



Purchasing professional consulting

Part II: Beauty parades

by Steve Bauld and Kevin McGuinness

AS MENTIONED in Part I (see *Summit* online February 2009 release summitconnects.com), municipalities often try to anticipate the need for professional services by pre-qualifying a list of potential suppliers. Unfortunately, in the absence of a clear understanding of the type of work that will be required, there are no clear criteria that can be used to provide a sensible comparison of the quality or range of professional services offered by different firms, much less to evaluate firms on a rational basis. In a subsequent article, we will advocate the use of an expanded roster system, in which firms are recruited to meet needs for specific expertise and services, rather than to cover the entire field. This approach to recruiting allows more focused specifications. It, therefore, goes a long way to address this area of concern.

Two other possibly profitable approaches include the following. The first is to set out specifications in terms of the tasks to be accomplished, rather than to try to dictate the method of accomplishing those tasks. After all, consultants are supposed to be experts. Why tell them how

they should do their job? Another idea is to circulate draft specifications to prospective bidders, to seek their input into whether the specifications are realistic. Very often when this sort of approach is followed, a municipality can generate a good deal of interest in its work. This may bring about a more competitive bidding process.

In the 1990s, many large customers for professional services began requiring prospective suppliers to take part in a so-called “beauty parade,” which allows the customer to meet with the key partners in the consulting firm. There is nothing wrong with following this approach, but it is important to understand that many consultancy firms have adjusted their marketing methods, so that they present

...customers for professional services began requiring prospective suppliers to take part in a so-called “beauty parade”...

themselves not simply well, but often as better than they actually are. Remember that many kinds of professional service involve back-office work. The ability to interact well with others is not necessarily as important as the ability to perform work well, and to work with little or no supervision.

... part of being an effective team player is the ability to identify a client's objective and to develop a solution...

Some firms have so fine-tuned the art of the beauty parade that they can convince you that they can do anything. That conviction often wears off when you actually ask them to do something.

The ability to handle complex transactions is often revealed by the fact that numerous members of the firm speak frequently at continuing professional development conferences and publish articles in trade journals. If a professional consultant claims to be involved in this kind of activity, ask to have a look at some of his publications.

Team work

The hidden dimension of professional service

Very often professionals with different types of expertise must work together (e.g. lawyers, accountants and financial analysts, or lawyers and environmental engineers). It can be difficult to assess how a given consultancy firm will work together with a given firm of professionals from another field. Very often purchasing services from firms that have an established working relationship is cheaper and more effective than purchasing similar services from firms that rarely work together. Unlike the United States, Canadian professionals have been slow in developing multidisciplinary partnerships that tie together such areas of expertise as legal and accounting.

Accordingly, in the Canadian market it is often necessary to find effective work-around solutions rather than to seek out integrated supply. Options include looking for firms that have established strategic alliances with firms in other fields that are likely to be of use to the municipality, and requiring firms that are seeking a contract to provide letters of reference from professionals in related disciplines confirming the

existence of an established and effective integrated operation. References should be asked to specifically address this aspect of the supplier's overall operations.

From a professional consultancy perspective, part of being an effective team player is the ability to identify a client's objective and to develop a solution to any perceived problem that allows the client either to accomplish that objective, or to come so close to doing so that the result is essentially the same. Generally, professional consultants have long since worked out that they need to describe themselves as being "results oriented," and to describe their work as being focused on problem solving rather than problem identification. When making a purchase, a sophisticated client will ask the prospective consultant to explain how he or she would go about providing a solution to a complex problem.

Jargon

It is also important for you to understand the advice that you are being given. A few minutes research on the Internet will provide you with a list of some of the key jargon used in a particular profession.

Ask the prospective consultant to explain one of these terms to you. If he or she cannot provide a convincing explanation, then the consultant might not be the best one to advise a lay person, even if his or her technical skills are outstanding. If a person can provide a good layman's explanation of exotic terminology such as "pyrolysis" or "stoichiometric," he or she should be able to handle the more routine questions that are likely to arise in the normal professional-client relationship. If a professional consultant does not interface well with municipal staff who have some related expertise, one can only wonder

whether that individual will be capable of providing meaningful advice or guidance to the Council, should that need arise.

You, the customer, should come first

As the foregoing discussion makes clear, many of the same basic techniques that work well in general procurement are likely to be of assistance when hiring a professional consultant. When the final contract is awarded, the municipality should have a good understanding of why it considered it necessary to bring in a

professional services consultant; what that individual is expected to do; and how that individual will interface and interact with other parts of municipal operations. There should be a high degree of confidence in the work that the professional will do, and a good understanding on the part of the professional of the special needs of the municipality, which make it a distinct type of client. Fundamentally, a client is a kind of customer. And as with any other customer-supplier relationship, the needs of the customer should be well understood, and come first. 

Part III will look at recruiting professional services with a transparent process.

Steve Bauld spent many years as purchasing manager at the City of Hamilton and is now vice president of the Ontario General Contractors Association.

Kevin McGuinness is a lawyer with Ontario's Attorney General.

Together they have collaborated on several books about procurement and leadership and were regular contributors to *Summit* magazine's column "In our opinion."