



Managing Consultant



What is a consultant?

Consultants are people with skills or expertise who give advice to managers – helping them with decision making and improving the functioning of their business or organization.

Consultants are often confused with *contractors*, but contractors play a different role. Contractors are people who deliver specific goods, services or carry out tasks which a business has set out for them.

A *consultant* is usually hired to develop for your business or organisation a *new* concept or process that hasn't been put in place yet, whereas a contractor implements or helps with an existing project under supervision. Consultants help you improve your business by looking at the existing problems and creating new solutions specific to your needs.

Consultants have specialized skills that you might not have which can be essential to the development of your project. However it is sometimes tricky to manage your consultant and integrate them into your team. This factsheet will give you a few tips about managing a consultant working for your LALC and the pros and cons of hiring consultants.

Pros:

- Can bring objectivity to a LALC project.
- Can focus on one project or issue. This is because they're not weighed down with other responsibilities and this helps speed things up and give some clarity to an issue or project.
- A consultant will work with you for a short time, to fix a problem or deliver a certain outcome. This can be much easier than hiring a new permanent person if it is not extra people you need, but just a specific skill.
- Bringing in industry expertise: having someone with extensive work experience in an industry you may not be familiar with may be crucial to the development of your business or project.

Cons:

- If the project isn't well-defined at the start, you might not get the results you're looking for because the consultant is not clear about your plan.
- Consultants are expensive. This means that you must manage their work carefully so you get the result you want without going over your budget.
- Team members might resent an "outsider" coming in to fix a problem that they couldn't. Also, consultants may not see the need to establish good relationships with their co-workers,



Know why you are hiring a consultant

What is the reason hiring this consultant is essential? Make sure you have planned exactly what you want the consultant to do before they arrive, let them know the job you want done, how you want it done and why you have chosen them for their skill set. Keep your consultant on track by making sure everyone stays aware of the specific reasons they were hired and the tasks they need to complete.

Communicate clearly

Make sure that everyone involved in the project or task is clear about what the consultant is there to do, including the consultant themselves. Give the consultant an overview of your LALC's history, what you are trying to achieve, who is involved and why it is important – this will help them see the bigger picture. A consultant may also need to know about underlying issues in the LALC that might not be discussed openly.

Maintain healthy relationships

Have you made it clear to everyone at your LALC or business the reasons why the consultant has been hired? Have you made sure they are aware of the consultant's specific role in the business or organisation so they do not feel like their work is not valued or their job security threatened? Have you clearly communicated to your consultant the role of everyone in your LALC so they know what they need to focus on, and what skills are already covered by the existing staff?

Have a contract and insurance

Make sure your consultant has *Professional Indemnity Insurance* so that if they make a mistake that affects your LALC you can claim it back from their insurance. When you are looking for consultants, this is a very important question to ask at the beginning, as a good consultant should have this insurance and be able to disclose the amount they are insured for i.e. the amount of money *you* can claim if they make a mistake that damages the functioning of your LALC. You will also need a contract between the LALC and the consultant. A consultant contract is a legal agreement between you and the consultant, it outlines the costs, insurance and services that the consultant is required to do, how long they have to do it, and how they will be paid.

Please note: while all care has been taken in the preparation of this document, it should not be seen as a substitute for independent consideration of the issues and/or legal advice on this subject. This document is current as of July 2017.
