

## TipSheet – 10 Tips for Hiring a Consultant

- 1) **Make sure you need a consultant.** Examine your requirements, your current staffing, your current/required skill-set and make a calculated decision. Then don't start second-guessing your decision and worrying about whether or not it's the "right" thing to do. Understand the costs/benefits of hiring a consultant. Just because a consultant's fees are higher than the corresponding direct employee salary, there are other not-so-obvious benefits to retaining a consultant (such as: reduced payroll taxes; no medical, pension/profit-sharing, or other benefits; use only as much as you want, when you want, rather than 40 hours/week).
- 2) **Know what you want the consultant to do.** It's a good idea to have a Statement of Work in hand before you start looking for a consultant. That way, both you and the consultants you interview/hire know what's expected of them. An associate recently emailed me: "I've been here for a month and they [the client] still haven't figured out what they want me to do."
- 3) **Find someone who is focused on your needs, not theirs.** They should spend the interview asking questions about your business, your requirements, your expected outcomes – not deluging you with their past contracts. Sure, you need to find out what they've done specifically referenced to your needs. It's more important that they find out what you want done and get a good understanding of how it's important to your business. They should be able to describe what they can do for you and bring in examples from past experience to reveal their abilities in similar situations.
- 4) **Look for someone who is a full-time consultant.** You may be tempted to hire a part-timer. They'll probably charge less because they don't have normal business overhead. That's because they are not really in business; if their "real" job gets too hectic, you could be left out in the cold. Find a consulting who is looking at the long-term. You want someone who is committed to the relationship – not just the 'one-shot' assignment. They're more likely to work hard to earn your satisfaction, knowing that tomorrow's business is just as important as today's.
- 5) **Find someone who can communicate with you.** That means someone who works to help you understand them rather than someone who makes you do the work to understand them. Don't get bowled over by jargon or buzzwords. If you don't understand, let them know you want them to speak your language, and make sure they explain themselves to your satisfaction. If they can't explain clearly, then you'll certainly have other communication problems throughout the assignment and that spells T-R-O-U-B-L-E.
- 6) **Ask for – and check – the consultant's references.** Of course, they'll give you their best references. But make sure you check the ones you are given. Usually, checking two to three references should be sufficient, but the consultant should be able to provide more upon request. You can sometimes get other references by asking the people you call if they know anyone else the consultant has worked for. Get resumes from all the people who will be working on your assignment, and make sure the ones you interview are the ones that do the work. Don't let new people be slipped in without your reviewing their qualifications and approving them before they start.
- 7) **See if they are a member of one or more professional organizations.** The IMC (Institute for Management Consultants) and the ICCA (The Independent Computer Consultants Association) are serious and professional: they're both national organizations. There are others such as PATCA (Professional and Technical Consultants Association), which is a San Francisco/Oakland Bay Area organization. Membership in a professional organization usually signifies a longer-term commitment to the consulting profession and on-going peer relationships.
- 8) **Make sure you get a written contract.** This should, at a minimum, specify the expected outcome of the assignment, the price you expect to pay, the payment terms, and standard legal clauses. Members of ICCA, for example, have a standard contract that has been developed by the association over the years. Know what the fees are – in advance. Do they charge for proposals and estimates? Is there follow-on phone call support and what are the rates? . (NOTE: this tip sheet does not provide legal advice; get legal advice from your attorney).
- 9) **Make sure they are truly 'independent'.** You don't want someone who is beholden to a vendor and who therefore cannot give you their unbiased opinion or support. If there is any such relationship, the consultant should come forward and tell you that at the outset, so that you can make a decision based on complete information. Ask the consultant about their relationship to each and every vendor they recommend.
- 10) **Manage the relationship going forward.** You shouldn't control the details of how the consultant does the work (that defines them as an employee – something that will create big problems for both you and the consultant). Instead, set up some schedule for meeting/talking with the consultant to review progress and assure that everything is staying on-track and on-schedule. Make sure that the timetable and the requirements that you originally specified are going to be met. You have an essential role in meeting goals of time, cost, and project objectives, so stay involved and make sure that your company provides the necessary input and support as required. It's your business and your project, so keep an eye out for the end result.