Maintaining Quality by Strategically Using Business Consultants by Ben Hughes

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Businesses thrive by providing good service to their clients. Often a company does not have, nor can afford to maintain, expertise in areas not centered on their core services. In those cases, outsourcing for a key competency via a business consultant is logical. For example, most companies staff (i.e., incur recurring fixed cost overhead) for demand they KNOW they will have to service -- outsourcing to augment that capacity [due to peak seasonal demands, unconfirmed sales growth (such as disruption at a competitor), temporarily lost capacity (such as personnel injury or facilities damage), etc] is not only the cost efficient way to proceed, but often results in higher quality output as one can narrowly select the skill set needed for the particular task.

Take a start-up company for example. The entrepreneur typically has figured out a niche in which they could be successful, has experience in the industry sector, and probably has good sales skills â€“ the key requirements for business success. This does NOT mean they are skilled in building business models and projections; investment memorandum preparation; legal document drafting; business negotiations; raising venture capital; facilities design and build-out; assembling an effective team; building incentive programs; financial planning, management, & control; risk management; credit extension; marketing; and a host of other business skills. A wise entrepreneur will know the areas they are deficient in and then figure out which areas they need full-time help with (employees) and in which they need part-time help with (consultants).

Consultants can be used in at least 2 ways: First, to facilitate the revenue production process by helping to produce the companyâ€™s product or service. This could be analyzing a customerâ€™s actual needs, their credit worthiness, providing engineering/architectural services, surveying customer satisfaction, developing marketing programs requiring particular skill (think Google or Facebook ads), delivery and installation, etc. Secondly, they can act as an advisor to the executives at the top of the company. Consultants can open the entrepreneurâ€™s eyes to risks and opportunities that they did not see before â€“ precisely because their skill set is different from the entrepreneurâ€™s. Integrating consultant with a different skill set from the existing management team can be very beneficial.

An integrated consultant/adviser may also change the existing company â€œpoliticsâ€• by enabling excellent ideas of politically â€œweakerâ€• executives to be properly appreciated. A consultant without a political agenda may be able to move a politically-troubled company forward.

Few companies can afford to full-time staff for every need they will have. Many staff for what they absolutely need and then go â€œnakedâ€• on the rest, hoping the top executives will be able to muddle through the remaining issues. A better way is to proactively assess weaknesses and address those issues head-on with the right consultant.

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