

## **Internal Consulting in Your Organization. Uncover The Hidden Value**

*by Stephen Thomas*

We live in difficult times. Plant closures, mass layoffs, downsizing and reorganizations appear in the news on a daily basis. These efforts are focused on cost cutting which, in many cases, is designed simply to keep the company in business. Along with these efforts also come budget cuts and restrictions on spending in order to further save money. We have all seen these cuts manifest themselves in areas such as the reduction of in-plant discretionary spending, restricted travel, the elimination of spending on training, and reduction or outright elimination of external consulting costs. In the area of consulting, not only have we been unable to initiate new efforts, but many that were already underway have been stopped literally in their tracks. As I said, we are in difficult times.

However, just because we are in difficult economic times doesn't mean that the plants needing reliability or maintenance process improvements before their funds were cut need those same improvements any less than before. In fact, they probably need these improvements even more than they did when cash flow wasn't such a pressing problem. The reason is that the improvements would serve to increase reliability and productivity, both major enablers of additional cost savings for the business.

The problem we face is that one of the major avenues available to obtain help with these improvements - consulting - often is no longer available because of cost restrictions imposed on the business. This sets a vicious cycle in motion that ultimately can have serious long term consequences, and result in millions of lost dollars. We need consulting to help us improve the business, but we can't spend the money to obtain the very services we need. As a result, we don't improve and sink even further into the quicksand of our own creation.

But there is a light at the end of the tunnel - and it isn't an on-coming train. It is consulting from an area that is typically overlooked when we try to determine how to improve. Consulting expertise in areas such as improved maintenance and reliability management is usually the result of experience and having a proven process available to move a company from its current level of productivity to one which is far superior. This expertise not only exists externally to our business, but, believe it or not, it exists right in your firm, often right under your very nose. Every plant has people who have the experience and have often internalized their feelings of inadequacy to make change simply because management believes that this value can only be obtained from outside. They are waiting, if properly mobilized, to deliver value that can drastically help the business, and the best part is that their services do not add any additional cost.

We all know what an external consultant is and the role that they typically fill when we hire them. The term "internal consultant" is relatively new. An internal consultant is an employee who has "the ability to apply broad-based knowledge and experience about a specific area of the business to help develop and implement strategic improvement plans, identify performance gaps, develop and support the implementation of a recommended plan of action to close the gaps and provide for long term sustainability of the initiative."

If you contrast this definition with the role of the external consultant you will see little difference. But there is a difference and it is significant! The internal consultant, while delivering all of the above, has two additional things they bring to the table. First, their experience is directly related to your business. They know the problems and often the reasons

why these problems exist. Quite often, they also know exactly what to do to correct them. Many would say that this isn't a benefit because they don't have the broad-based multiindustry experience available from external consulting firms. While there may be some truth in this statement, the need to change quickly without an extended learning curve usually needed by the consultant is far more important. The second benefit is that, unlike external consultants, internal consultants don't leave when the project on which they are working is completed. They stay around and are available to help support the initiative and make adjustments as it evolves. This quality provides them experiences that external consultants seldom, if ever, acquire.

So how do you determine who within your organization can step up and fill the internal consultant's role? It isn't as hard as you may think. A successful internal consultant needs three things to enable success; two of which they need to have from the outset and one which you need to provide. The former two are skills and personal traits, and the latter is organizational position.

### **Skills**

The skill set you are looking for in a potential internal consultant isn't their ability to respond to the emergency of the day. Quite the contrary! What you want is someone not only with business related experience, but with experience in the strategic aspects of the work. This will enable them to think long-term while at the same time being realistic about what can actually be accomplished. An additional required skill is their ability to take these strategic concepts and (working with others) convert them into action and achievable results. Additional skills that are needed for effective internal consulting include:

- Facilitation skills
- Exceptional listening and communication abilities
- The ability to accomplish things through others; the majority of which have no direct reporting relationship to the consultant.

These individuals are not as difficult to identify as you may think. Just look to those who handle the current set of reliability and maintenance improvement initiatives within your firm. They are typically disconnected from involvement in the day-to-day work and often have the very strategic focus you seek.

### **Personal Traits**

The personal traits you seek in your internal consultant are not often things that can be taught, but they are critical if someone wants to be successful in this rather difficult profession. These individuals have a passion for the work. They are open to new ideas and can see how things fit together in the big picture. They are also the ones who can see how an idea that has merit in one area of the business can deliver equal or even better benefits in other areas that were never even considered by those who are only focused in their own area.

This strategic view is not often acquired by those close to the day-to-day work. It is usually found in those with experience working on maintenance related strategic initiatives - often across many plant sites. An example would be someone who led a major reliability initiative or managed the implementation of a computerized maintenance management system. These efforts develop the strategic focus required for internal consulting. Other traits required are

more specific to the individual such as: honesty, credibility, facilitation skills and most importantly, the ability to allow those involved in the change process to be the ones to take the credit. This last skill is not easily acquired because we all want recognition for our work. However, it is necessary because sustainability of a change initiative will never occur if it is not owned by those who need to sustain it. Recognition for the internal consultant comes from the success of others.

## **Position**

The last of the three elements required for internal consulting is position. For internal consultants to be successful they need what is referred to as "referential power." Since they have no power of their own, being in the proper position with a senior level reporting relationship provides them the power associated with the manager to whom they report. This enables them to apply power and accomplish change even though they have no direct control over those leading the change. Consider external consultants. The projects that they handle are almost always sponsored by a senior executive within the company. Their association at this level of the organization gives them referential power (the power associated with the executive) and directly supports their effort. It provides them with power that they would normally not have in their possession. The same is true with the internal consultant. They need to be placed in a position where their acquired referential power will enable them to drive, as well as support, the change process. This means being assigned to a senior manager, usually the one sponsoring the change. This assignment will also position them at a peer level or higher related to the managers that they are working with in the change process. Making an assignment of this sort further conveys to the organization that the change and the internal consultant supporting it are important.

## **Next Steps**

Having identified the person who you will utilize as your internal consultant, your change facilitator, you are far from finished. While these individuals have been essentially working as internal consultants, they don't recognize this as a fact of life. True, they have managed change initiatives, facilitated groups and added strategic value to the business, but I will venture to guess that the term internal consultant is not in their personal vocabulary. Your job is to change that mind set. Since you know what you want to change you need to clearly articulate this to your consultant so that they can develop the details. This process follows the same model as that used by those consultants who are hired from outside the company. These include:

- **Defining the Problem** - As manager you have an idea of what the problem is, but it certainly requires more development so that it is stated in specific terms and supported by facts. Making sure the consultant understands the problem to be addressed is critical for success.
- **Gathering Information** - This is a consultant's role and is usually handled through interviews and gathering of supporting documentation. The advantage for the internal consultant is that, based on their experience, they know what to ask and who to ask to truly get a clear picture of the issues.
- **Identifying Solutions** - Once the information has been gathered, the consultant and a business improvement team can identify what they believe the solutions are to the problem. These are then presented to senior management for approval to implement

the changes. This area is one where referential power has value as the consultant works to develop a common solution across functional boundaries.

With the solutions identified and the path forward approved the real work begins -- the implementation phase. Implementation is not an overnight event. It is not something where you wave a magic wand and things immediately change. Implementation requires hard work and often takes years to accomplish, so that the new processes are locked into the organization's culture. This area is where the true value of the internal consultant appears. For most of us, once the implementation plan has been developed the external consultant leaves. After all, they are very expensive and most companies want to avoid spending any more than they need for this level of support. This is even truer in today's world, where funding for external consulting is difficult to acquire.

The value that is delivered by the internal consultant is that they don't leave. They stay, and based on their position can add significant support and direction to the change effort, even if it takes years to put firmly into place. In a sense, they become the oversight for the change effort, helping to guide it and addressing corrective action if it gets off course.

Again, management is not off the hook. For change to be truly successful and sustainable over the long term, active leadership is required. The senior management team, as the real sponsors of the change, must stay continually focused on the work and supportive of the consultant. Lack of either will undermine the effort and set in motion the downward spiral towards ultimate failure of the effort.

### **A Word for the Internal Consultants**

As people are identified to fill this new role and re-assigned to a senior manager, it is important that they recognize that there are special behaviors and actions required for success. These include:

- Take the big picture view. This will help all those involved because the vast majority of people are locked into their functional silos and don't see the forest for the trees.
- Establish a change team with members who will be the long-term owners of the change effort.
- Identify broad areas for improvement, but start with quick wins; small changes that deliver immediate value. This will provide benefit to the organization and will help develop the skills needed for the major efforts to follow.
- Stay out of the tactical day-to-day work. People can work strategically or they can work tactically, but they can't work strategically and tactically at the same time. Focus on long-term improvement.
- Always serve the change team. This statement means doing whatever is required to help the group move forward. Of course, facilitating the effort is an important aspect, but so are the trivial tasks such as publishing meeting notes and making sure action items are completed on time.
- Recognize others before yourself. The owners of the effort are those on the change team. Internal consultants serve as the catalyst to make change happen. Recognition of the team is valuable reinforcement that what they are doing has value.
- Build strong interrelationships because as an internal consultant everything you do will be done working through others.

- Listen and communicate well and make sure everyone else does the same. While this is a well worn cliché, it is critical to the success of any change effort. Effective listening and communication are critical.
- Don't assume anything; get the facts.
- Last but not least - always deliver more than what was expected and always deliver it on time.

As I said at the outset, we are in difficult times. There is enormous pressure to cut costs, often with the very survival of the business at stake. However, you can't save your way to reliability and maintenance improvement. Change initiatives are still required and consulting support for these efforts is critical for success. However, the consulting skills you require to support these initiatives aren't just available from outside the company. They are available from individuals within your company; all you need to do is search them out and empower those who have these skills to deliver the value you seek.

*Steve Thomas has been involved in the reliability and maintenance arena in the petro-chemical industry for almost 40 years. During this time he has worked in many capacities (including internal consulting), adding value to the initiatives in which he has been engaged. His book *Improving Reliability and Maintenance from Within: How to be an Effective Internal Consultant* is a guide for all managers who wish to utilize their own internal consultants. It also is a valuable tool for all those who wish to fill this role and add value to their companies. If you wish to purchase this book, add promo code IMPROVE-09 to your web order from [IndustrialPress.com](http://IndustrialPress.com) for a 10% discount. Other change management books by Steve Thomas can also be purchased at [Industrialpress.com](http://Industrialpress.com) You can contact Steve at [changemgt999@yahoo.com](mailto:changemgt999@yahoo.com).*

From Reliability Web.com