Course of
Management Consulting

MASTER OF SCIENCE IN
BUSINESS ADMINISTRATION

Structured communication

Professor Corrado Cerruti

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Agenda

➢ Communication during the project;

➢ Developing the final presentation;

➢ Develop a long version of the FP;

➢ Develop a short version of the FP;

➢ Develop the interim presentation;

➢ Presentation as a story line and tips;

➢ Choose the right chart type;

Communications during the project

Consultants use <u>presentation during the entire consultancy cycle</u>… for example:

- Before the project to propose it;
- During the team meetings or to delegate work;
- To present results to the project managers or other team members;
- For stakeholder's meeting;
- During the interim presentations to the steering committee.

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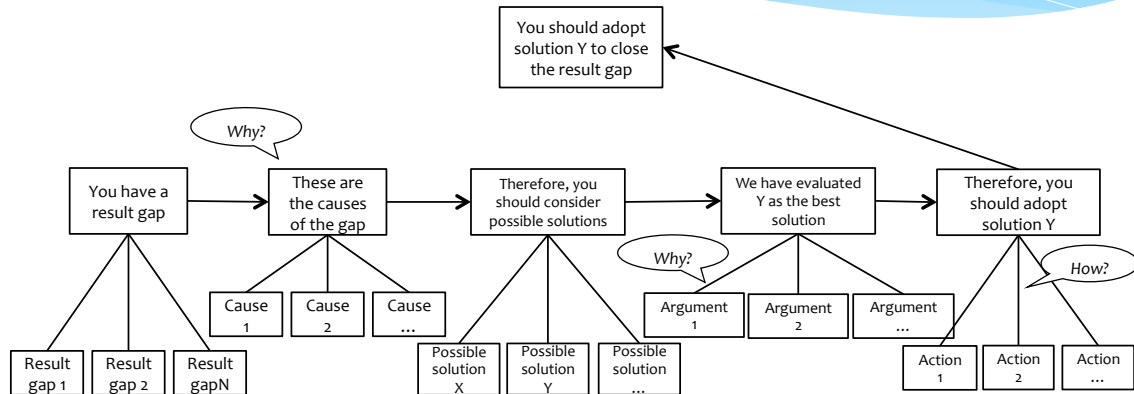## Developing the final presentation
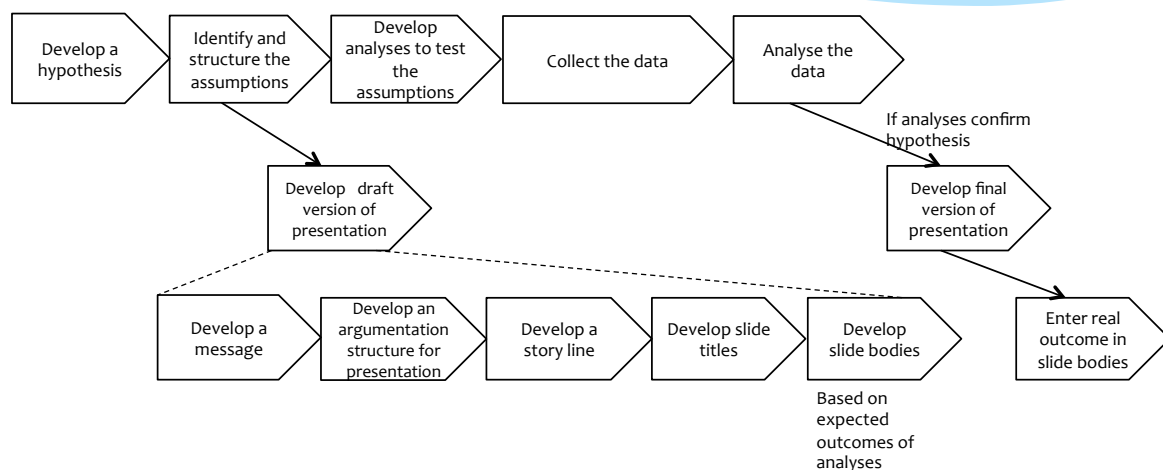
The **final presentation (FP)** to the client is to show not what the consultants have done but rather *what the client should do*; it's not an interim presentation where consultants explain their progress!

The <u>purpose</u> is to *explain the solution and get the client to adopt the solution.*

After consultants have formulated their initial hypothesis, the consultants develop <u>a first draft</u> on their final presentation. The creation of a presentation may be an <u>iterative process</u>.

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Develop a long version of the FP

```
                                              You should adopt
                                              solution Y to close
                                              the result gap

        (Why?)

  You have a        These are        Therefore, you        We have evaluated      Therefore, you
  result gap        the causes       should consider       Y as the best          should adopt
                    of the gap       possible solutions    solution               solution Y

                                                              (Why?)                    (How?)

              Cause  Cause  Cause                    Argument  Argument  Argument              Action  Action  Action
                1      2      ...                        1         2        ...                   1       2       ...

  Result  Result  Result              Possible  Possible  Possible
  gap 1   gap 2   gapN                solution  solution  solution
                                        X         Y         ...
```
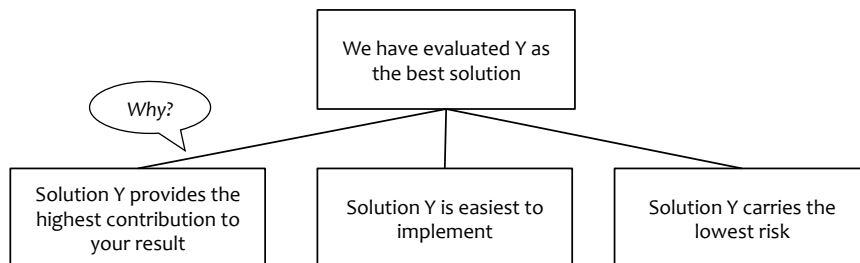
Consultants adopt their presentation to the audience. First consultants have to take into account the **stakeholders' prior knowledge** about the subject of the presentation. The audience is larger than the steering committee. Moreover, they need to pay more attention to the *stakeholders that* deny the problem or take a *negative* **stance towards the consultants' recommended solution** or **towards consultants**.

Consultants may choose a **long presentation** if the audience has a *lack of knowledge*, or a *negative attitude* towards the consultants; they need to explain more or to convince them.
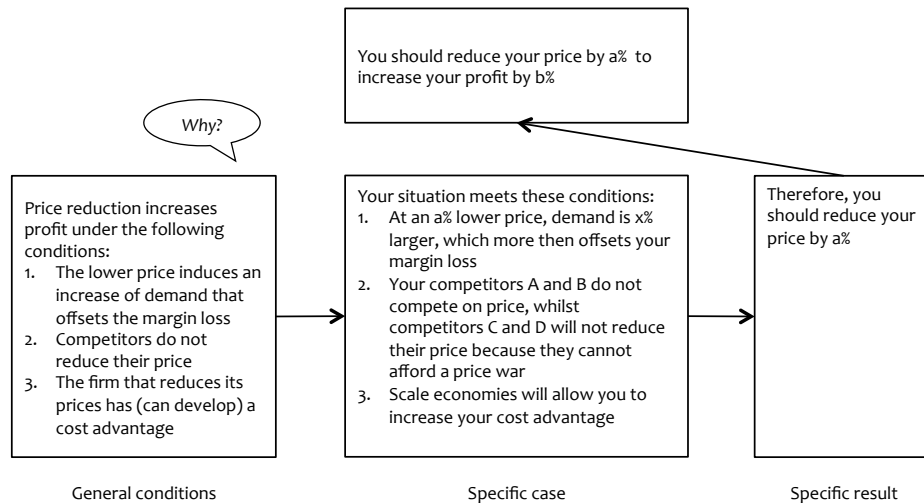
Ways to provide arguments – *Client's criteria*

Consutants explicity use the client's criteria and for each one they display how they have valutated the solution. For each criterion, they benchmark the solution against alternative solutions.

```
                              We have evaluated Y as
                              the best solution

        (Why?)

  Solution Y provides the      Solution Y is easiest to      Solution Y carries the
  highest contribution to      implement                     lowest risk
  your result
```
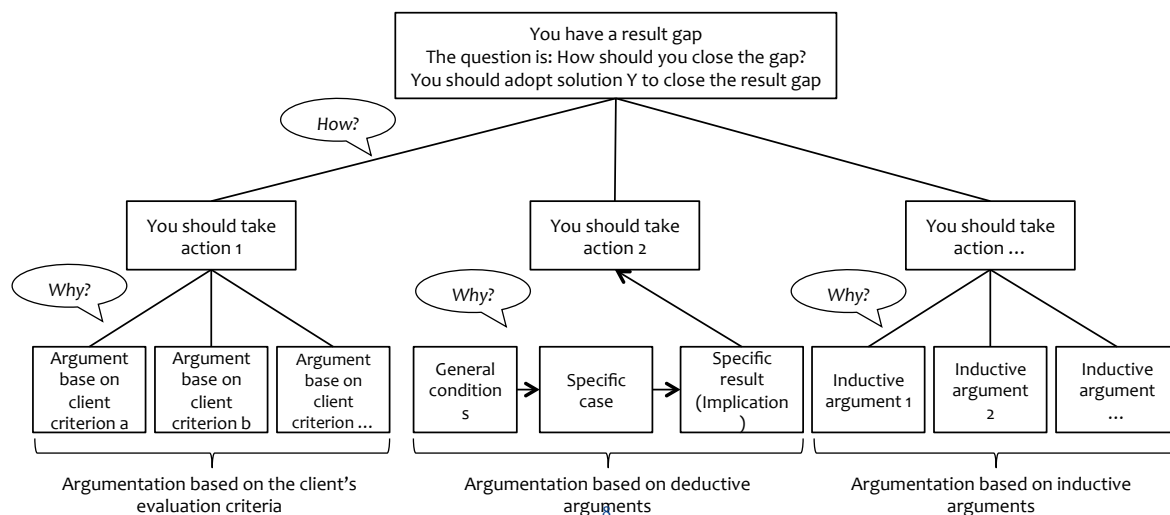
Ways to provide arguments – *Deductive arguments*

Consultants may use the verified assumptions underlying the solution as arguments for justifing their reccomendation. The consultants move **from general condition to the specific case of the client.**

You should reduce your price by a% to increase your profit by b%

Why?

Price reduction increases profit under the following conditions:	Your situation meets these conditions:	Therefore, you should reduce your price by a%
1. The lower price induces an increase of demand that offsets the margin loss 2. Competitors do not reduce their price 3. The firm that reduces its prices has (can develop) a cost advantage	1. At an a% lower price, demand is x% larger, which more then offsets your margin loss 2. Your competitors A and B do not compete on price, whilst competitors C and D will not reduce their price because they cannot afford a price war 3. Scale economies will allow you to increase your cost advantage	

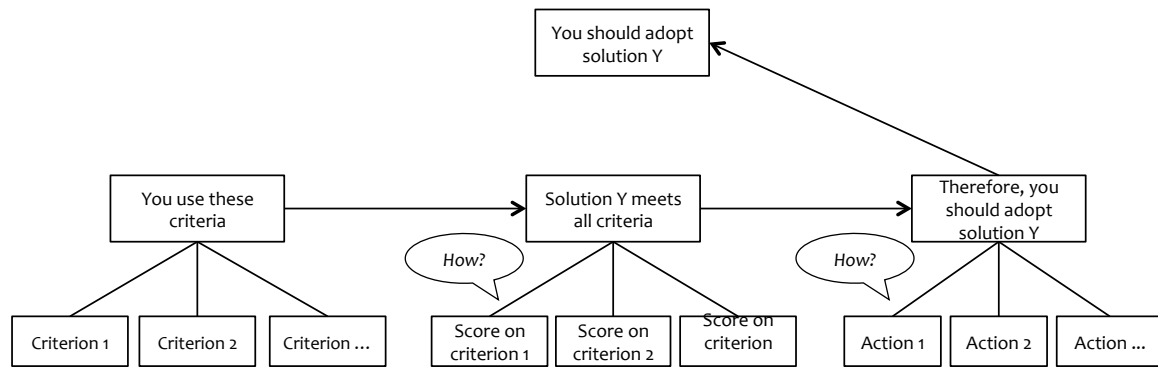General conditions   Specific case   Specific result

Develop a short version of the FP

Consultants use short presentations if there is enough knowledge of the problem and if there isn't a negative approach to the consultants and the subject. Anyway, they need a <u>longer presentation</u> if few member of the *audience respond negatively* to the consultants' recommendation. **Long presentations** starts with a «Why» question, instead in the **short version** they begin with answering the «how» question.

You have a result gap
The question is: How should you close the gap?
You should adopt solution Y to close the result gap

How?

You should take action 1   You should take action 2   You should take action …

Why?

Argument base on client criterion a	Argument base on client criterion b	Argument base on client criterion …

Why?

General conditions	Specific case	Specific result (Implication)

Why?

Inductive argument 1	Inductive argument 2	Inductive argument …

Argumentation based on the client's evaluation criteria   Argumentation based on deductive arguments   Argumentation based on inductive arguments

Develop the interim presentation

Before the FP, the consultants present a series of **interim presentations** to the steering committee for monitoring, soliciting feedback, etc. This kind of presentation is expected to be shown after consultants have tested hypothesis. The <u>presentation begins with stating the client's decision criteria</u>, then the <u>consultants present their evaluation of their solution based on the client's criteria</u>. They also can point out under which conditions the client should choose what solution.

```
                                    ┌──────────────────┐
                                    │ You should adopt │
                                    │   solution Y     │
                                    └──────────────────┘

┌──────────────┐        ┌──────────────┐          ┌──────────────┐
│ You use these│  ───▶  │Solution Y meets│  ───▶  │Therefore, you│
│   criteria   │        │  all criteria │         │ should adopt │
└──────────────┘        └──────────────┘          │  solution Y  │
                          (How?)                    (How?)
```

You use these criteria			Solution Y meets all criteria (How?)			Therefore, you should adopt solution Y (How?)		
Criterion 1	Criterion 2	Criterion …	Score on criterion 1	Score on criterion 2	Score on criterion …	Action 1	Action 2	Action …

Presentation as a story line and tips

1. You have a result gap of $80 million	2. The largest result gap is in segment X	3. These are the causes of the result gap	4. You have various options to close the result gap	5. These are your criteria for evaluating options
6. Y is the best option to close the result gap	7. Customers' arguments support option Y	8. Competitors' arguments support option Y	9. Organization arguments support option Y	10. Implementation of option Y raises your result by $100 million
11. These are the actions for implementing option Y	12. These are the resources required for implementing option Y	13. This is the timeline for implementing option Y	14. This is the project organization for implementing option Y	15. Next steps

- The presentation should not be long; *the shorter the better* (20-30 minutes).
- Each slide should be relevant for the presentation; each one is a stepping stone towards decision (don't insert all the analysis!).
- One slide, One title, One message.
- Slide body has to support the message in the title.

Choose the right chart type

Message is about	Comment	Chart type
Comparisons	In general	Bar chart
	Industry cost curve	Column chart
Components	In general	Pie chart
	Combination with comparison	Stacked bar chart
	Segmenting the result gap	Bar waterfall chart
Relations	In general	Scatter plot (2 variables) Bubble chart (3 variables)
	Portfolio	2 by 2 matrix (or variant, e.g. 3 by 3)
Time series	In general	Column chart or line chart
	Combination with comparison	Stacked column chart
	Contribution of solution to result	Column waterfall chart
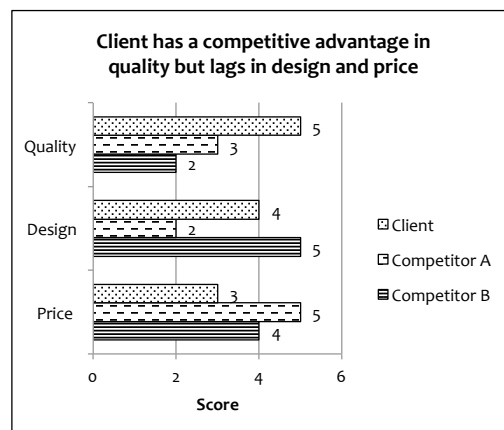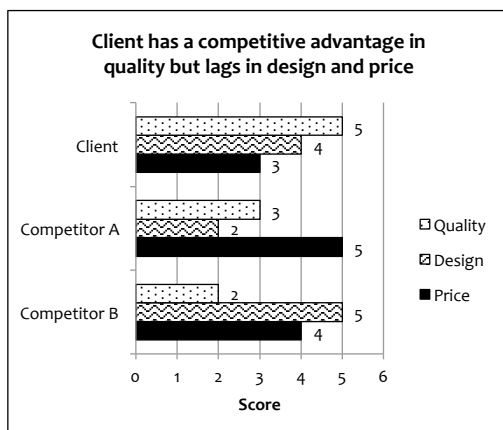
Charts - *General*

Charts - *Segmenting the result gap*
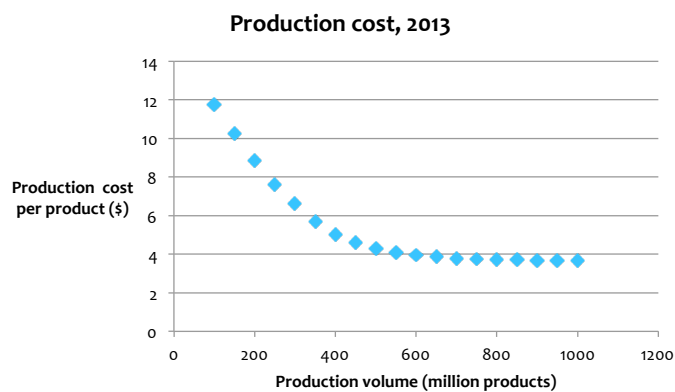
Segment A and B explain most of result gap

Segmentation of 2013 result gap
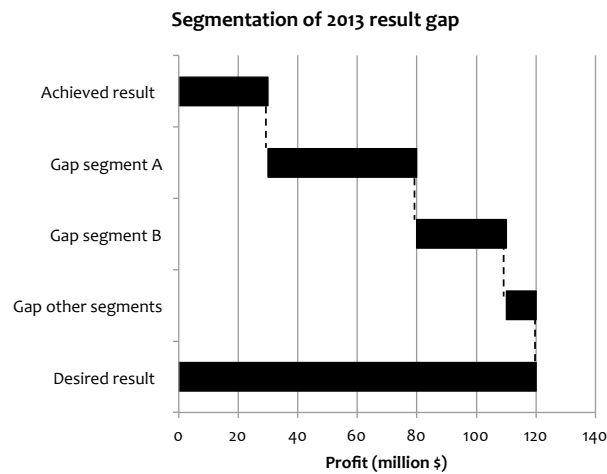
Source: company data, team analysis

13

Charts – *General for relations*

Production offers economies of scale

Production cost, 2013

Source: industry report, team analysis

14

Portfolio lacks high growth business

Portfolio, 2013

Market
growth

E

C

B

A

D

F

Bubble size: sales

Market share

Source: company data, industry report, team analysis
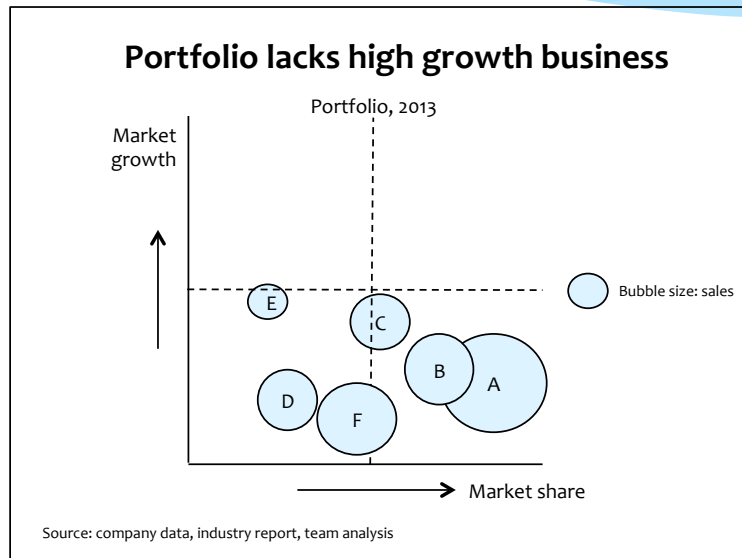
Charts – *Process and Action Plan*

| Title | Title | Title |

Text   Text   Text

| Step 1 | Step 2 | Step ... |
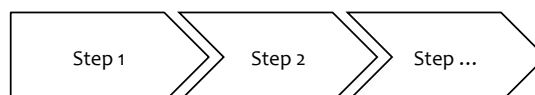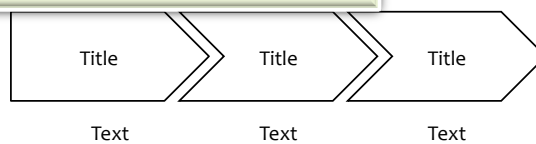
Level	Text	Text	Text
Level	Text	Text	Text
Level	Text	Text	Text

Charts . *Relationship among categories*

	Low → High (Variable X)	
High	Text	Text
Variable Y	Text	Text
Low		

Low ————————— High

Variable X
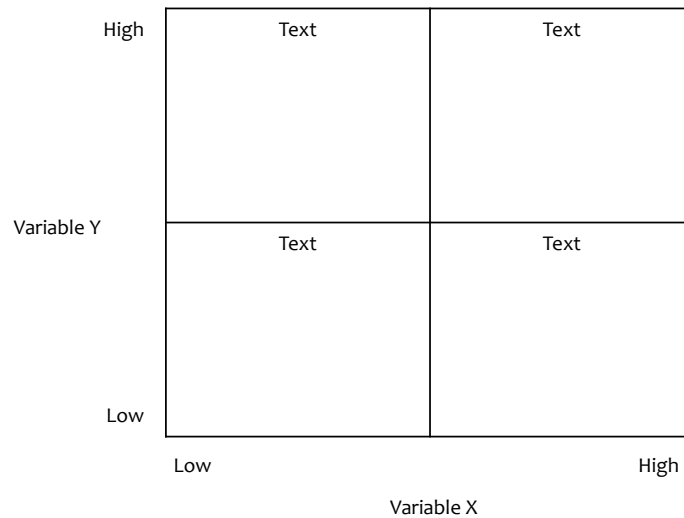
Charts – *Moving box agenda e tracer*

Section 1 > Section 2 > Section 3

Moving box

Agenda

- Section 1
- Section 2
- Section 3

Tracer

Title

Slide body

Charts - *General*

Identify and structure the possible solutions → Select and test a hypothesis → Breakdown the solution into actions

Develop a hypothesis

Key question → Decision / Decision / Decision → Alternative possible solution / Hypothesis (possible solution) / Alternative possible solution → Assumption / Assumption / Assumption → Analysis / Analysis / Analysis / Analysis / Analysis / Analysis → Recommended solution → Action / Action / Action / Action

Summary – Horizontal and vertical flow

Level of presentation

Develop a message → Develop an argumentation structure for presentation → Develop a story line (horizontal flow of slide titles)

Level of individual slide

Develop slide body based on title (vertical flow) → Enter expected outcome in slide body → Enter real outcome in slide body (based on analyses)
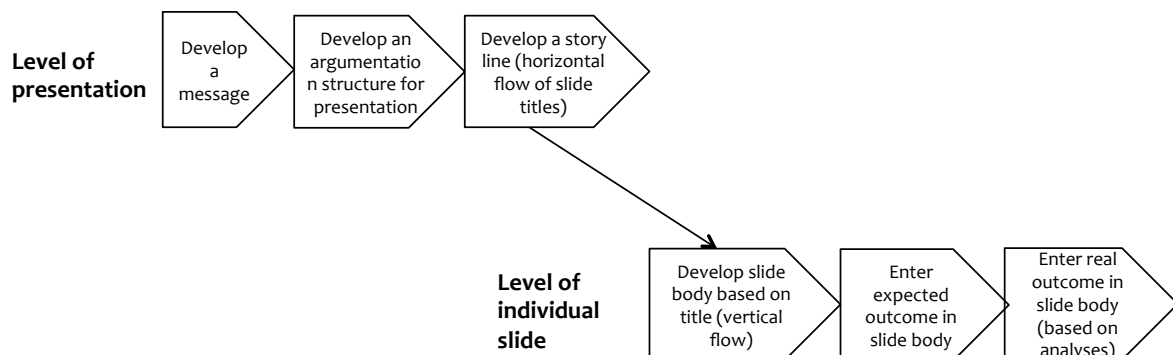
The story line is a sequence of messages (**horizontal flow**). Each message is converted into a slide. Consultants design their slides from the *top* to *down*: from slide title to slide body (**vertical flow**). No argumentation without a message and no message without argumentation.