THREE
Marketing internal consultancy

Getting in and contracting with your client

The first stage in our consulting cycle involves getting in front of clients in order to discuss the possibility of providing some kind of assistance. In moving from a classic support function to an internal consultancy perspective, you will need to plan how you are going to market your services. For many people new to the consultancy role this is a major departure from past practices. Having to actively promote your services as opposed to having a ready stream of internal customers comes as a major challenge. How you promote your services will of course depend on the objectives or operating guidelines your organization has provided. In some cases you may market your services on a very small scale; having been guaranteed a regular amount of work from existing clients. In other situations you may find yourself in constant competition with external consultants to win internal projects.

Like any form of strategy the first step to developing a marketing strategy involves answering some very critical and fundamental questions. This demands that you step back from any the day-to-day operational pressures and commitments and look at future goals and objectives. If you are working as a consulting unit or team, then you will need to address these issues with your colleagues. Whilst these questions seem very straightforward, experience shows that they generate significant discussion and debate. So to complete this planning phase consider spending quality time on the activity, perhaps a full or half day debating your responses.

- What type of consulting business are we in?
- Who are our clients?
- What are their needs?
- What are the results and benefits of our services?
- What are our qualities?
- What are our objectives as a consulting unit?
- What potential barriers or obstacles exist for us?
- Who are our competitors?
- What risks are involved?
- What overall strategy should we adopt to become successful?

For illustrative purposes we have included some example answers to these questions. They cover possible responses from groups such as training and development through to information technology departments. Like all strategy development there are no simple answers to these questions. You and your colleagues have to do the hard thinking, as only you can develop the relevant responses for your operation.

Developing your marketing strategy

What sort of consulting group are we?

We are a small highly focused consulting team providing value added services in the areas of software systems design and support. We specialise in the development of world class web-based applications to enhance organizational efficiency and business performance.

Who are our clients?

Our clients are the senior executive and middle management groups across the organization.

What do our clients require from us?

Our clients require a highly flexible and responsive service in the areas of web-based applications and technology. They demand a high level of technical support and ongoing consultancy that compares with the best that is available externally.

What services and products do we provide?

We provide a range of business focused training and development solutions as well as a portfolio of skills development programmes, self development and learning resources – that include web-based solutions, CDs and manuals.

We provide clients with the skills to help them maximise their investment in information technology with a key focus on mission critical business processes.

What is our clients' perception of us?

Our client image is that of a high quality business focused and customer responsive unit that delivers real value added solutions on limited resources.

How do our clients regard our value to them?

Our clients' perceptions of 'our prices' and value is that we are highly cost effective and competitive in relation to other providers and that we provide high value added services

How do we intend to develop our client base?

We will seek more opportunities through our existing client base. We do not propose to develop new streams of client activity at this particular stage of our development

How will we operate and distribute our services?

We plan to provide and deliver our services by allocating a dedicated individual to each business unit. This will ensure that every client manager has a direct contact to our services capability. Our clients will work on a daily basis with someone who shares a detailed understanding of their business challenges and operating environment.

How will we communicate and promote our services?

We will promote our services through our existing client base and by actively promoting our successes through the organization's various web sites, seminars, newsletters and promotional literature. We also run regular briefings to update our clients on our latest service offerings.

Financial/budgetary objectives

We will achieve the following objectives in line with our agreed operating guidelines which are to recover our total operating costs from our internal and, wherever possible, external consulting activities.

Answering these questions demands a high degree of self-analysis and criticism. It is no use thinking that everything you do is excellent if your clients have a different perspective. You might be working twelve hour days and think you are doing a great job but it could be that your client is not aware of what you are doing. So you must question all existing activities. You have to be clear as to your starting base and evaluate your past track record.

All strategy involves developing a clear focus and that demands that you make choices and decide between different options. By spending quality time debating these choices you are more likely to develop a clear focus for your future activities.

Conducting a client demand analysis

Another key planning activity that you can conduct in parallel to the one above, involves a client demand analysis. Indeed, this activity can really assist the development of your marketing strategy. The objective of this exercise is to identify who your current clients are and what it is that they want from you in terms of services or products. Figure 8 shows an example form that you can use. Again the process is relatively simple in design but very powerful in terms of impact.

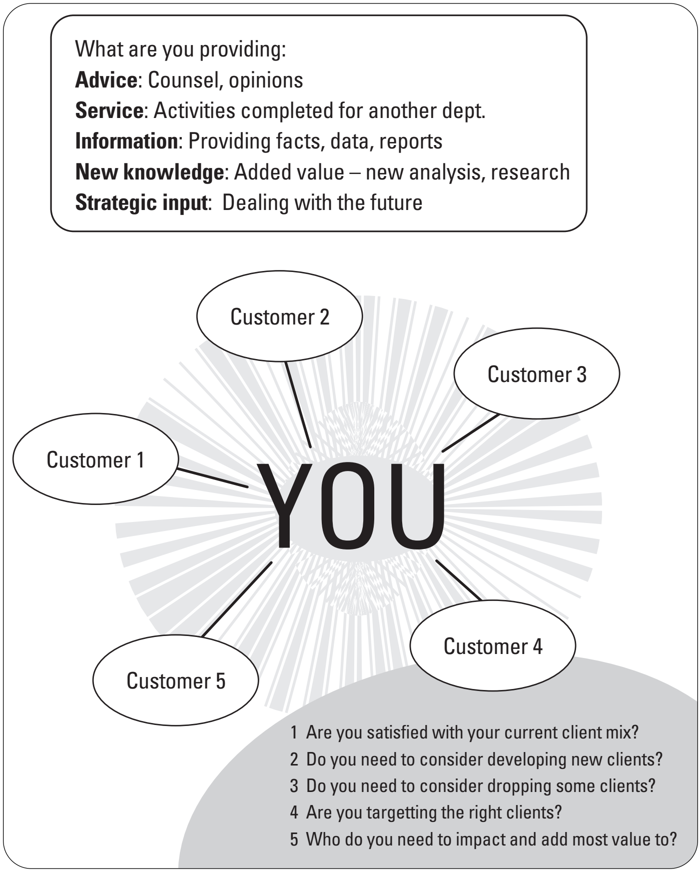

FIGURE 8: MAPPING YOUR CUSTOMERS / CLIENTS

To complete this analysis you are required to think of every possible client group that you serve. You then need to identify what service you currently provide them with. In most support functions the services provided revolve around five key areas:

1. Giving advice.
2. Offering some kind of service – a physical transaction.

3. Providing information – facts, data, reports.
4. Providing new knowledge – adding something new to the organization.
5. Strategic contribution – adding something strategic to the organization.

This form of analysis can be very powerful as it forces you to consider all your clients and the extent to which you currently satisfy their needs. You may typically discover that you focus on some clients more than others and that you may have some very influential clients for whom you do very little.

The next step is to reflect on your analysis and decide if you are happy with your current level of client and service mix? After reflection, you may find yourself deciding to reduce your services to certain clients and increasing the effort with others in order to develop a stronger relationships. Such decisions have to be set against your broader strategy and what you decide will deliver long-term success. You may also conclude that you are not focusing enough on the higher value added activities of providing new knowledge or making a strategic contribution. This might involve you adjusting the types of activity you get involved in. Of course giving advice can be a highly significant contribution but it does depend on what areas you are working in.

As with all strategic planning type processes there are no right or wrong answers to these questions. You will obtain maximum benefit by working through these two processes with your colleagues. Ultimately you will need to make clear decisions about your objectives, role and operating style. You want to emerge from any analysis with a clear focus and sense of direction that will assist you as you develop your medium to long-term contribution.

What clients look for

To develop even more detailed responses to the above questions you need to constantly put yourself in the clients' shoes and ask yourself 'Why should I buy from these people?' This is an immensely powerful question to ask as a consultant. You have to think about your client's needs and focus on what the client is looking for when selecting consultants.

> Before you present your proposals to your clients, remember to put yourself in their shoes and apply the 'so what' challenge. If you can't come up with a satisfactory answer don't expect your clients to buy in. Talk the language of the business when framing and presenting your proposals. Anticipate the questions you will be asked; these are likely to contain the objections to your proposals. Work through these and you are close to achieving buy in.
>
> *Tracey Norbury, Development Adviser, HSBC*

Tangibles

Clients look for tangibles such as business performance and efficiency improvements, reduced costs, improved revenues, enhanced levels of customer service. These are probably the most important factors that will get your clients interested in your services. Harness your marketing efforts around these types of hard business benefits.

Business understanding

Clients buy from people they feel understand their business challenges, problems and issues. Ask yourself how well you understand your clients' businesses? How much time do you spend really trying to find out what the current pressures are that they face? If the answer is not much, then start developing your knowledge base by finding out as much as you can about their challenges.

Methodologies

Clients are impressed by proven methodologies that detail precise ways of implementing change. They indicate that the consultant has a well thought out approach that can be visibly seen. Methodologies provide clients with a high degree of comfort that the consultant knows what they are doing and is professional in their approach. Methodologies dominate the areas of production and information technology but they can also be adopted in other consulting areas such as training and development and change management . So be alert to the possibilities of using or adapting such methodologies and techniques to your field of consulting work.

Reassurance

Remember that any client commissioning a consultancy service is putting himself or herself in a position of risk. They are in effect placing their confidence and trust in someone to deliver something that is of great important to them. Any client therefore, needs a strong degree of reassurance in a consultant's competence and track record.

Many clients after hiring a consultant will be asking themselves whether they have made the right decision. Clients like to have confidence and peace of mind with regard to their decisions. So be sure to deal with these less tangible aspects of the client relationship by keeping very close to your client, communicating and advising them of progress and offering constant reassurance. Staying close to your clients and being proactive in the relationship is central to developing a strong client sense of confidence.

Consulting team operating statement

- 'Use the Nestec Productivity Team (NPT) as a career development step
- 3C's Commitment, Credibility, Confidence
- Find Synergies (most wheels have been invented)
- Use the brainpower of our employees
- 'We know how but don't apply'
- Focus on the how not the what – 'it's not just what you do, it's the way you do it'
- Stop! before compromising commitment'

Operating Statement

Nestle Nestec Productivity Team, Vevey, Switzerland
Courtesy of Curt Blattner

But if that is what clients look for, what is it that they are actually buying from a consultant? Well, there are two critical things that clients buy from any internal consultant

Identifying the real client need

Part of your role as a consultant will be to help your client translate their broad concerns and issues into specific needs that can then be satisfied through your intervention and support. A large part of consultancy work involves challenging your client's thoughts so as to uncover their real needs – what it really is that they want addressed. Very often clients are not clear as to what they want. That is why time must be devoted in probing and trying to identify the real problem areas for your client. What a client initially says they want may not be what they need. Your initial contact and involvement with a client involves trying to resolve and define their real underlying business needs.

Solutions

Ultimately a client wants a solution to their problem. Products or methodologies that assist you in achieving this goal are highly valuable but never lose sight of the fact that it is the final solution that matters most to your client. Therefore when developing your marketing strategy and plans focus on how your involvement and solutions can help your client solve their problems.

Helpful tips

Never ever confuse what you are trying to sell with what your client wants to buy.

You must always address your client's real needs and not what you think they need. It is one of the greatest faults of consultants to focus on their solution at the expense of the client's problem. Be sure that you constantly address the problem as defined by the client and not the elegance of your methodology or process.

Following this golden rule will ensure you stay client focused.

Beginning to market yourself – recognising your starting point

Once you get out into the real world of clients you will secure different reactions to your approaches. Figure 9 below illustrates the range of potential client reactions that might greet any marketing activity you conduct. Clearly it makes sense to focus efforts on those clients who either express a genuine interest in your services or actively seek your assistance. In the longer term you also need to remain in touch with potential clients who are aware of your services but who may not have requested any help. You cannot afford to ignore these clients as they may represent a valuable source of future work for you. Indeed you may well need to spend time trying to understand why they have not contacted you. But be wary of expending lots of energy and effort on people who have no intention of ever wanting to use your services. Life is too hard to waste effort on people who are never going to buy your services. Better to focus your efforts on people who understand what you have to offer and are prepared to work in a co-operative way. These are the sorts of clients you want to cultivate.

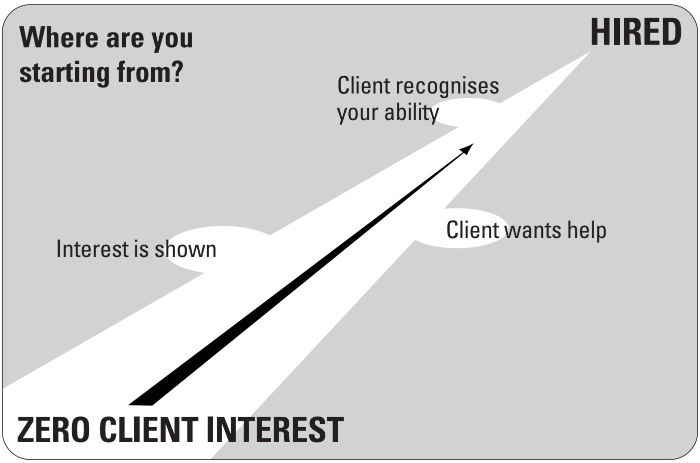

FIGURE 9: MARKETING INTERNAL CONSULTANCY

Marketing to senior management

Who are your key clients?

When trying to focus your marketing activities reflect on the classic Pareto Principle of 80-20. It is another simple but powerful way to focus on your marketing efforts. In marketing the principle suggests that 20% of your clients account for 80% of your workload and success. The critical marketing question to be addressed is whether you know which 20% of your client base is actually delivering your success? Referring to your earlier client analysis may help you come up with the right answer.

So constantly review, question and analyse your marketing approach to test it's effectiveness. In most organizations a very important element of the 20% is likely to be the senior management cadre. They of course, have the power to hire you and to action new projects and initiatives. So really challenge yourself on how much work you do with the key leaders in your organization. By concentrating marketing efforts on senior management you frequently gain the following benefits:

- Bigger and higher value added projects.
- Referrals to other parts of the organization.
- Access to strong sources of influence.
- Strong resource allocation.
- A power-base to appeal to when times are difficult.

Helpful tip

Put yourself in your client's shoes and remember that all clients want to:

- Be listened to
- Feel important and respected
- Have their needs addressed
- Know in simple clear terms how you can help them

How to sell to senior management

When selling to senior management there are three key steps to follow:

1 Understand your client's motivations

In any consultancy selection process you need to identify at an early stage who the key decision-makers on the client side are. Once you have identified them (often there will be more than one) you should try to identify their individual needs and wants. In doing so remember that managers are not all motivated by the same thing. For some it is not always about solving the problem. So examine the range of personal needs that might exist around the table. Reflect on some of the classic needs:

- Solving the problem.
- Exploiting new opportunities that will arise as a result of the project.
- Securing personal credit – 'It will make me look good'.

- To criticise a previous decision or approach – 'It's pay-back time!'
- Political ambitions within the organization – 'I need this to show them...'.

> Real change can only happen when you have an enthusiastic business sponsor who is personally committed. They can open doors and engage other decision-makers. In return, the sponsor looks to you as the internal consultant, to understand the business and provide them with workable solutions. An effective working relationship is built on trust and a clear agreement as to what is to be delivered.
>
> *Tracey Norbury, Development Adviser, HSBC*

Never overlook the desire for personal gain or political ambition. Many senior managers are always looking for projects that can make them look good in their organization. It is the nature of large organizations that power games are frequently played. So be alert to hidden agendas and personal ambitions.

By focusing on this other aspect of the 'selling' process and trying to identify different types of client need, greatly enhances your chances of success in connecting with clients when pitching for a project.

Define the business priorities

By skillfully defining and articulating a client's key business priorities you can easily identify the outputs or deliverables that the client is seeking to achieve. Always reflect these priorities in your terms of reference so that your client instantly recognises them. Better still try to add some new insights for your client around their business priorities. This really impresses clients and gives them confidence in your overall approach and involvement.

State the benefits of your involvement

When selling a product or service professional marketing people always distinguish clearly between features and benefits. Features are merely aspects of your approach such as 'we use the latest technology!' or 'we have a detailed methodology.' Features are interesting, but what your client really wants to hear is what the technology will do to solve the problem. Benefits are what normally result from features and it is benefits that clients really like. For example a benefit of using a particular type of technology is that it will produce a faster and quicker solution. That is likely to be of far more interest to your client as it involves saving time or money.

So, whilst methodologies and techniques are an important and part of your marketing approach, focusing on the benefits is where you should really focus your arguments and efforts. To major on the features of your involvement is a classic mistake that people make when selling consultancy. So always ensure that you stay results-focused and highlight the benefits of any approach or solution you offer. Ask yourself what will your approach or solution do to improve the business in very hard and tangible terms? Think bottom-line results!

Some practical tips to improve your marketing effort

- Solve the problems of the Chief Executive Officer and Board.
- Focus on your organization's pressure points – find out where the business is hurting and see if you can help. It always pays as a consultant to be business and performance focused.
- Use factual bottom-line business performance measures to promote your activities – demonstrate a real value added contribution.
- Work with those managers who are converted to your approach and services. Don't waste valuable time and effort on managers who will never understand or appreciate your work. Focus on people who value your input.
- Cultivate word-of-mouth referrals. The best form of marketing (as well as the cheapest) is recommendations from happy and satisfied clients. So cultivate your clients to promote your work around the organization.
- Think about developing a distinct identity in your organization. Discuss the possibility of promoting a logo or newsletter which informs the organization about your role and services.
- Network and seize all opportunities to present your work to others. If asked to make a presentation at the annual sales conference, do it! See it as an opportunity to talk about a successful project. Better still do the presentation in partnership with your client.

- Audit your staff to check that they are displaying client focused behaviours. All your efforts can be wasted if the person answering your phone is less than professional in their attitude towards existing and potential clients.
- Develop your own personal network of contacts both internally and externally to your organization. Take people out to lunch and talk about your projects.
- Invite externally speakers into your organization and invite influential managers along. It helps to position yourself as someone who is trying to add value to the organization.
- Visit other companies and organizations. Find out about best practice in your field of operation. Your ability to comment on such matters gives you credibility, power and influence.
- Collaborate with other internal consultants from other organizations. They can help improve your skill base and give you new ideas.
- Send relevant articles of your work or of general business to key clients. It is an easy, low cost way of keeping yourself in front of them. If the article is relevant they may well mention it next time you meet; alternatively you have something that you can casually raise as a discussion topic with them. You may even find that your client asks you to follow up on some of the points contained in the article.
- Keep a clear record of all your client meetings. Don't lose touch with your clients. Clients do not like consultants who ring up because they have run out of work as it gives them a negative perception of how you value them and view them. Effective consultants work hard at maintaining relationships even when no work is on offer. Always be thinking about the longer term and remember all client contact is a form of marketing.

- Remember that most business comes from your existing client base. So try to actively promote your work and keep your clients in touch with other types of work you are engaged in.
- Finally, stay alert to all opportunities. Any project, no matter how small has the potential to develop into other areas and larger assignments.

Internal consultancy case study

autodesk

Background

Matthias Behrens is the Director for Business Process Management at Autodesk. Founded in 1982, Autodesk, Inc., is the world's leading design software and digital content company. It offers solutions for professionals in building design, geographic information systems, manufacturing, digital media and wireless data services. It has more than 3,600 employees located in offices around the world. With about four million customers in over 150 countries, it is one of the largest PC software companies in the world.

Matthias and his team are providing services around project and business process management globally to the Autodesk organization.

Internal Consultancy at Autodesk

My team has a very broad role. The main goal of our work is to help the organization to improve its ability in executing critical change efforts. To do this we provide a variety of tools, methods and services around project and process management. Whilst most of these services are an optional offering to the organization, we also have an additional responsibility to ensure that project teams adhere to various standards. This dual role requires us to perform a careful and difficult balancing act.

We have a wide variety of customers for our services. It begins with Senior Management who not only want investments to go to the most valuable projects but who also want to see them effectively implemented. Project sponsors in turn want to see their proposed initiatives approved and funded. Finally, project managers and their teams want help with applying project and process management tools and techniques.

All of our clients are eager to ensure that any project and process management input we provide is not adding an administrative burden to their work. It is a constant challenge for us to get the right balance: enforcing certain global standards without losing credibility as a real partner in trying to provide valuable consulting services. So to be effective in our role we have developed a set of working practices, behaviours and attitudes that help us to address some of the challenges we face.

Most of our work involves 'change' and helping people go about their work in a different way. However, many of the solutions we provide are not automatically perceived as valuable. Autodesk is an organization that values speed, flexibility and risk-taking among its core values.

People naturally worry our suggestions might slow them down or increase their work burden. So we often meet some initial resistance when we try to help. To be successful we first try to understand our colleagues' motivations, needs and worries.

All project sponsors and business managers have different needs and some of these invariably conflict. It is imperative to understand what these needs are and to develop individual strategies to serve these requirements. The internal consultant's role is not about selling standard solutions but trying to solve the client's individual problem. This requires a very different belief; that of **seeing our customers not as colleagues but as clients**! Clients who can choose to take our services and advice or go elsewhere. Such clients have to be persuaded that we provide real value.

A second belief that we have had to abandon is that it is not just **expertise that is critical to our success**. As experts in project and process management it is very easy to fall into a lecturing mode: telling the client how to run their project, highlighting mistakes and generally being prescriptive. This approach inevitably results in resistance. To be successful we have learnt that we have to listen to the client's problems and try to really understand the underlying drivers. More often we help by asking questions rather than by giving advice. We frequently facilitate the process for project teams to find answers to their problems. **Involving the client** in finding the solution – rather than presenting it to them – seems to be a successful approach for us.

Being experts in project and process management, we naturally use a **standardised approach to our consulting process** and treat most of our engagements as a formal project.

Whilst some managers can see it initially as some kind of overhead, we develop and produce a formal project engagement charter at the start of each project. We then follow a simple and clearly phased process to run the projects. In the following pages you will see how we approach this contracting phase with an example of our project charter or terms of reference documentation. This is a key document and a major element of our client management approach.

For us the charter documentation has the following advantages:

- It ensures expectations are properly set for all the parties involved at the outset of the project.
- Key factors like timelines, boundaries, stakeholders and deliverables are clearly defined and discussed.
- The client as well as the consultant has clear visibility on where we should be during the life-cycle of the project.

As we develop our approach many challenges remain for us:

Establishing real measures of success are a constant challenge. As consultants we provide a lot of advice and manage without authority. As such our share of any project success is extremely difficult to measure. By definition the job is more about influencing and persuading than having control. Wrongly set measures can have the detrimental effect of pushing consultants into an expert mode, trying to push clients to perform certain activities so that the consultants' goals are achieved.

As an internal consultant you have to work out how you can fit into the normal performance management process within the organization. Goals need to be very carefully formulated and often less SMART objectives might be desirable, which is of course, contrary to conventional performance management thinking.

As our services are 'free-of-charge' a standard success measure that applies to external consultants – the generation of consulting fees – is also not applicable.

Dealing with remoteness is another key issue for the team. We are working in a globally distributed organization. Personal contact with our internal customers is often limited to phone conversations. Sometimes it might be months before we are able to meet some of our clients face-to-face. Working across many different time zones means we have to communicate via email or at unearthly hours and inconvenient locations. While frequent travel, use of video and phone equipment or online web tools can ease this problem, they do not remove it.

At the same time the internal consultant's role requires a high level of influencing skills. The ability to read a client's body language and facial expressions or to have informal water cooler conversations is a significant skill requirement. Outstanding interpersonal skills have to be combined with the necessary technical skills to achieve maximum impact.

Operating as an internal consultant continues to pose a unique set of challenges. It certainly requires a change in attitude and approach to the normal support specialist role. But once you master the skills and techniques the rewards are immense. The prize is an ability to influence the organization at all levels, positive client feedback and in turn a constant demand for your services. For anyone embarking on the journey – I would say enjoy it for it is a great way to grow and develop your skills!

autodesk

Project Charter

Project

Project Name

Project goals

- State the high-level goals of your project

Summary of Key Phases and Deliverables

- Key deliverables or any key phases or stages this project is moving through

Costs and Benefits

Costs
- Either in $ or at least in person effort etc.

Benefits
- Quantitative and qualitative

Business Scope and Core Team

Project will cover
- Items within scope

Project will not cover
- Important: spell out which items will not be delivered, manage expectations

Project Manager and Core Team:
- Project manager
- Core team members
- Representative User Group: TBN

Feb 19, 2001 Ver2

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Project Charter

Project

Project Name

Extended Team

- Anyone who will have to work part time on the team

Approach

- For example: using prototype approach, outsourcing, using packaged system, using consultants etc.

Stakeholders

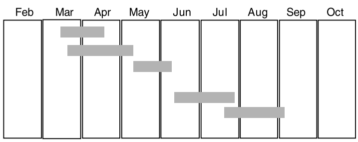
- Who in the org has an interest in the outcome but is not directly involved

Funding Source(s)

- $
- Resources

High Level Schedule

1 Project Planning
2 Requirements Def
3 Eval. and selection
4 Tool Setup/Data Migr.
5 Roll-out



Trimester Project Guidelines
1/3 - Requirements Definition
1/3 - Development
1/3 - Testing, Documentation, Training and Support Plan

LEGEND : Confidence in schedule
GREEN = High
BLUE = Medium
RED = Low

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Project Charter

Project

Project Name

Dependencies

- Any other projects or decisions that the project depends upon

Flexibility Matrix

	Least Flexible	*Less Flexible*	More Flexible	Most Flexible
Quality			X	
Resources		X		
Scope	X			
Time				X

Note: Each flexibility option can be checked only once.

Assumptions/Constraints

- For example assumptions of availability of resources, technical tools etc.

Issues / Risks

- What can make the project fail?

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Project Charter

Project

Project Name

Success Criteria

- How would the sponsors and stakeholders evaluate if the project was successful?

Alternatives/ Supplemental

- if we did not take the outlined approach to the project, which alternatives were considered (and why not chosen?)
- if we did not do the project at all, do we have alternatives?
- any other comment?

Post Project Ownership

- Who owns after go-live date, are the organizations aware?

Approvals

Sponsor Name 1

Sponsor Name 2

Sponsor Name 3

Sponsor Name 4

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