MICK COPE

THE SEVEN Cs OF CONSULTING

third edition

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FINANCIAL TIMES

Praise for *The Seven Cs of Consulting*

'It is a significant body of work and wide-ranging and detailed treatment. I am also impressed with the way that it seeks to pull together a variety of different stands of theoretical thought into a coherent model with practical application.'

Mike Mister, Ernst & Young

'A companion that takes you by the hand and leads you in a simple way through the complexities of consulting.'

Doug Odgers, Fellow of the Institute of Professional Sales

'I would recommend this book to any consultant starting in the business along with the most experienced consultant as a reference.'

Edward M Kohl, BCM Consulting

'Excellent navigation for the consultant's journey.'

Michael Wright, Institute of Management Consultants

'This book provides a valuable source of structure to handling consultancy assignments, from the critical client-focused entry stage, to the often mismanaged closure.'

Stan Stockill, BT Development Manager

'Packed with detail and useful information. I like the way it puts a theory behind some of the things we all take for granted.'

Richard Barron, President, Allen Barron

'A treasure trove of new ideas and wonderful new angles on the tried and true. I look forward to using it with the senior consultants I work with in Washington DC.'

G Mathew Bulley, Bulley-Hewlett & Associates

'A comprehensive guide to the issues which need to be addressed if you want your consultancy to be effective.'

Henry Ratter, ICI Technology

spirit. However, before the contract is written many of the details contained within the document must be negotiated, and this is where problems can surface.

As the old adage goes, 'Measure twice, cut once'. The goal at the contract stage must be to take extra care in the specification of the desired outcomes. This must be in the criteria specified in the document and, more especially, in the allocation of roles and responsibilities between you, the client and the consumer. One of the biggest causes of downstream problems can be disagreement over who owns what action or who is responsible for a particular aspect of the change. Simply by locking in clarity at this early stage it is possible to minimize any problems that might occur at a later date.

Contract negotiation

The negotiation phase is difficult because it is often the point when the undiscussable has to be discussed. When you first meet with a new client, much of the emphasis is on the pleasant aspects of the business – the future benefits, change methodology or who will be involved at various stages. However, as you get closer to signing the contract the more difficult issues need to be aired and resolved. This is where you must move your client out of the comfort zone and into the reality zone, discussing issues such as responsibilities, remuneration, risks and results. However, in dealing with such difficult issues there can often be a tendency to go for fight or flight. 'Fight' means that you go into battle with the client, battling to leverage every bean out of the situation. 'Flight' means avoiding dealing with the difficult issues and sticking with a basic contract that does not offer any beneficial agreements.

Always go for a balanced outcome – one where both parties are genuinely happy with the result and where, even better, there is a sense of collaboration rather than compromise. In this type of agreement, you and the client are not people staring at a problem from different sides of the street. You are standing together trying to reach an equitable, aligned and mutually beneficial solution. If this happens then there is less chance that either side will see itself as a winner or loser. The moment one person agrees to a contract with a voice in their head telling them that they have lost the negotiating game then the relationship is doomed. In driving for an aligned negotiation process, the goal is to avoid the fight or flight syndrome and to come to a position where the outcome is win/win.

Although the model suggests that the negotiation phase comes at the end of the client phase, in reality it starts from the point when you first meet the client. Negotiation is a fact of life – children negotiate for sweets, partners negotiate for wardrobe space in the bedroom and you will negotiate throughout the life cycle of the change process.

Shared success

“effective contracting is founded on the notion of achieving shared and sustainable outcomes”

Consulting contracts that are focused on selfish outcomes may deliver short-term gain but will offer little opportunity to create a long-term relationship. Effective contracting is founded on the notion of achieving shared and sustainable outcomes. The key to this choice is an absolute focus on mutual benefit and the generation of shared success through the delivery of sustainable value.

However, you can really achieve shared success only if you understand what success means for yourself and others. Many people want to achieve a successful contract but do not take the time to understand what the other person wants to achieve. They are focused on achieving their goal and pay little attention to the other person’s needs and desires. The end result teeters between a battle of wills as each person struggles to assert their view of success, or lacklustre output because no one has really said what is important for them. Only by understanding what real success is for the people with whom we work and live can we hope to achieve sustainable success with them.

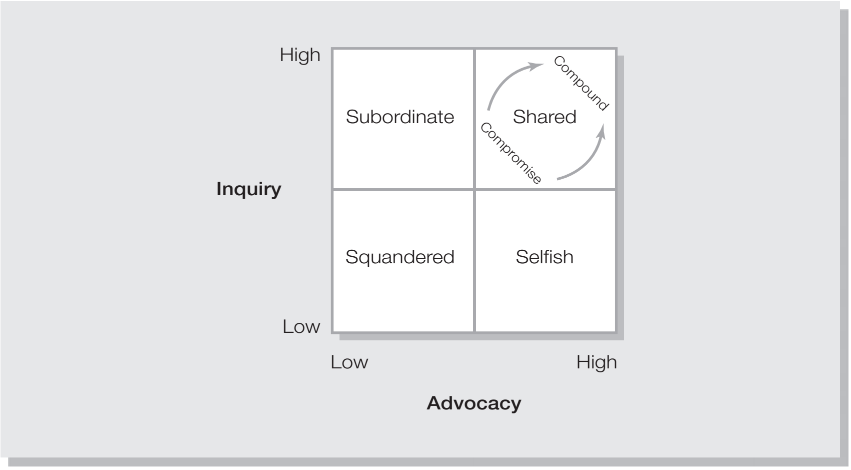

Figure 4.35 Shared success

The way to do this is to keep two ideas in mind. First is the need for constant inquiry – to understand what success means for the client. Second is the need for advocacy – to make sure that the client knows what you want and need by having the courage to tell them. Once you understand these two dimensions you can appreciate how your needs and their needs interrelate and where you can start to find synergies in abundance. The balance and relationship between these two processes can be seen in Figure 4.35 on p. 97.

There are four dimensions to the model:

- **Squandered** – in this contracting process little is happening. You might have a formal process in place, but it only represents what you will both deliver to ensure that the engagement meets the minimum needed to deliver success. There is no real inquiry or advocacy on the part of either the client or consultant, so neither understands what benefit could accrue from the relationship.
- **Subordinate** – in this relationship value is being created, but you are not receiving any of it. The emphasis is on giving benefit to the client without any focus on what you, the consultant, will gain from the contract. This type of contract will often emerge if the consultant is being pressured to grow revenue or if the consulant is new and inexperienced. In this situation the consultant feels under pressure not to voice their needs and consequently to satisfy only the client's needs.
- **Selfish** – this is the inverse of the subordinate level, where you do the taking without giving anything back. Your revenue will grow, but it is not renewable and sustainable because the client will eventually have had enough of your demands and exploitation. (Unless they, too, are doormat wannabes.)
- **Shared** – at this level, you are both gaining value from the relationship, but there is little or no synergy between you. This might be the case between the bricklayer and carpenter who work together. They do not offer new products or special discount schemes or differentiate themselves in the market because of the joint proposition. In a consulting environment this might be the contract where both client and consultant have been through the hoops many times before and so simply jump to a standard routine when they agree the contract. They have forgotten to delve deeper to understand what additional success the other person might be able to achieve from the relationship.

> A synergistic relationship generates shared success at a compound level. This type of relationship is where two people spend time together and in doing so create something that exceeds the sum of their two parts. It is the interaction of two or more agents or forces so that their combined effect is greater than the sum of their individual effects. With this contracting process both client and consultant take time to understand the engagement, what the other person can really gain from the process and what synergistic benefits they might gain. For example, the consultant might wish to promote a new software tool overseas and the client wants to leave a few hooks in the system for future internal enhancement. By careful advocacy and inquiry, they start to realize that the consultant's willingness to leave such embedded memory hooks for no charge means that the client would be willing to help promote the consultant's company in its overseas offices.

The synergistic or compound relationship is an important factor in the contracting stage. It is easy to invest in a client relationship that produces nothing more than the sum of the parts. If you choose to spend time with someone on a project, you are using valuable time, energy and ideas and you cannot afford to waste good opportunities. By spending more time on advocacy and inquiry, the net result is a compound contract – in which the sum of the parts is greater than the whole.

Compound contract development

Compound contracting is founded on two principles:

- **Exposed advocacy** – the consultant is prepared to expose their success criteria with the client.
- **Empathic inquiry** – the goal is to use a questioning structure that enables the client to expose personal success criteria.

Where both principles are employed a shift is made from compromise to compound success.

The key features of exposed advocacy are that you:

- **Expose private wins** – you have a clear and focused understanding of what 'good' means to you. How would you define success from your perspective and how can you make it clear enough for the client to understand?
- **Discuss undiscussables** – the essence of exposed advocacy is to bring

to the surface the shadow desires, to feel comfortable enough to expose and explain the deep personal successes that really would make this engagement of personal value.

- **Welcome debate** – you offer others the chance to explore, challenge and understand your success factors. Unless the client feels able to explore the success factors for which you are aiming, there is a chance they will not fully understand what the aims are and how they can be achieved.

The key features of empathic inquiry are that you:

- **Choose to listen** – this is the conscious desire to put the tacit receptors into gear and to listen with your heart. This is a very specific and conscious process, not something that might automatically happen as you are walking along the corridor chatting with someone. As any parent knows, it is easy to give superficial yes and no answers when a child is constantly raising issues and questions. This can also happen at work when we switch into autopilot and just talk with people on a superficial level while processing our important issues internally. Sometimes we have to turn the inner voice off and listen with our whole self. When the client is describing what success would be like for them, try to really listen to what they are inferring.
- **Minimize internal distractions** – as you listen to a client describing their objectives it is easy for the inner voice to jump in and challenge or disagree with the statement being made. Your inner voice must be tightly managed to ensure it does not corrupt the inflow of thoughts and feelings from the other person. The next time you are listening to someone who is presenting you with a case or argument to do something with which you disagree, listen to your inner voice. There is every chance that the moment you 'know' what they are about to say you will begin to formulate your answer – then you move into a holding position ready to launch your packaged solution before they have a chance to pause for breath. The problem is that you have missed over 50 per cent of what they are saying – and this might be the most important element. The trick is to turn the inner voice off so that it no longer presents a distraction.
- **Love paradox** – you must be able to agree with the client's wish to achieve a set of goals – even if you disagree with the actual goals. This is the art of listening without prejudice and accepting other people's wishes without acting as critic.

- **Manage air space** – you must remain conscious of the balance between listening and telling, since there is always competition for air space. Try to ensure that the balance is appropriate for the outcome you wish to achieve. Don't formulate an answer in your head before the client has finished speaking. Wherever possible, leave space in the conversation to allow the other person room to play with an idea *that has just been exposed*.

The shift from a compromise contract to a compound one is based on your ability and desire to take the advocacy and inquiry dimensions to the limit. If the relationship is not reaching its full potential, are you really using the full power of exposed advocacy and empathic inquiry? Is all your energy and passion focused on extracting the client's personal success criteria and helping them to understand your own? By investing energy and focus in the relationship and the contract design, both sides can really share in the successful outcomes of the project.

The multi-client scenario

Without fail the one consistent question that arises on the Seven Cs course is 'how do I manage a situation where there is more than one client?' My 'idealistic' answer often seems flippant – but it based on a very simple and sound argument. The answer is '*You don't*'. The whole premise of having more than one client is very dangerous, draining and time consuming. It is like asking a Formula One racing river to take simultaneous directions from the pit boss, team owner and head mechanic. Each of these has differing goals, motivation and styles and, hence, the point at which these different models meet will potentially be a point of competing tensions.

If a consultant has been employed to resolve team dynamic problems and help deal with internal tensions then that is a sound objective – but if the consultant has been employed to help to resolve an organizational problem that is not linked to the personalities and professional goals of the different parties then it is a waste of their time to be involved in this area of operation. So (although a seemingly idealistic stance) I would argue that the key question for any consultant is '*Who is my client*?' and never to be in a position where they have to ask '*Who are my clients*?' Otherwise they will pay the price and in most cases they will have to carry the burden of that cost because the client will be unwilling to pay for them to manage the corresponding overhead that this conflict can cause.