

# NEW INTERNAL CONSULTING SURVEY

This article provides a brief overview of a recent survey conducted by Satori Consulting, regarding key internal consulting concerns and approaches.

## THE INTERNAL CONSULTING CONDITION

When all is said and done, clients need *results*. They need to do things more efficiently, less expensively, more productively, and more accurately. They need to achieve organizational objectives, meet mandates, and comply with corporate policies and/or government regulations. To meet their needs, clients turn to consulting organizations for complementary and supplementary services, which they see as important – if not essential – elements of the solution.

So, how is this client/consultant relationship established? Let's start with a contextual point: the ubiquity of the term "consulting" is a double-edged sword. While the enhanced awareness of available services has led to a greater number of requests, the liberal use of the term has made it difficult to set and manage expectations. What does my group do? What *doesn't* my group do? How does this fit with the needs of my clients, which vary over time?

External consulting firms face these questions as a matter of due course. Many lessons have been learned over the years, contributing to carefully constructed relationship and expectation management approaches. These approaches are designed to maximize satisfaction and minimize risk.

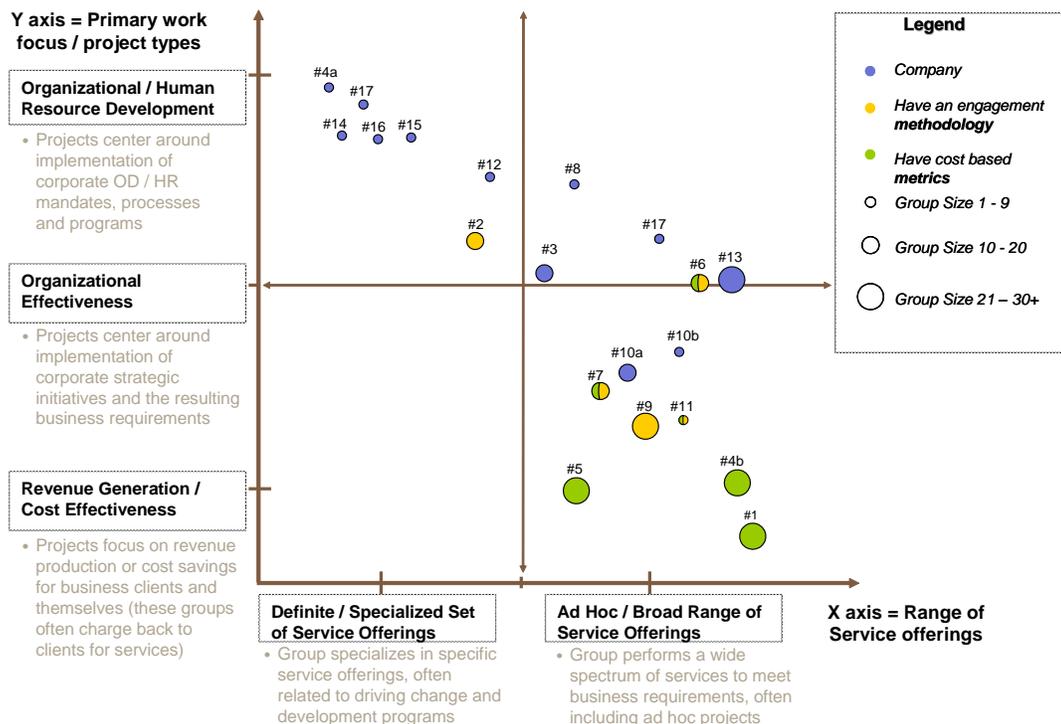
Generally speaking, internal consulting groups provide services comparable to external consulting firms (recognizing that specific areas of expertise, specialties, and quality are distinguishing points). With that in mind, many approaches can be shared to mutual benefit. However, two factors separate internal and external

consultancies: 1) the commercial nature of the relationship between a consulting firm and its client; 2) the scale, capacity, and third-party relationships that external firms typically bring to the table.

For internal consulting groups, positioning is not a simple matter of "going to market": these groups must accommodate the complexities of a shared organizational framework. Internal consultancies must also overcome the difficulty of driving change from within the very structure you are seeking to transform.

The fact is that many internal consulting organizations face a shared set of concerns. Their sponsors are asking them to do more with less, to justify their existence and value in quantifiable terms, and to deploy their resources more efficiently and effectively. Their clients are issuing demands that in some respects conflict with their sponsors' requests, including providing a wider array of services, enhancing project and relationship management, and more timely and sophisticated reporting. Lastly, internal consultancies are the source of their own pressure points, including a desire to achieve greater visibility with their clients, improving their "brand" and positioning, and evolving to be a more proactive solution provider. With this backdrop, internal consulting group leaders wrestle with many of the same points, including group size and structure, service offerings, and methods of interaction.

So, what can internal consulting organizations do to learn from each other?



## COLLABORATION & INFORMATION SHARING

Last year, Satori Consulting, Inc. was engaged by Pfizer's Worldwide Organizational Effectiveness Group to explore these points and determine ways that internal consulting group leaders can share valuable experiences. Satori identified internal consulting leaders from various organizations, and facilitated information sharing around key internal consulting concerns.

Representatives from seventeen companies and twenty different internal consulting services groups across a variety of industries participated in this information sharing exercise. The selected companies were large multinational corporations, with average annual revenues typically ranging from \$1,500mm to \$15,000mm, and employees numbering between 40,000 and 356,000. Information gathering occurred both in person and by phone, guided by a pre-established protocol, which was mindful of and guided by the confidentiality needs of the participants.

The resulting in-depth, cross-industry analysis explores the range of structures, business models, operations, services and value propositions in use by internal consulting groups:

- **Value Proposition and Assessment:** What are the expected results? What services are offered? How is value articulated (i.e., quantitatively, qualitatively)?
- **Resource Balancing:** How can performance be optimized given resource constraints (i.e., financial, human, and physical resources)? How can the allocation of resources be influenced to ensure that company objectives are achieved? What can be done to prioritize most effectively?
- **Relationship Development and Management:** How are internal services groups positioned within their companies? How do these groups interact with their client base and other external parties? How do they source and maintain their support (i.e., internal backing and sponsorship)?

- **Size and Structure:** How are internal consulting groups structured? What reporting relationships are in place and why? What is the appropriate staff makeup and why?

## LEARNING MORE

Unsurprisingly, the organizational structures of internal consulting groups vary significantly; they operate within a broad spectrum of company needs and levels of commitment, and they have very different spans of control and/or degrees of influence. Nonetheless, they do share one very important point: they must deliver *results*. With that common denominator, we dove deep into the various operating parameters, and determined specific steps that can be taken to advance the position of internal consulting groups, both strategically and tactically. Furthermore, the stage has been set for future additional topics and analysis.

- Analyzing the impact of decisions to help leaders ensure objectivity in final consolidation actions
- Designing transition plans to optimize the impact of decisions and ensure success
- Overseeing the workforce consolidation program including facilitation, change management and communications to ensure integration of activities and ongoing engagement of key stakeholders of key stakeholders throughout the process

*At Satori Consulting, our mission is simple—to work side-by-side with clients to discover opportunities and solve problems. We strive to provide both comprehensive and expert service, mindful of every client's unique needs. Our team of highly-skilled management consultants brings a wealth of industry and functional experience to provide wide-ranging services in project and program management, risk management, change management, organizational effectiveness, strategy and advisory, business process engineering, performance management, and infrastructure and technology.*



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