

Course of Management Consulting

Management of a Consultancy project

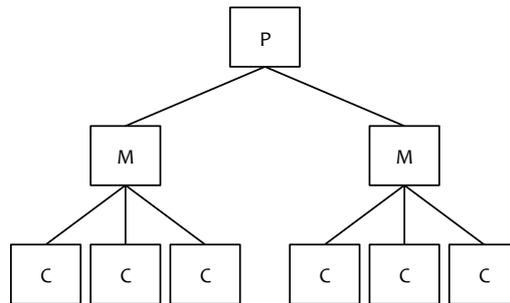
Professor Corrado Cerruti

Academic Year 2017/2018

Agenda

- The project team
- Structured approach to project management;
- The project phases
- Organizing the management consulting project;
- Five stages of team development;
- The project manager role.

Micro-structure of a project team



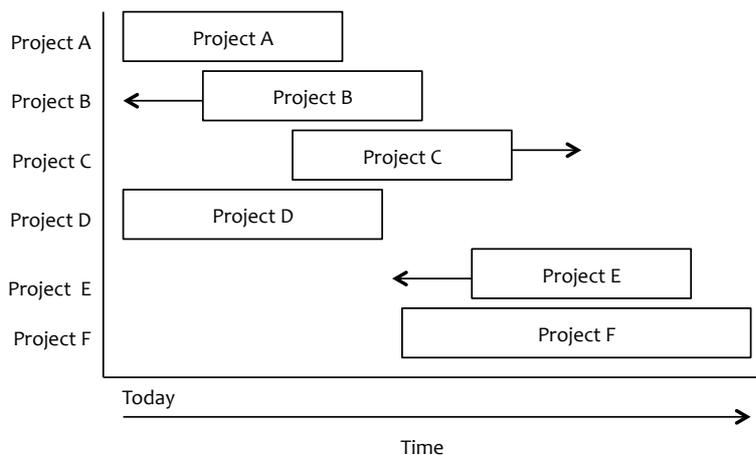
P: partner
M: manager
C: consultant

Team Leverage rate:

$$\frac{\text{Non partners}}{\text{partners}}$$

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Capacity planning



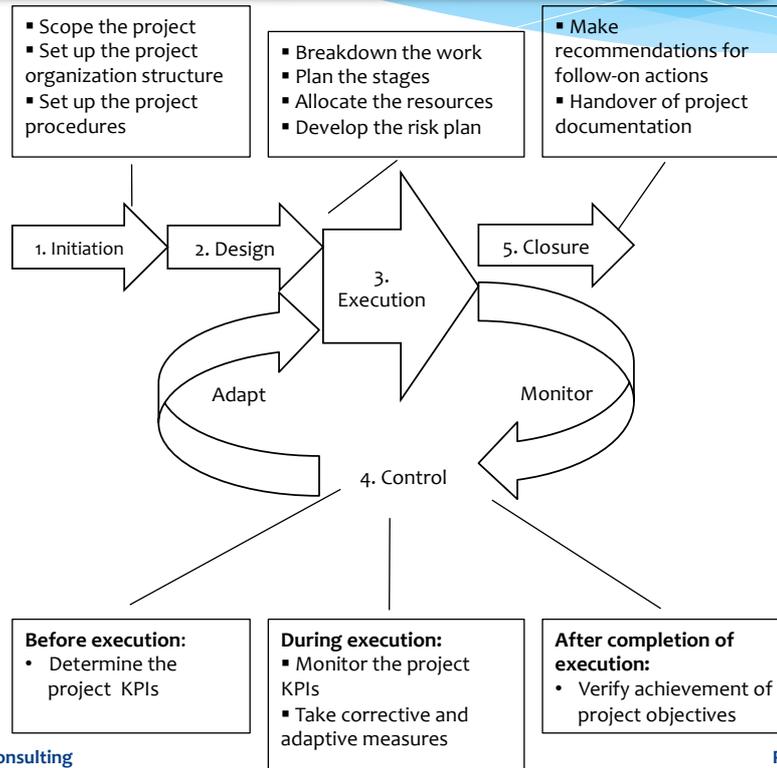
Capacity planning: aims at maximizing the utilization of the consultancy staff and it is the main input for firm's recruitment targets and efforts. It is under the responsibility of senior partners.

E.g. The firm has a project capacity of 3. For project B the partner has to convince this client to start earlier; for project C the partner has to convince the client to postpone the start.

In busy period MC firm may hire **freelance** to carry on project.

Training and holidays are managed in order to cover **unbusy period** especially in audit projects

Structured approach to project management



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The project – Initiation

The client and the consultants together establish the **steering committee**: it consists of the *client decision maker*, typically who sponsored the project, and the *representative of the consultancy*, usually a «partner»; other people may be included.

This committee is responsible for *quality assurance, checking appointments and procedures, reviewing quality*; moreover it is *accountable* for the project and has the *mandate* for the consultancy project.

Project manager runs the project on behalf of the steering committee and reports to it and to the firm's partner on the project.

The contract or the steering committee has to identify:

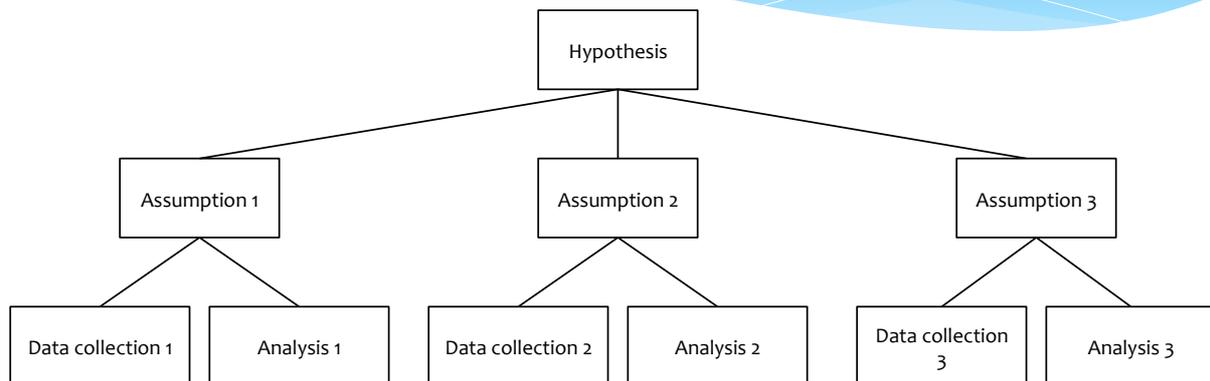
- the scope of the project;
- the project deliverables;
- the dependencies on some resources;
- risks and constraints;
- the acceptance criteria;
- resources;
- the operational procedures;
- the management of issues.

The results of these definitions are collected in a *project definition document*, that serves as a reference point for the project manager and the steering committee.

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The project - Design



The project work consists in **testing the initial hypothesis** with the collection and analysis of data. In order to test hypothesis the project manager has to *break down the project work* into increasingly smaller project activities, enough small to *delegate to individual consultants*.

2 simple rules to break down:

- 1) Tasks should not overlap each other (*no duplications*);
- 2) Not miss out any tasks that is necessary (*completeness*).

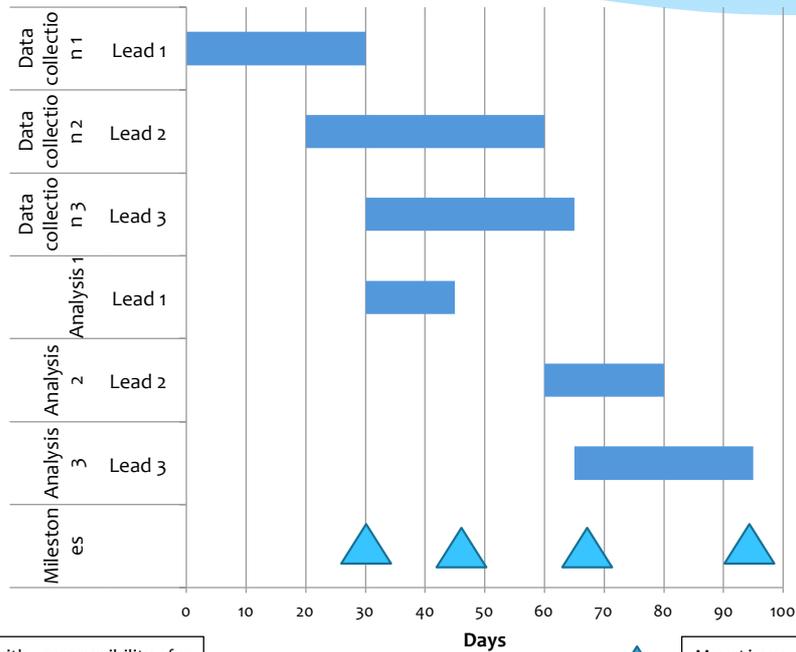
The project - Design

During this phase it is important to define:

- a) The project tasks and their durations:** these serves as the basis for the project planning.
- b) Resources:** how many consultants need?
- c) Dependecies:** internal (e.g. the relationship between tasks) or external (resources provided by other firm's functions).
- d) The plan of activities** (using *planning techniques as the Gantt*): they has to be in the right sequence to meet the required completion data.
- e) A plan to manage risks:** risks are relevant for implementation projects. The project manager needs to estimate the impact of each risk on the quality, time , cost and scope of the project.

Then, the project manager has to allocate the project resources (consultants, time, budget for expenditure, infratructures, etc.)

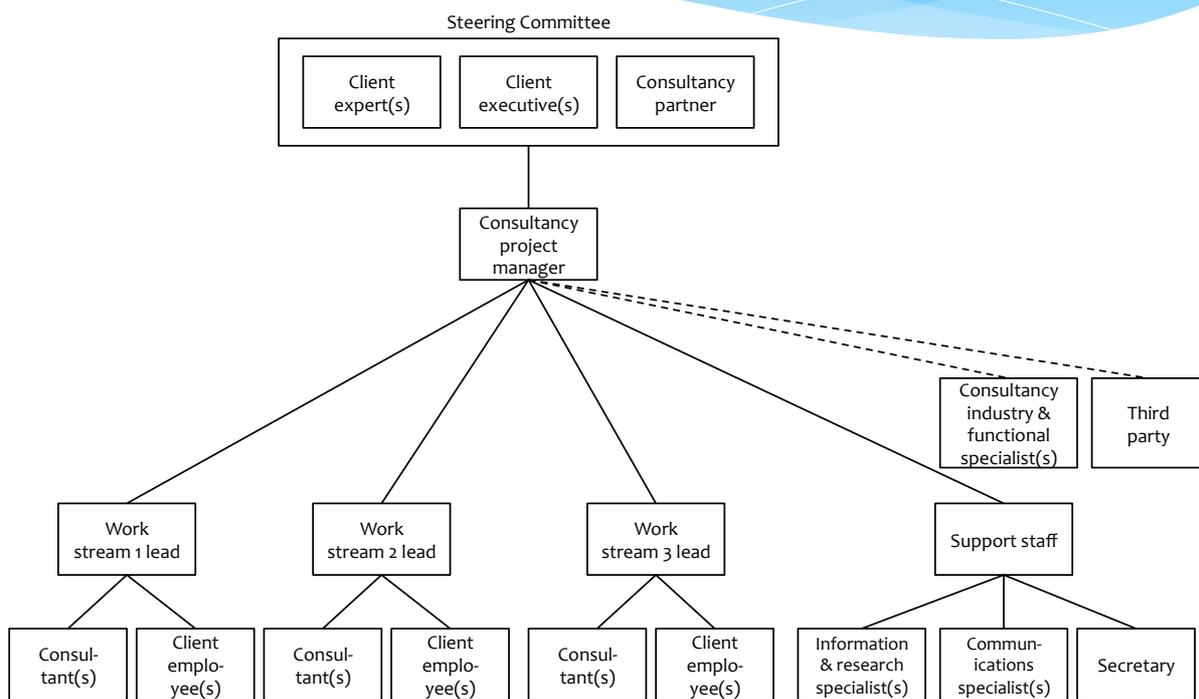
The project – E.g. of planning tasks with a Gantt



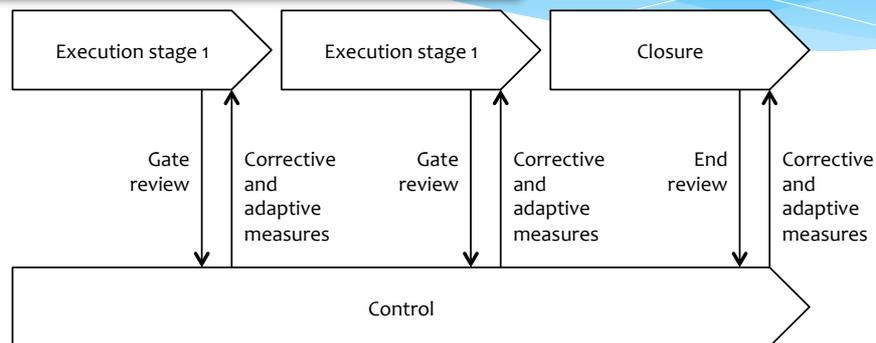
Lead Consultant with responsibility for particular tasks

Meetings with the steering committee

The project – The structure of a consultancy project organization



The project - Execution&Control



The **execution** is about carrying out the tasks at the lowest level (usually consultants and client work together).

The **control** of the project is a responsibility of the steering committee and comprises **3 steps**:

- 1) *determining KPIs*;
- 2) *monitoring KPIs*;
- 3) *taking correcting measures*.

To make the project more controllable, it may be broken down into execution stages. At the end of each stage, the committee organizes a «*gate review*».

The project - Execution&Control

Closure needs to be controlled; the project manager prepares the so-called «**end of project report**» for the Steering committee, providing: measures of the success of the project, time used, costs, resources and objectives achieved.

The committee may evaluate the project for the purpose of learning, developing a so-called «**lesson learned report**».

Project phases and stakeholders' role

Project phases	Initiation	Design	Execution	Control	Closure
Client	Owens a problem Commissions the project	Approves the design and the selection of the team members	May act as sounding board Where necessary, makes decisions	Decides corrective and adaptive actions Evaluates and accepts deliverables	Accepts the solution Evaluates and decommissions the project
Consultancy partner	Supervises the development of the proposal Acquires the project	Supervises the development of the design by project leader Communicates with the client	Supervises the project leader Communicates with the client	Evaluates the deliverables Supervises the project leader Communicates with the client	Evaluates the project Maintains relationship with the client
Consultancy manager (project leader)	Develops the proposal	Develops the design Forms the team	Supervises the project team Coaches individual consultants Communicates with client counterpart(s)	Evaluates the deliverables Takes corrective and adaptive actions Supervises the project team	Evaluates the project Disbands the team
Consultants (project team members)	Collect data and conduct data analysis for the proposal	Train – when necessary – the client employees on the team	Execute the project Communicate with client counterpart(s)	Execute the corrective and adaptive actions	Handover project documentation to client

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Organizing the management consulting project

Selecting the members of the project team is an important decision. The project team needs to have *all the required competences* on board.

Client may want some of its **employees on the project** to learn from the consultants and to develop new competences. Also consultants want client employees in order to *fill the lack of specific knowledge* with respect to the client organization and sector.

The partner should set clear expectations concerning the profile of project team members.

The **commitment** of all members of the project team is *critical* for the success of the project. Moreover, a project team should be more than the sum of its individual members.

The project manager *should to deal with the challenges* presented by the developing of the team.

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What is a consulting team?

A consulting team is primarily a... **TEAM**



What do they have in common?

- F1 Racing Team
- Medical Squad
- Rock Band
- Cabin Crew
- Football Club



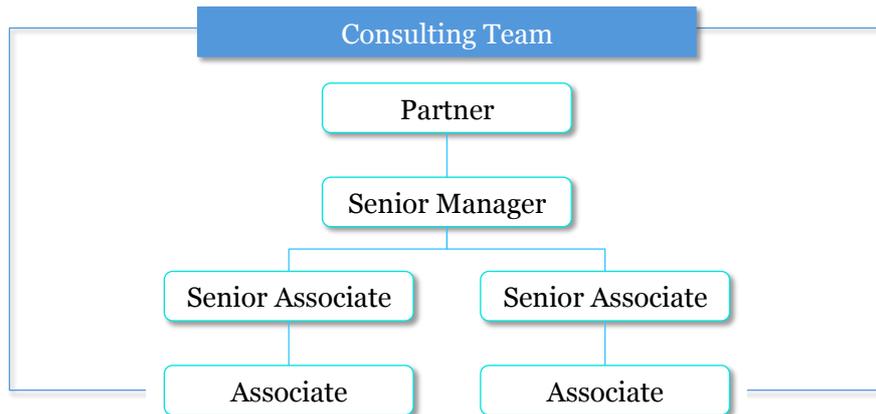
- 1) Two (or more) people
- 2) People with different skills
- 3) A common goal

The essence of a team...

A team is

**a group of people with a full set of complementary skills*

**required to achieve a shared target*



Know your team...

a group of people with

INTERACTION

a full set of complementary skills

ROLES & RESPONSABILITIES

required to achieve a shared target

MOTIVATION

... as well as what your team needs...



... and how to feed-back your team



... and how to feed-back your team

*

E

EXAMPLE

Feedback has to be put in context

E

EFFECT

Feedback has to refer to "why" is given

C

COACH

Feedback has to be about "Continue" or "Change"

Getting back to the question...

A team is

**a group of people with a full set of complementary skills,
required to achieve a shared target*

and

**team members operates with high degree of interdependence*

** to achieve a common goals*

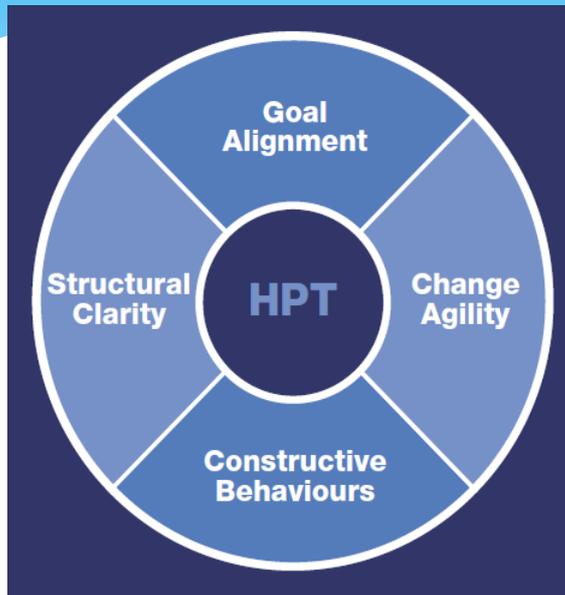
by

**feeding back each other mutually and taking responsibilities for
their own tasks*

while

**fulfilling personal ambitions*

... and an high performing team



***Goal Alignment**

*Open commitment to set clear goals and objectives

***Structural Clarity**

*Clear structural environment including; processes, roles, accountabilities and success measures

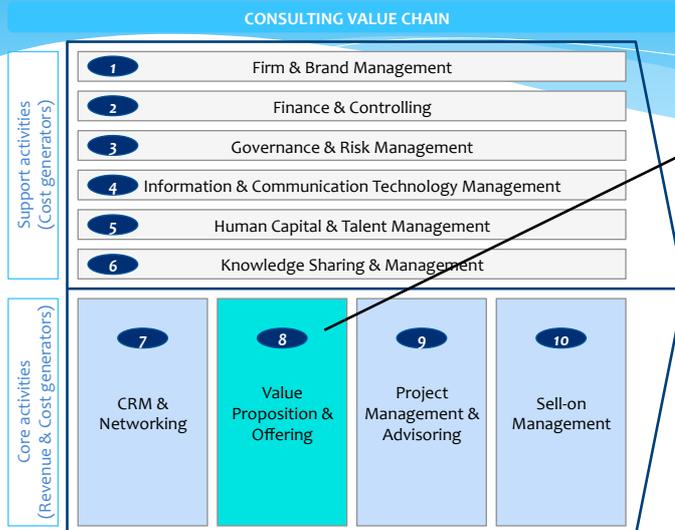
***Constructive Behaviours**

*Collective commitment including; straight talk, mutual support, fluid coaching and acknowledgement

***Change Agility**

*Remain agile in dynamic, demanding environments

A team fits into a project...



- Set up your team at early stage of the project cycle
- Provide your team with clear goals and guidance

SUB-PROCESSES BREAKDOWN



... starting from the project set up...

Objective	<i>What are the project goals / benefits?</i>
Scope	<i>What are the project boundaries?</i>
Approach	<i>How do we deliver project goals?</i>
Deliverables	<i>What do we deliver to Client?</i>
Project Structure	<i>How is team organised? Who's in?</i>
Governance	<i>How do we interact?</i>
Project Plan	<i>When do we deliver and what?</i>
Assumptions	<i>What do we needs from the Client?</i>
Consulting Fees	<i>What is the investment?</i>

... shaping the consulting team work



The project manager role

The project manager has the following duties:

- **Keeping the project on track:** he is responsible for the achievements and for the expenses;
- **Reporting to the partner:** the partner receives updates from the PM;
- **Managing the partner:** he may ask for advice and he can influence the client top managers by providing information to the partner;
- **Preparing the partner:** it refers to the meetings with the client;
- **Communicating with the clients:** he has to set the expectations of the client;
- **Creating the team;**
- **Motivating the team;**
- **Restoring team morale;**
- **Preparing logistics of the project;**
- **Coaching consultants.**

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Five stages of team development

Development stages	Forming	Storming	Norming	Performing	Adjourning
Team dynamics	<p>Formation of new team</p> <p>Team is excited: most team members are positive and polite</p>	<p>Members experience stress and anxiety. They are uncertain about processes and structure</p> <p>They challenge the leader's authority; engage in competition and conflicts; show lack of participation</p>	<p>Members accept processes and structure</p> <p>Establishment of hierarchy</p> <p>Members' commitment and involvement develop</p> <p>Members start to work as a team</p>	<p>Members work together as a team</p> <p>They have a shared vision</p>	<p>Closure of project</p> <p>Break-up of team</p> <p>Members experience sadness and stress</p>
Team leader actions	<p>Take lead: assume leader role</p> <p>Set clear objectives</p> <p>Explain the project</p>	<p>Set clear processes and structure</p> <p>Resolve conflicts</p> <p>Stimulate development of good relationships between team members</p>	<p>Step back and help to make the team take the responsibility</p> <p>Organize a team-building event</p>	<p>Celebrate the successes</p> <p>Delegate as far as possible</p>	<p>Celebrate the achievement of the project objectives</p> <p>Acknowledge the contributions</p>

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