

## Managing Your Consultants

By Andrew Leach, MBA

During the last ten years, I have done contract work for hundreds of organizations across Canada and the United States. During this time, I've come across a lot of consultants: a few good ones, most decent, and some terrible ones. This article offers three tips to manage your consultants and get value for the money you spend on them.

### Get 'em In, Get 'em Out

First, determine if you really need a consultant. Generally, organizations need to hire a consultant for one of three reasons:

1. She has the expertise you need
2. He has the time and you don't
3. She is independent and can objectively evaluate a sensitive, internal issue

If you think you need a consultant, getting one is fairly easy. Getting someone out can be a bit trickier. One way is to establish expected deliverables with all of your consultants in a signed contract.

And beware of the consultant who becomes a "jack of all trades" for your organization. He's the planner, organizer, proposal writer, management guru, and trainer. These consultants end up becoming too dependent upon you and vice versa, which is not an effective way to run business.

So remember GIGO: "Get 'em In, Get 'em Out."

### Establish Clear Policies

The main reason for establishing policies is to provide consistency for routine activities like hiring consultants. Two things can go wrong with written policies:

1. Your policies are not adhered to
2. Your policies have loopholes



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**Problem #1:** If your present policies are not being adhered to, political will is required to correct this situation. Without the political will to enforce policies, your policies are worthless.

The biggest problem occurs when a high-ranking leader disregards the contracting out policy. For example, a senior manager hires her preferred consultant for a large contract without putting the work out to tender, an act that may breach the organization's tendering policy. This is a delicate situation that requires tact and perseverance. In a nutshell, you need everyone to agree to the same set of rules.

**Problem #2:** If your policies are vague and filled with loopholes, you need to update them. Look at your history with consultants when updating the contracting policy. Ask yourself, "What have we done in past with consultants that hasn't worked well for us?" Create new policies to address these specific issues.

In short, have good policies and make sure you stick to them.

## Be Proactive with Fees

Finally, make sure you monitor your consultant's fees. Be clear about price (including expenses) before you commit to anything.

Also, don't be shy to question prices. "How did you come up with that figure?" "What can we do to get this proposal within our budget?" In short, keep consultants focused on deliverables, so they provide solid, short-term support.

Finally, without a signed contract, the consultant potentially has carte blanche on what he will bill you. So make sure you develop a contract system for all of your consultants. Contract templates are easy to develop and go a long way to keeping consulting fees in line.

## Summary

Most consultants can provide needed support, if you manage them properly. If you don't, expect problems to arise. Indeed, good consulting work is often the result of both the consultant and client doing their jobs. And for you, the client, that means managing your consultant.



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