



Top 5 Reasons to Hire a Management Consulting Firm

Should you hire an external consulting firm to support you in improving your group, division, or organization's performance? The question is a tough one as it immediately raises questions from others about your leadership:

- "Don't you know your business?"
- "What's wrong with your team – why do you need external support?"
- "Don't you have the skill and experience required? Why do you need an external firm to help you?"

While some leaders and organizations use management consultants too frequently, there are excellent reasons to hire external consulting support. Here are five reasons why you should at least consider hiring a management consulting firm.

1. Your organization lacks the experience and expertise in a specific area

With the rapid pace of innovation, it isn't easy to maintain expertise in all areas impacting your organization and industry. You likely have a few key areas that differentiate your business, and maintaining expertise in these areas is critical to your organization's success. However, developing expertise in every topic that could impact your business is costly and can divert you from serving your customers well. Hiring a partner with deep expertise in areas that are not core to your business can help you to quickly and efficiently build key capabilities.

Case example: A rapidly growing software company had been expanding globally through a combination of organic growth and acquisition. Leadership realized that it needed help to create a cohesive strategy and build a plan to realize the value that it had committed to its investors. Lacking an internal strategy team, they asked The Burnie Group to lead an initiative to align on the top 5-7 initiatives critical to achieving their goals and building a concrete plan to deliver. The Burnie Group's expertise in strategy and value creation planning accelerated the pace of getting to an answer and ensured that the final recommendation was strong and had the leadership team's full alignment.





2. Your organization lacks the skillset required to deliver

Your organization is great at what it does because it focuses on the things that will deliver an unparalleled customer experience. That focus can sometimes mean that skills required to implement and roll out a new initiative are not resident within the organization. You can build those capabilities organically (which makes sense if those capabilities will be core to what you do), or if the skills are a short-term need or if you need to implement quickly, external support may be the right answer. In cases where a new skillset is critical for the organization's ongoing operation, you could consider leveraging a consulting firm for immediate implementation support while building internal capabilities for the long term.

Case example: A regional Canadian bank recognized the value that automation could bring to their day-to-day operations. They lacked the skillset and expertise required to implement an automation transformation. The Burnie Group worked with this bank to execute initial high-impact waves of automation and in parallel helped design, build and train an internal Automation Centre of Excellence. One year after initiating support, our client had developed a leading Automation Centre of Excellence and was independently building and implementing automation initiatives.

3. Your organization lacks the capacity to execute quickly and effectively

Frequently, leadership understands what needs to get done, but they lack the resources required to implement quickly and well. Teams are usually resourced to deliver on a business's day-to-day requirements, which can make one-off projects difficult to staff. Management consulting firms can provide this capacity on a short-term basis, with team members who have expertise in the job that needs to get done. Often, external support from a consulting firm can improve the execution quality and rollout pace, leading to a better outcome than if internal resources had tried to execute the project or initiative "off the side of their desk."



Case example: A large national insurance company wanted to implement an operations excellence program in its claims business. While many leaders in the organization understood the concepts of a strong operations excellence program (e.g., Lean/Six Sigma, workforce management, change management), none had the time required to build and roll out a robust program. The Burnie Group worked with leadership to design the program and then roll it out across their organization, while leaders continued to focus on day-to-day operations.



4. In-house capabilities/expertise are too expensive to build and maintain

Small and mid-sized organizations frequently lack the size and scale to justify building and maintaining niche skill sets or expertise. In some cases, these capabilities are required infrequently, or for a short time, so the cost of having in-house dedicated resources doesn't make sense (similar to hiring an external accounting firm to prepare a firm's annual financial statements). In other cases, expertise may be very time intensive and expensive to acquire, so it is advantageous to leverage an external expert for the specific times when this knowledge is required. While the per-hour cost of this external support will seem high, the total cost to the firm will be lower and usually at a higher quality.

Case example: A mid-sized engineering company recognized that Robotic Process Automation could greatly improve its operations efficiency. Rather than building automation capabilities in-house, it hired The Burnie Group to design and execute an automation program that was implemented over 12 months. After implementation, The Burnie Group continued to provide light-touch support to maintain and sustain the automation program. Leaders realized that while they could build an internal automation team, our Burnie Group team could complete the work faster and "roll-off" the project once the work was done. Support from The Burnie Group allowed them to achieve their automation objectives faster while minimizing an automation program's long-term costs.

5. The value of an external perspective is high

Leaders at organizations know their businesses very well. They understand their customers' needs, know how to get the most out of their team members, and have great insight into the competitive dynamics in their field. Over time, however, a leader's perspective can become clouded by conventional knowledge and thinking that errs on the side of "This is how we've always done it." Leaders also find it challenging to stay abreast of innovation and changing technology in their industry. An external perspective can bring fresh insights, new ideas, challenge conventional thinking and educate leaders on innovations and new ways of working.

Case example: A large pension fund was interested in understanding how blockchain might impact different companies in its portfolio. The Burnie Group prepared a series of training sessions to educate leaders on how blockchain worked and led a series of industry-specific workshops to develop a perspective on the challenges and opportunities that blockchain presented that should influence ongoing strategy.

To hire or not to hire? There are many reasons to engage an external consulting firm. Finding the right consulting partner is key to ensuring that your consulting engagement is successful.

● The Burnie Group

The Burnie Group is an experienced management consulting firm that helps clients design innovative strategies and continuously pursue operations excellence.