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## Core Value 1 — What is a Consultant?

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It used to be easy. I was a consultant, and I knew what I did for a living. My customers knew why they were hiring me and what to expect. This is no longer true. In the past, consultants were the experts in the industry, but today the term “consultant” refers to anyone who delivers computer services. Programmers, vendor support staff, and trainees are all sold as consultants. Practically anyone working on a computer is a consultant. In the software services organization at Digital Equipment Corporation, employees progressed from an associate, to a software specialist, to a principal, and finally, if you were the top in your field, to the grade of consultant.

The role of consultants in today’s marketplace needs better definition for both systems professionals and their customers. Consider the following questions:

- Why is it that consultants are no longer the experts in our industry?
- Working in the computer industry, should you strive to be a consultant?
- As a customer, if you want to hire an expert, should you hire a consultant?
- When you hire a consultant how do you ensure that you receive what you paid for?

To begin answering these questions we first examine the systems integration industry.

Systems integration services delivered in 1995, excluding outsourcing, approached \$36 billion. This \$36 billion includes design, development, support and deployment services delivered by a wide range of vendors. The top 25 systems integration vendors in the industry account for less than \$7 billion in revenues. With \$29 billion of services being delivered by thousands of firms, all of varying sizes and qualifications, it is no wonder that most consumers of software systems services have trouble classifying consultants. Historically, consultants were considered experts, so most of these firms call themselves consulting companies to define themselves as leaders in the industry. These consulting companies are broken down into three general classifications:

- Staffing companies
- Computer vendors
- Project-oriented firms.

Staffing companies primarily service their customers through the placement of technical and project management personnel at a customer’s location in exchange for an hourly fee. In this relationship, the customer assumes all risks for the successful delivery of the project. The staffing companies deliverables consist exclusively of trained personnel with defined skills. For example, their candidates may be COBOL programmers, Netware CNEs, C++ coders, etc. Based on the qualifications listed on their resumes, staffing company personnel are hired and placed at customer locations. The greater the experience and

skill level of the staff person assigned the higher the fee charges. The staffing approach provides the customer with moderately priced supplemental staff. Staffing companies often pay the highest salaries in the industry but typically provide minimal job security and few career benefits, such as company paid training, equipment, and promotion potential.

Computer vendors often include consulting services in their portfolio of services. This creates an interesting challenge for the vendor's employees and customers. Will a computer hardware and/or software vendor consulting division recommend products other than his or her own? Is a consultant on the staff of a software vendor likely to be knowledgeable about competitor products? Vendor supplied consultants are best used for the implementation of their *own* technologies.

The third type of software services firm traditionally delivers systems integration or consulting services. These project-oriented firms work with a customer to define and implement a solution to a business problem. They are very different from staffing companies because they share the risk for the success of an engagement with the client. Most consulting companies claim that they share the risk of success with their clients, but from a customer's perspective, shared risk implies more than terminating a relationship in the case of failure. Use the following criteria to determine if a consulting engagement is project-oriented:

- Deliverables of the engagement are defined up front.
- Consulting company shares responsibility for the defined deliverables.
- Work delivered on a fixed price basis.
- Consulting firm is responsible for scope control.
- Project activities are assigned and scheduled by the consulting firm.

As a customer with a business focused outside of computer technology, it is prudent to ask your technology vendors to share the risk of any significant engagement.

With knowledge of the three different types of companies, how do we define a consultant? To ease this dilemma, I propose the following three classifications for personnel assigned to assist customers with computer technology issues:

- "Contract technologists" refers to staffing company-supplied talent
- "Product specialists" refers to vendor supplied staff
- "Consultant" refers to people assigned to the full life cycle activities of project definition, delivery, and risk management.

In other words, restrict "computer consultant" to people who own the responsibility for solving customer problems through the application of technology, with an emphasis on ownership and shared risk.

All three types of companies provide meaningful employment. It is a matter of personal preference that determines what type of a company you select for employment. To maximize your short-term earnings, staffing companies provide an optimal position. When selecting a staffing company for employment, realize your future is dependent on remaining billable to your employer. Staffing companies afford your higher salary

because they minimize their facilities, training, and support costs. If you find yourself “on the bench” for an extended period of time while working for a staffing company, begin looking for a new job.

The best place to build skills in a single set of technologies is with a computer vendor. Due to the fact that the vendor’s business focus is products and not consulting, services are cut before products in slow times. Selecting a vendor maximizes your ability to learn a product in depth, while selecting a staffing company maximizes your salary. This may lead you to ask, “Why go to work for a project-oriented firm?”

If you are excited about participating in the delivery of solutions from start to finish, work for a project-oriented firm. The best project-oriented firms pay competitive salaries, offer training, utilize current equipment, and provide access to a wide range of support services. These firms use proven software development methodologies to minimize risk, and they take pride in getting the job done. At a project-oriented firm, you work hard and continually learn new skills. As a reward for your efforts, you have opportunities to move beyond programming into application design, project management, and business development. Many project-oriented firms provide the opportunity to work as part of a team and experience the role of both mentor and student. If you want to build significant systems, grow each year, and maximize your long term potential, work for a project-oriented firm.

To conclude, customers have a choice of three types of consulting firms. For short term supplemental needs, hire “contract technologists” from a staffing company. If you hire contract staff, do not forget that the burden of management is yours and not the staffing companies. To optimize the performance of a vendor supplied tool, hire “product specialists” from the vendor. When you have a business problem to solve that involves technology, hire a project-oriented consulting firm that shares the risk of completing the project on time and budget. A good project-oriented consulting firm becomes the customers’ partners from design through implementation.