

From Vision / Action: The Journal of the Bay Area OD Network, Spring 1998:

"PARTNERSHIP"

"There is no way the internal group could have led this major change effort. The external firm brings the long term view with their feet outside the organization. They can help chart the future-- how to get there. But success is totally dependent on the internal capacity to turn to for information about what is actually happening. The only way to implement is with the involvement and commitment of people in the organization. The role for the internal group is to help people through the transition because they know the system. To leave them out is to bring chaos! "

(From a former internal consultant with a large organization)

Partnership is the key to success for internal consultants who work with outside consulting firms on major change projects. This is the clear message from the dozen or so interviews I conducted with current and former internal consultants whose experience varied from work with small, medium and very large consulting firms. Yet partnership, the experience of "being in it together", when the strengths of the internals are recognized and valued alongside the expertise of the external firm, often doesn't happen. Partnership seems to be a less frequent experience when the consulting firm is large, hired by senior management to design a major strategic, operational, or technological change, or uses an expert methodology.

Most internals recognize that they are often not in a position to drive a major large strategic change desired by senior management. The outside firm brings expertise and leadership to guide executives in meeting the future competitive requirements of the company that few internal OD functions have the capacity to provide. However, senior management often does not seem to understand or grasp the value of the ties the internal OD consulting group has with the existing organization in the successful implementation of a major change effort and the value of involving the internal function actively in the project. This oversight often means that the internal OD group is totally left out of the contracting process and may be without any connection to the project much less viewed as a partner. Exceptions to this experience occur, however, when the consulting firm has the wisdom to recognize and value of the inside view of the organization, the culture and the management the internal function possesses. When such partnership occurs, there are huge benefits gained by the organization in a smoother transition and a successful implementation. The organization has an increased capacity resulting from the learning transfer of the consulting firm's expertise, and the workforce, helped through the transition, is productive and feels respected and valued. Without such a partnership, there are few opportunities for transfer of skills and knowledge, the implementation may be such a disaster that the organization becomes dysfunctional, loses employees, and the workforce morale and productivity require a long recovery time. The final insult is the departing consulting firm which leaves the internal function to clean up the mess afterwards.

Even with potential involvement of the internal function, the chasm which divides the perspectives of the outside consulting firm from the internal consulting function may be wide. Internals often seem to doubt the viability of a large scale system-wide change or disagree with the approach the outside firm is taking. If they have been excluded in the contracting process, they may feel resentful and take a marginalized position. They also may become aligned with the "old way" as they commiserate with their clients about the threatened impending change. On the other side of the chasm, the consulting firms who sell the project with senior, articulate consultants and impressive graphic presentation often bring

in young inexperienced consultants to do the work. This young staff have the brightness and arrogance of newly minted MBA but often lack the personal qualities required for success within an organization. The firm's project staff use language which is academic and full of jargon, unable to articulate terms in day to day terms. Emphasis may be placed on perception versus results with an effort at constant "spinning" so that more appears to be happening than actually is. The large firms steeped in an expert tradition and valued by senior management for their expertise, provide analysts who have little time or appreciation for process and helping people through their resistance. In addition, as a client, "you hang your needs on their framework," one consultant observed, and "what you get is their approach, a packaged solution which is not necessarily the best solution." In this observer's view you don't even get consulting--consulting that is based on designing alternative solutions to meet your needs as a client. Finally the contract itself often presents barriers. The firm may lack the big picture connecting their contracted project to the rest of the organization or they have been asked to redesign a sub-system with no linkage to other systems. The inexperienced staff does not recognize the limitations of their contract and may step out of bounds of the project or make no efforts to connect their work with the rest of the organization. In fact, their view may be, "If you guys are so great, why didn't you fix this mess?"

Other internals are critical of what they consider an out-dated consulting model which is methodologically flawed. The top-down expert model tends to rely on a crew of bright enthusiastic analysts to do the work of the project, often including extra resources from the client organization who are then managed by the consulting firm. The growing power of the consulting firm in some organizations left some with a view that you couldn't tell who was running the place! Without linkages to the OD function, with over-reliance on skills training and communication to manage change, and with little effort to transfer learning, many internal OD consultants see the change management approach of the large consulting firms as weak and ineffective in helping an organization implement a major change effort. In fact, I heard many stories of projects which included no planning for implementation once the new organization or process design was completed.

Not all the stories were critical, however. Large firms are recognized as having the capacity and infrastructure with brilliant, highly trained staffs to plan a large-scale change effort that small firms or internal functions can't support. When there is an openness to partnering or when asked by management to partner and recognize the internals strengths, solid strategizing and successful change implementation can occur blending outside objectivity and expertise with inside knowledge and attention to the human organization. One internal reflecting on the success in working with a medium sized consulting firm said, "They did everything we did including 6:00 a.m. Steering Committee meetings. They provided training, gave up front issues analysis, talked to the plant people, took the time to understand the business, the culture, our managers and the team leaders. They pushed us as much as we pushed them to keep on target with our time frame. They did a good job with up-front planning and foundation building. It was a cooperative effort. The partnership was strong!"

#### ADVICE TO PASS ALONG

Here is some of the advice I collected in my conversations, some based on learning the hard way, and some drawn from critical actions which contributed to successful results in working with an external consulting firm.

Go after partnership with the external firm. Be specific and arm yourself with a proposal about how and what you are after. Seek a contract with your own senior management about your involvement in the

project as well as with the consulting firm about how you will work together and how information will be shared including feedback from the organization.

Be sure your management understands the value and expertise of the internal OD function. OD should be seen as concerned with bottom-line impact with a focus on improvement of profitability and improving ROI.

Don't get offended, whine about not being included, or act out your resentment in petty ways.

Recognize that the firm becomes a stakeholder in the organization and that they are "under the gun" to perform too. Include them in the dynamics of the organizational politics.

Help your clients understand that they need to "play ball" and "join the team". You can help them get close to the consulting firm so they won't be excluded from the decision process.

Be clear before you are faced with the challenges of large scale change planned and managed by an external firm, about how you want to work in the organization and what you do best. Pick a position where you can be in service to your practice and to the organization.

If you are managing the consulting firm, define clear up-front expectations with behavioral criteria, manage them closely, ensuring they meet time commitments, ask them to provide you with full and complete rationale for their recommendations, and watch the "scope creep". "Don't be lulled into a false sense of security" by their expertise and reassurance. "They will do whatever you let them!"

Recommend the creation of a broad-based change management team that is focused on the human implications of the change and which can do solid strategizing to help make the change happen.