

You might have heard the joke that management consultants are 'never knowingly understood.' Much of the jargon used by consultants is often parodied by the cartoon strip *Dilbert* and even by the character David Brent in *The Office*.

Despite this, management consultants (MCs) appear to earn large fees and are involved in assisting many of the largest and most important companies. This might suggest that directors of multinational companies are foolishly wasting their money, or it might convey that the management consultancy firms manage to peddle their snake oil with selling skills that are more effective than their advice.

Yet, most importantly, what is an MC's place within RICS, given that there is a Professional Service Group devoted to this sector?

Definitions

There are more than 12,000 chartered surveyors in the Commercial Property Group who profess to be involved in management consultancy and this is obviously an area of interest to the membership. It is unlikely that all undertake the same type of consultancy and it is useful to have a definition, in the context of property, to classify the different types of advice.

The different areas of advice can be divided into three types, surveying, business consultancy, and management consultancy.

Surveying involves technical advice about real estate and will often form part of a wider decision-making process for an organisation. Land surveying or valuation will inform the client about an asset and will be used to make individual decisions about that asset.

Business consultancy involves answering a question about an asset, which will impact upon the client's business. It enables surveyors to use their technical expertise to advise the client about the impact that a particular course of action may have on the business. Such as, when closing a factory, a client requires a surveyor to assess the property's values and potential disposal options as they apply to the business situation. For this reason, most surveyors are involved on a regular basis in offering business consultancy advice; as are HR professionals, accountants and lawyers.

Management consultancy involves offering advice about the management of a business. An MC may advise a company on how to restructure its management team in a way that makes the business more efficient. Advice may involve helping a team of managers to identify better working methods and changing to adopt them. Or it might involve developing a business case for a new product or service.

Adopting these definitions, even specialist management consultancy firms provide business consultancy and most surveyors are happy in their role as business consultants. Some surveying firms offer pure management consultancy services – but not many.

Another way of viewing this is that most surveyors will deal with the asset itself. Management consultants will help with advice geared towards the resources and processes, which will better integrate property in the business.

Modelling as a career

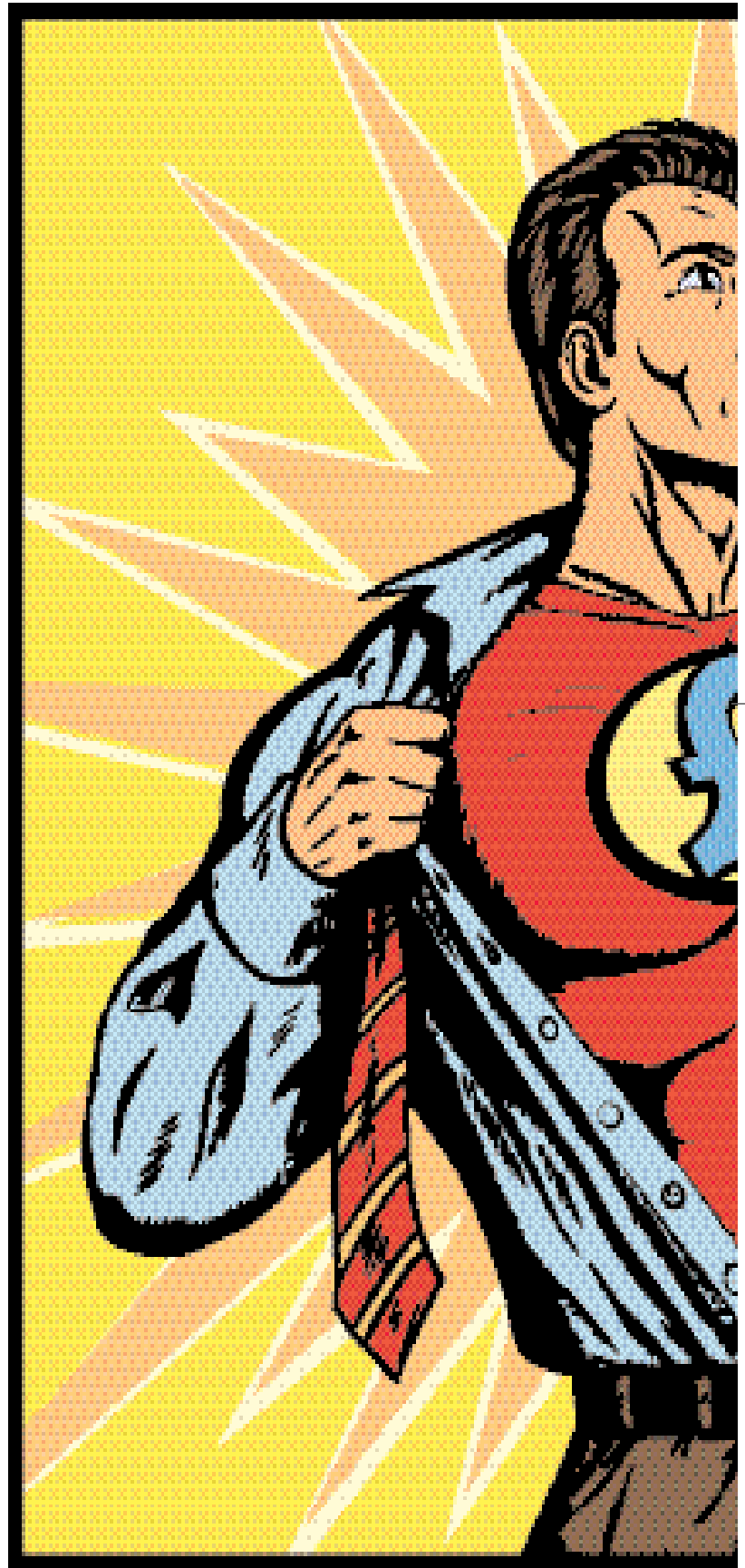
In this context, the range of MC work can be relatively narrow because it tends to involve helping companies make decisions and change the way that large numbers of people work together. Therefore, MCs can concentrate on facilitating the decision-making process and structuring projects to improve their performance.

A MC's skills usually include the ability to facilitate decisions in group sessions, structuring the correct communications to use within change projects and using a range of established analytical tools to inform and communicate recommendations. MCs also have a distinct capability to diagnose areas of under-performance and to suggest solutions.

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Just as surveyors have their valuation methods to help them give advice, so do MCs. Depending on the situation, most management consultancies have already developed their own special model to describe corporate behaviour or change. You may recognise tools such as the McKinsey 7 S or the Boston Box and it is likely that you use models such as the SWOT analysis from time to time.

What about strategy?

Often the term 'management consultancy' is used as a code for strategic advice and it is this more than anything else that builds barriers between the different types of consultant. It is true that management consultants get involved with helping to set strategy, however, they are more often involved with assisting to implement strategy. In pure MC terms, they are unlikely to be involved in setting an accommodation or portfolio strategy, except where that strategy touches on management structures and performance.

One of the core strengths that chartered management consultancy surveyors bring to a business is an understanding of the underlying property issues, and this could shape strategy.

Are management consultants different?

There is no witchcraft involved: MCs simply work on a different part of the business decision process. What confuses things is that IT or HR consultants also often carry out management consulting. This is why it's a good reason for RICS to support this area to create a balance amongst all the business consultancy providers.

There are bound to be ineffective MCs, just as there are some poor-quality surveyors. Neither do MCs necessarily make more money than surveyors – any large firm has the capacity for large fee pools but lawyers and accountants appear to do better than most on that front.

What is really important, though, is that MCs make themselves understood by their client. There is a place for jargon and this may be encouraged by clients in some circumstances. There is also a need to use analogy and metaphor to communicate effectively and encourage people to embrace new concepts – there, some jargon slipped out.

Good consultants who can integrate property solutions within a business and communicate well with their clients will augment the skills in the rest of the Institution. We regard RICS's commitment to promote the Management Consultancy Professional Group as a very positive move towards moving chartered surveyors up the consulting food chain. The group's remit covers not only management consulting *per se* but also corporate recovery, corporate and personal insolvency and turnaround management.

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To find out more about the Management Consultancy Professional Group and the opportunities to further develop your consulting skills, contact Rosemary Elder at relder@rics.org