** staff

for
ONE OFF PROJECTS
or assist in peaks of work

SPECIFIC SKILLS
and are generally
HIRED AS INDIVIDUALS

NEED TO BE MANAGED
just like an employee

INNOVATION & PRIOR EXPERIENCE

deliver
SPECIFIC OUTCOMES

use their own
RESOURCES AND TOOLS

NO 'YES MAN OR WOMAN'
Challenge their customer if required

Costs

20-30%

more than an equivalent employee
(they have to carry some
of their own operating costs
or 'on costs')

DIRECTLY ACCOUNTABLE
for delivering specific outcomes

provide a **MULTI SKILLED TEAM**

provide
EXPERIENCED SENIOR STAFF
to oversee the project

INVESTED HEAVILY in specific
technology and tools to deliver your required
outcomes.

Why bring Consultants into your Business?

- 1 Experience in solving similar problems. They will get to the solution much quicker - business benefits much quicker.
- 2 Well developed approaches, methods and tools
- 3 Objectivity
- 4 A dedicated team to tackle the specific issue
- 5 Subject matter experts with new ideas.



Automotive analogy.

It's not about the hours worked.

30 man hours to build a car. **x \$30** per hour production staff

CARS DON'T COST \$900

we need to take account of the materials, parts, energy, management overheads, R&D, etc.

The Roles of each party in a Consulting Relationship

CLIENT

works with the consultant in
CLEARLY DEFINING THE PROJECT OBJECTIVES AND SCOPE.

SUPPORTS THE CONSULTING FIRM,
within the customer business.

PROVIDES A PROJECT SPONSOR,
from the company's senior management team, to highlight to the business the importance of the project outcomes.

COMMUNICATES OPENLY AND HONESTLY
with the project team to highlight specific business issues, as well as provide feedback to the consultants.

NEEDS TO BE INVOLVED.
Customers who merely hand over a project to a consulting firm, and then expect to get the solution they seek can often be disappointed. A successful outcome requires 'engagement' by both parties in the project, if only to review and sign off progress at key milestones.



CONSULTANT

Respects the fact that the
CUSTOMER 'OWNS' THE BUSINESS
and that you are merely an advisor.

Sees the business issues from the
CUSTOMER'S POINT OF VIEW.

Works with the customer team in achieving
THE BEST OUTCOME POSSIBLE.

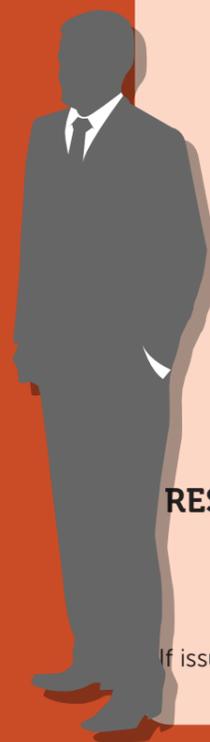
Not blinkered by the project brief.
THINK OUTSIDE THE SQUARE
and constructively challenge if required.

Seeks to
ADD BUSINESS VALUE
in the short, medium and long term.

RESPECTS THE CUSTOMER'S BUSINESS CULTURE
and 'fit in' accordingly.

Never over promise and under deliver! But it's OK to
UNDER PROMISE AND OVER DELIVER

If issues arise on a project, brings them to the customer's attention and
SEEKS A SPEEDY RESOLUTION.



HOW TO GET THE MOST OUT OF YOUR CONSULTING ASSIGNMENT.

A few tips

Clear idea of your expected project outcomes (prepare this in conjunction with your selected consultants)

Be realistic in what you expect to be achieved, particularly in terms of time lines.

Be open about potential issues the consultants might face.

Spend time with the consulting team at key milestones, to ensure your expectations are being met and to provide feedback and guidance to the team.

Be open to challenges from the consulting team. Listen and provide feedback, and then be firm in your preferred course of action if required. It's your business!

Take a senior member of the consulting team into your confidence. Treat this person as a friend and colleague, and the relationship will be far more rewarding.

When selecting consultants for the first time, make sure you take out references, not just on the consulting company, but also the key individuals.

Reference checking should include similar assignments.

Look to the consulting relationship as a long term one. If the consultants really add value to your business, they can be a valuable long term business partner for you.

ISSUES THAT CAN ARISE IN A CONSULTING RELATIONSHIP IF PARTNER SELECTION IS POOR.

Consultant Issues

Don't fit with your company culture and style. They upset your staff and cause disruption.

So, select the consulting company with a focus on 'cultural fit'.

The outcomes you expected are not delivered.

So, have a detailed project brief and review progress at critical stages.

Customer Issues

Certain managers within the business seem to be causing road blocks to the project.

So, try to ensure that the purpose of the project is well communicated within the business.

Key business data is proving hard to source.

So, make sure that appropriate staff meet with the consultants to go over any data requirements they might have.