

# Running a Consulting Firm

The crucial issues

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# Crucial issues

1. Seven market trends
2. The identity of the firm
3. Acquisition and marketing
4. Skilful implementation
5. Professional development

# 1. Seven market trends

- Competition and price-cuts
- Changing client questions
- Fading monopolies and sector borders
- Flexible Labor Market
- Scarcity of top talent
- Globalizing business
- Network organizations

# Competition and price-cuts



# Changing client questions



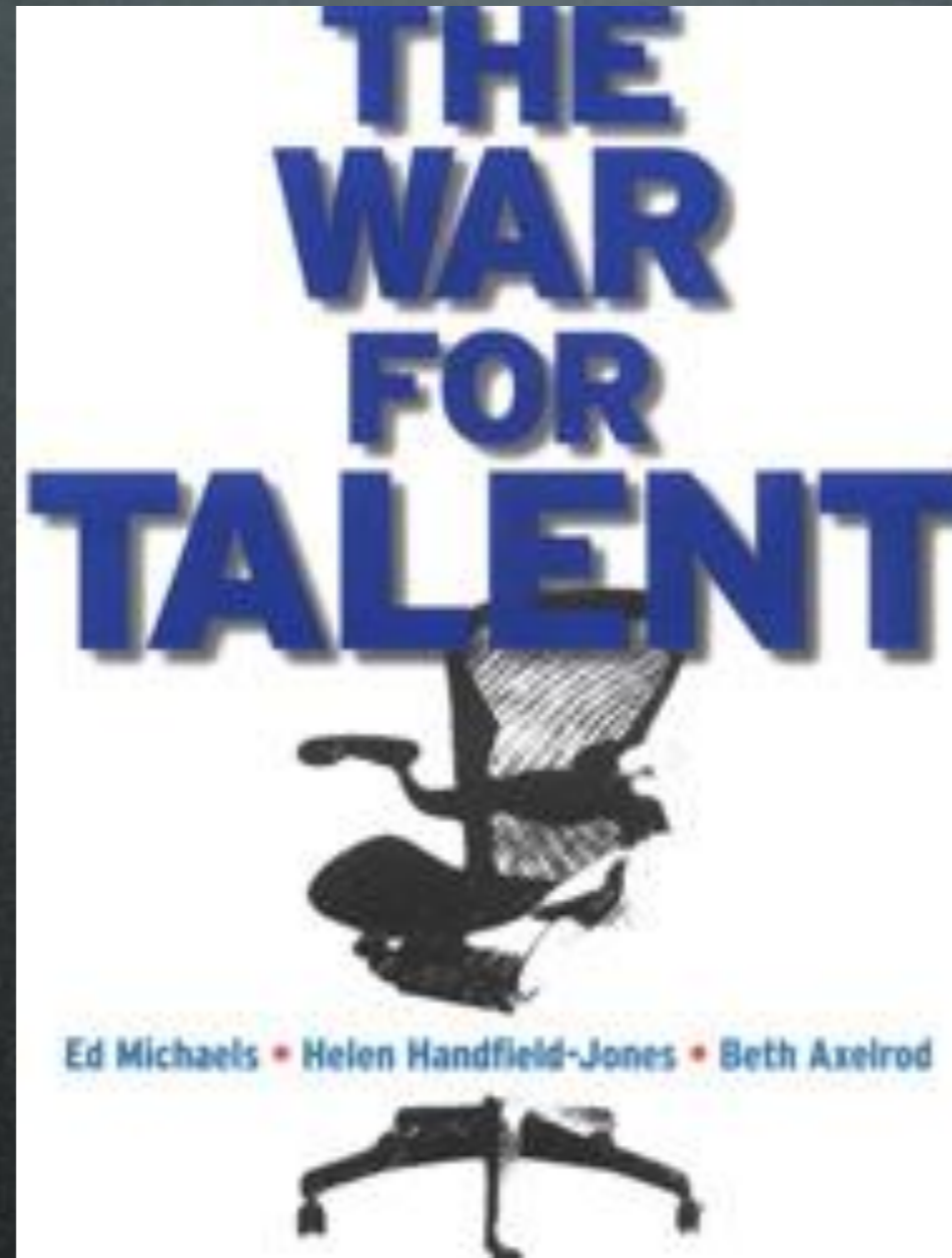
# Fading monopolies and sector borders



# Flexible Labor Market



# Scarcity of top talent



# Globalizing Business



# Network organizations



## 2. The identity of the firm

- The name of the firm
- Reputation of key people
- Specialisms
- Partner engagement
- Grow or not grow
- other?

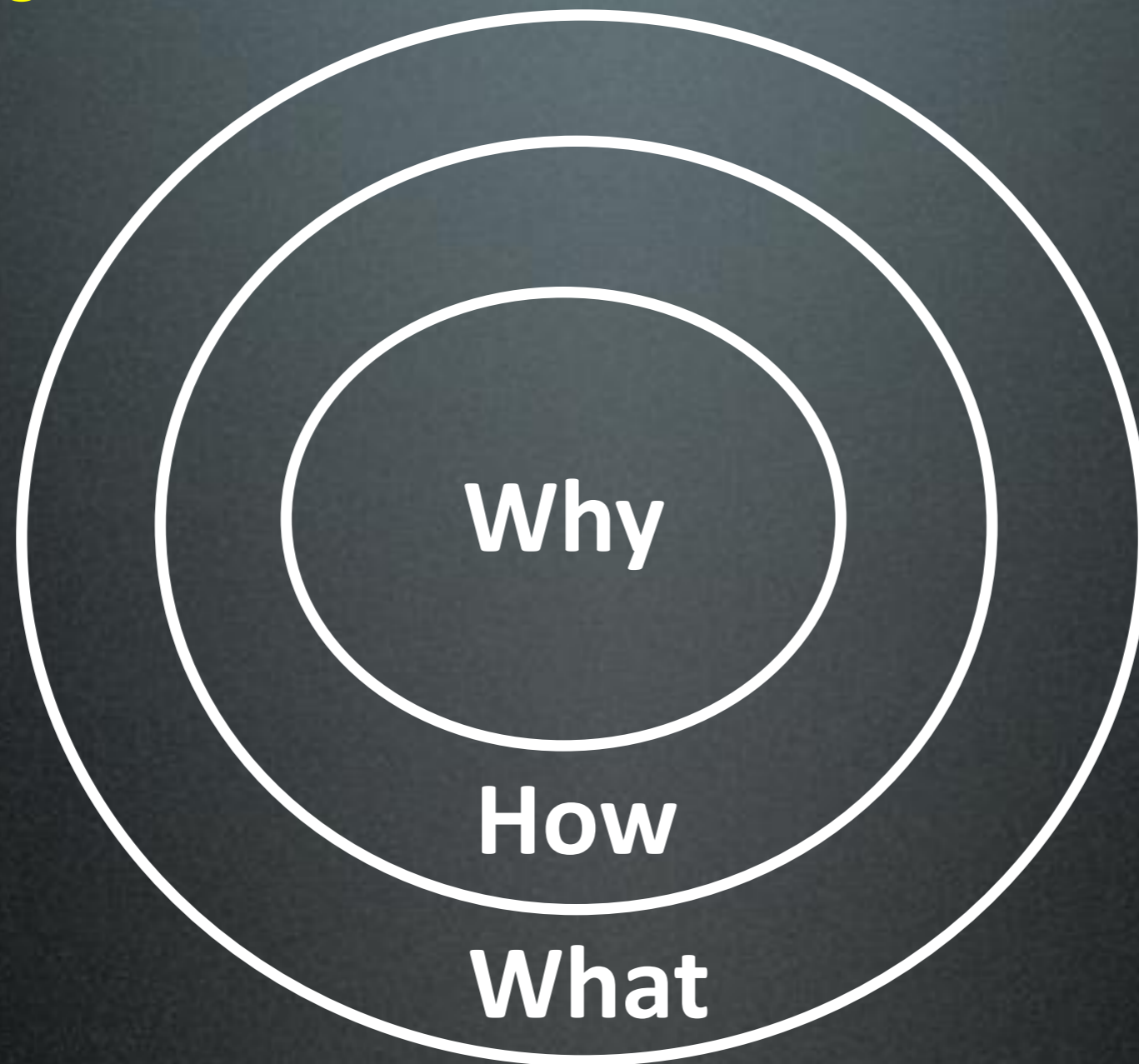
# Holland Consulting Group

- Why this name?
- Well known reputation in the Netherlands
- Specialisms related to partners
- (Associate) Partner = risk taker = owner
- Quality and triple A clients
- What else you want to know?

# Take also in consideration

- Client strategy: big, prestigious?
- Investment in knowledge building and dissemination?
- Ownership: only to active firm members?
- Selection: intellectual capabilities or experience?
- Basis partnership: economic self-sufficiency?
- Promotion: from within. Up or out?

# Golden Circle for creating impact



# Assignment 1

- Split up in 2-3 groups
- Take consulting firm of 1 participant as case organizations
- Analyse firm identity
- Mention strong and weak points
- How to strengthen identity and improve reputation?

# Personal Branding

- You are your own brand
- Personal Branding = a way to distinguish yourself
- Gives focus towards personal development
- Strong Personal Brands = Strong Firm Brands

# What's the identity of Volvo?



# What is his personal brand?



# And this man?



# Your unique identity

- What makes you unique in this room?
- What are your distinctive competences compared to colleagues?
- What makes clients choosing you?



# Personal Branding

- It gives focus towards professional development
- It enlarges the recognition of your services
- It attracts people from within or outside your organization
- *It is needed to work consistently on your own Personal Brand*

# Five guiding perspectives

1. Knowledge: become a specialist in a certain area
2. Style: become recognized with a unique style 'way of doing'
3. Role: become known for a specific role towards your clients
4. Method: become unique based on a special method, service of product
5. Market knowledge: become a leading expert within a certain market, branch

# Becoming a personal brand

- What is your claim? Which pictures and associations are you known for?
- *Be consistent*
- What are your unique talents?
- *What's your competitive advantage compared to colleagues and competitors?*
- Which chances do you recognize inside or outside the company?
- *Are your competences relevant; now and in the near future?*
- How to promote your personal brand?
- *No diffuse signals*

# Assignment 2

- Defining your personal brand!

# 3. Acquisition and marketing

- Advertizing in news papers
- Advertizing in magazines
- Writing articles
- Writing book
- Publishing studies
- Social networking (linkedIn, facebook)
- What else you have in mind?

# You can't apply them all

- Discussion with your neighbour
- What is most effective and why?

# Acquisition: difficult in practice

- Why are a lot of consulting firms not very competent in acquisition and promotion?
- Discuss with your college and formulate five important reasons

# Some reasons for an ineffective acquisition process

- lack of time-management skills
- not much fun
- too much focus on billable hours
- no clear goals; a lack of responsibility
- lack of support and training in acquisition
- lack of 'prospects'

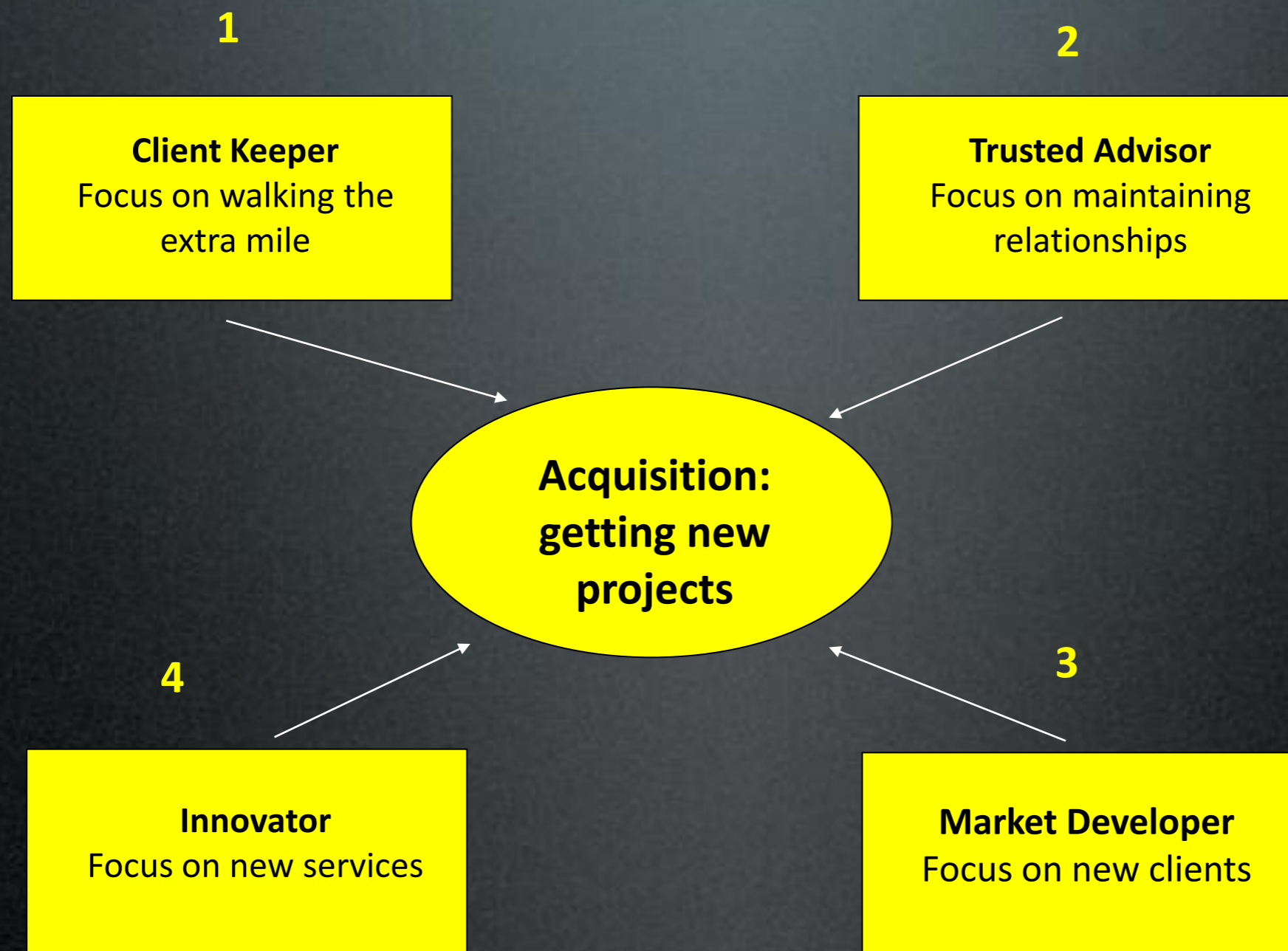
# Holland Consulting Group

- No advertizing in news papers
- No advertizing in magazines
- Writing many articles
- Writing many books
- Publishing limited studies
- No deliberare social networking
- other? Yes, partners on Dutch (business) TV

# Assignment 3

- Split up in 4 groups
- Find the site: [www.mckinsey.com](http://www.mckinsey.com)
- Analyse the firm's presentation
  - What are the strong spots?
  - What are the weak spots?

# Four acquisition strategies



# Assignment 4

- Split up in 3 groups
- Choose one of the organizations of a group member as a case
- Formulate acquisition actions for the chosen organization based on the four perspectives

# 4. Skillful implementation

- some theory
- role play
- conclusions

# The consultancy process

1.Entry

2.Data collection

3.Diagnosis

4.Feedback

*5.Implementation*

6.Termination



The firm should carefully develop skills in these areas

# Deliverables during implementation

1. Developing proposals for change
2. Making changes execution ready
3. Pursuance of the intended changes

The crux of the  
business

# Sub-Phases Implementation

## 1. Action planning phase

1. Search for possible solutions
2. Development and evaluation of alternatives
3. Presentation of an implementation plan or proposal to the client:
  1. role of the consultant
  2. the 'what, how and why' of the interventions
    - the moment of start, the speed, the phasing and the lead time of the changes (time schedule)
    - a definition of new roles and responsibilities
    - training and development of employees or management of the client
    - monitoring and adjustment of the implementation

# Sub-Phases Implementation (2)

- 2. Execution phase
  1. Pursuance of the arranged interventions
  2. Monitoring and adjustment of the implementation

# Another dichotomy

- Technical implementation
- 'Psychological' implementation

Play your strenghts? Or playing on two fields the same time?

# Technical implementation

- Dissemination of a view
- Formulation of standardized expectations
- Rewarding of desired behavior
- Training of new skills
- Measurement of the changes

# 'Psychological' implementation

- Efficiency = quality x acceptance
- Engagement and support
- Commitment

# Time for a role play

- first we will execute a role play (Cyclo Ltd)
- afterwards we will examine the skills needed
- then we have a discussion on how to train consultants in these skills

# Six thinking hats

- Six Thinking Hats - method of Edward De Bono
- Technique to examine different perspectives (of a problem, proposition or decision)
- Six perspectives to think about



# The Cyclo Ltd 'flagship'



# The other cyclo models



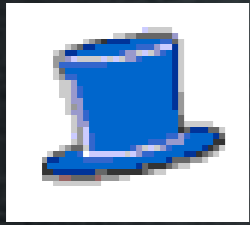
# Cyclo Ltd

- Leading Dutch bicycle producer
- 280 employees (merely craftsmen)
- Specialized in traditional Dutch bicycles
- Demand for traditional bikes has been decreased
- Financial situation requires a new strategy for Cyclo Ltd

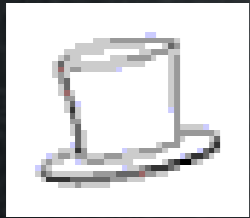
# Cyclo Ltd (2)

- William, CEO, desires to enlarge the market to the new EU-countries (Estonia, Latvia, Lithuania and Poland)
- William wants also to relocate the production to one of these 'low-wage countries'
- The marketing managers strongly advocates a complete innovation of the line of models
- In a minute 6 members of the implementation team (3 Cyclo employees – 3 Consultants) are having a meeting about 'the new strategic approach'

# The roles



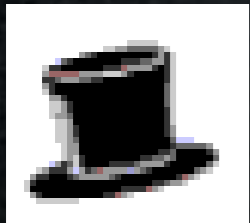
- Blue hat:
- Chairman / structure / considering / examining



- White hat:
  - ▶ Objective / neutral / facts and marks



- Red hat:
  - ▶ Emotional / sensation and intuition / passion / no solid base



- Black hat:
  - ▶ Negative / pessimistic / the devil's advocate / disadvantages



- Yellow hat:
  - ▶ Positive / optimistic / bright view / advantages



- Green hat:
  - ▶ Free thinking / creative

# Five tips for engagement and support

- Participation
- Transparency and freedom of speech
- Rearrangement of ownership
- Change the conversation
- Consider the physical environment
- Suggestions?

# Assignment 5

- Split up in 2 groups
- What skills should a consultant master before he can be made responsible for conducting the implementation phase?

# Conclusion

- Purpose and utilization Six Thinking Hats-method

1. Action schedule phase

1. Search for possible solutions (creative ideas)
2. Develop and evaluate the alternatives
3. Evaluations and selection proposed solutions
4. Presenting a proposal to the client

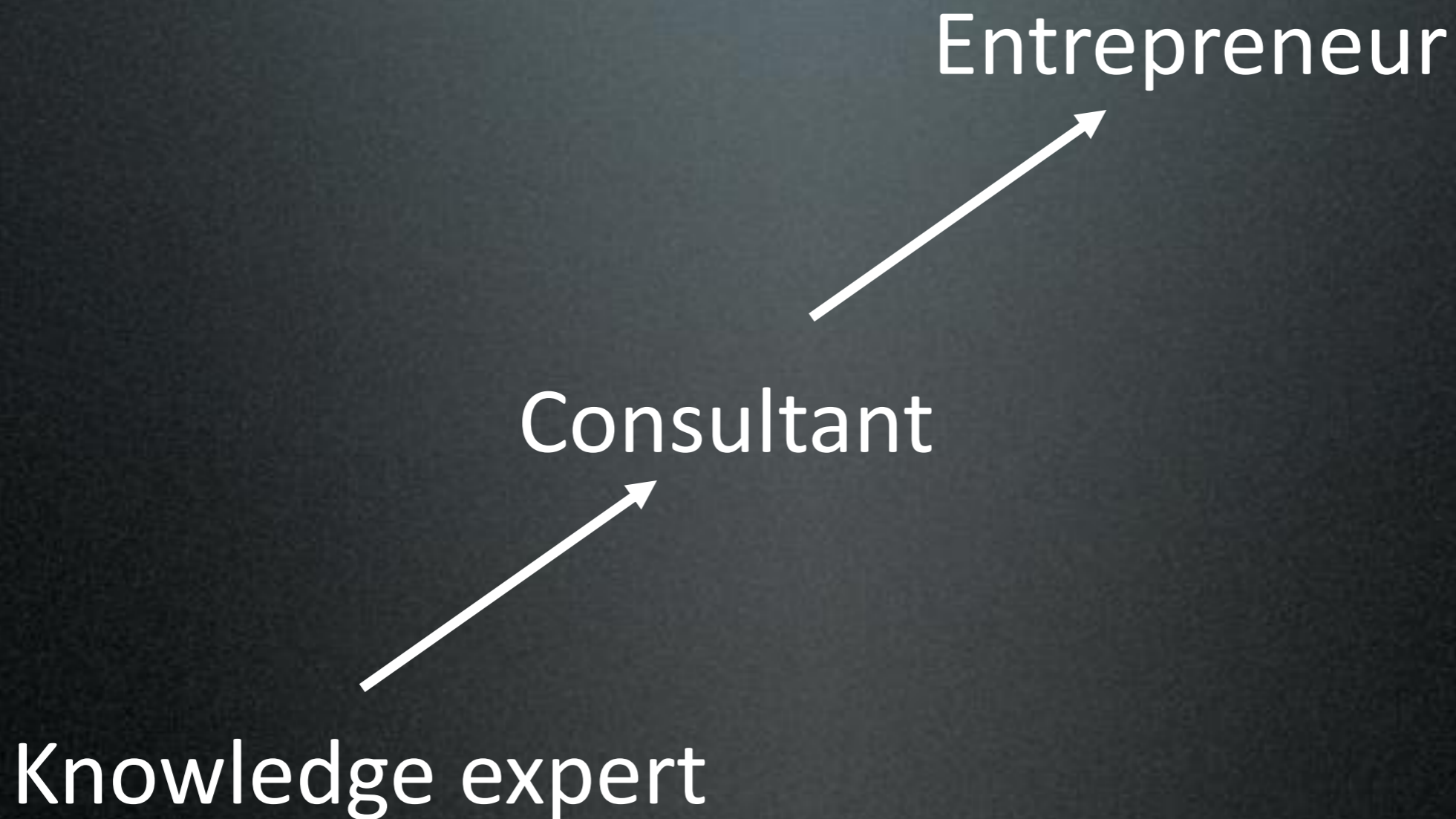
2. Execution phase

1. As intervention-method to:
  1. improve communication
  2. improve decision-making
  3. improvements on the domain of conflict-management
2. Enlarging acceptance of implementation by making those involved aware of their new roles and responsibilities.

# 5. Professional development

- Training of new consultants
- Further training and development
  - broader or deeper
  - evaluation of assignments
  - case studies
- The career decision
- other?

# Professional Development



# Assignment 6

- Split up in 2 groups
- Imagine you are running a small or medium sized consulting firm
- Develop the outline and schedule (time) of a program for the professional development of your consultants

# Development stages

1. Imitation stage: learning the profession
2. Exploration stage: stimulating development and own style
3. Creation stage: define clear output goals
4. Inspiration stage: inspire others and stimulate them to learn and develop

# Holland Consulting Group

- Assisting at least 3 partners in 1st year
- Further training and development
  - deepening, by study and publications (> 3rd year)
  - evaluation of assignments; client feedback
  - case studies with partners (2 days/year)
  - structured meetings organized by consultants (6 days/year)
- The career decision (after 5 - 6 years)

# Assignment 7

- Split up in 2 groups
- Image you are running a small or medium sized consulting firm
- Develop and perform a 30-minute workshop for a group of five consultants about:
  - > Presentation Skills (group 1)
  - > Intervention Skills (group 2)