

IBH GUIDE TO BETTER CONSULTING



10 TIPS FOR SELECTION AND USE OF A QUALITY MANAGEMENT SYSTEM CONSULTANT FOR ISO 9001:2000 {includes 'Consultant Evaluation Sheet' on Page 8}

Tips Inspired from the documents of BSI Global



*"Not everything that can be counted counts,
and not everything that counts can be counted."*



Orbit of Excellence
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If you are considering the use of a consultant to help you implement or improve your quality management system (QMS), we offer these ten tips.

As with any industry there are large international QMS consultancies, and one-person operations. It would be a generalization to say you will get more personal service from a one-person operation than a large consultancy operation, but the large consultancy will have greater resources and expertise to draw upon, however these are realistic considerations.

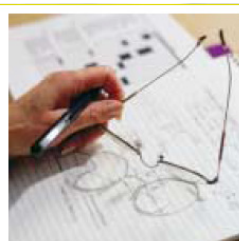
Regardless of the size of the consultancy operation, you are buying a professional services delivered by an individual or group of individuals. Many of the following tips relate specifically to the individual working with you and your company, not the size of the organization.

Choosing qualified consultants is no easy task. The importance of taking the time to make a thoughtful selection cannot be underestimated. Your choice could end up affecting the efficiency and effectiveness of your business operations.

We at IBH have developed these tips based on years of experience and interaction with thousands of clients. We have carefully evaluated the organizations that have immensely benefited from using a consultant; we may not be the one consulting there. We are pleased to present this list in your hand. It is one in a series of such publications, to create awareness in the market for quality service delivery and help raise the standard implementation quality in the country which is setting its own standards.

Happy Reading.

Team IBH





1. UNDERSTAND THE REASONS FOR USING A CONSULTANT

Why do organizations hire consultants? An organization may realize it lacks the expertise, time, experience, or objectivity to perform the work without outside assistance.

Expertise: One of the most common reasons for hiring consultants is when you need expertise that is not available within your own organization. Although your staff may have been trained on ISO 9001:2000 requirements, they may not have the in-depth knowledge needed to establish the quality management system on their own. Many consultants are also certified auditors and may be better able to interpret the requirements.

Time: Even if your organization has the expertise, it may not be able to make the right people available due to other business demands. These key people may be too busy to complete the required tasks by the desired dates. Consultants may be able to do it in less time than your own staff as they will be dedicated to the task, and have the necessary experience.

Experience: Consultants who have worked with many organizations can gain a great deal of experience in planning, developing, and implementing systems. At the end of the day, it is this experience you are paying for, to help you get a robust quality management system in place, in a timely manner.

Objectivity: Outside consultants can offer a fresh unbiased view of your system. No matter how hard insiders try to objectively view the issues, their own involvement in the system and culture of the organization ends up influencing their response.

2. IDENTIFY THE SERVICES YOU NEED FROM CONSULTANTS

Now that you understand the basic reasons why your organization may want to hire consultants, you must determine the needed range of services. Competent consultants should not only be able to plan the activities, document your processes, and recommend system improvements, but also suggest good practices, teach onsite classes and conduct internal audits.

A typical sequence of services is for the consultant to teach a class on quality concepts and ISO 9001:2000 requirements, followed by a gap analysis to determine the compliance level of your current system. Using the gap analysis results, the consultant works with your staff to prepare a project plan.

Project plans usually cover activities such as policy making, objective setting, task scheduling, cost estimating, plan approval, awareness training, process definition, document creation, progress reporting, registrar selection, system operation, record keeping, internal auditing, management reviews and the registration audit.

Your request for a proposal of services and fees from the consultants will rely upon the scope of work defined at this step. The organization must agree on the desired start date and end date for the consulting activities, as well as the budget.



ISO 9001 quality management systems. Although many consultants may not be certified auditors, those who are can speak from experience when they interpret requirements and assess your practices.

Make sure that your consultant is certified for consulting first and auditing second. You can see the list of NRBPT certified professionals on www.qcin.org. Also make sure other academic and consulting credentials of the consultant.

3. DECIDE ON THE SELECTION CRITERIA

Once the decision is made to hire consultants, and the proposed services are defined, you must agree on the criteria for selecting the right consultant for your organization. Here are some factors to consider:

Experience: It is important to understand the experience a consultant has, not only of consulting on the implementation and use of a QMS, but also in the industry in which you work. Experience of your industry can be key to helping you get the most out of your system.

QMS Credentials: In country like India where there are no entry barriers to the business, it is very important that your consultant is approved by the regulatory body and has all the credential required. The body which controls this in India is known as Quality Council of India (QCI). QCI approves consultants after rigorous process of selection and only the best and most deserving would get through the process. You can find listing of QCI approved QMS consultants from www.qcin.org. Many consultants are NRBPT certified auditor or lead auditor. This certifies them as qualified to audit

Interpersonal Skills: The consulting process relies heavily on the interpersonal skills of the consultant. They need to be able to communicate clearly to people of all levels. Consultants should be tactful in dealing with people, but also confident and assertive when the need arises. You are looking for a good time manager that exhibits leadership skills.

The consultant should be open-minded and flexible. You want the consultant to see the big picture and be able to transform your needs into specific information and proposed actions.

Availability: This is a very important consideration, as you know when you want the consulting work to be done, and you don't want to be constrained by the availability of the consultant. And yes, good consultants do run short of time.

Start early in your search for a consultant so you are not limited to just those without scheduling conflicts.

Accessibility: Consider how easy it has been to reach the consultant during the selection process. Has the consultant promptly reciprocated your email messages and telephone calls? You don't want to discover during the implementation period that your consultant is not accessible.

References: Ask the consultant for at least three references from similar organizations. Check with the listed contacts to determine their satisfaction with the work performed by the consultant. Don't rely solely on the supplied proposal. Verify past results.

Cost: Consultants have a reputation for being expensive. This is not always the case, but the major consideration is whether you feel you are getting value for money. Don't forget the travel and living costs and government service tax. A consultant outside your local area will incur additional transportation, lodging, and meal expenses.

4. FIND PROSPECTIVE CONSULTANTS

After you've decided on the criteria for choosing a consultant, it is time to locate possible candidates. There is no such directory of consultants for you to look in, so here we suggest a number of different ways of identifying QMS consultants.

Previous Records: The ideal way to find a good consultant is to have had previous experience with one. If you have used a consultant for similar activities in the past, and were satisfied with the results, you should be able to expect the same performance in the future.

Referrals: Ask around within your own company, or other friends and associates to see if they hired quality management consultants, and are willing to recommend a consultant based on their personal experience.

Advertisements and the web: You can also go through the magazines and members directory of various industry associations. The web is becoming an increasingly useful tool at identifying consultants as well.

Trainers: If you were impressed with the instructor for a recent quality management course, see if the training

firm also offers consulting services. May be you can arrange to have the instructor assigned as your consultant.

Registrar: If you have already selected a registrar, you can ask for a list of consultants. The registrar should not suggest a specific consultant to avoid potential conflicts of interest, but may have lists of consultants available.

5. REQUEST A PROPOSAL

Now that you have identified a group of possible consultants, you should ask them to submit proposals for your evaluation. To help them propose the appropriate services, include the following information in your request:

Scope: Describe the expected scope of work. Are you looking for specific documentation help or general consulting assistance? Do you want onsite training classes or an audit of your system? If you are not sure what you need, then request a discovery stage where the consultant performs a gap analysis and proposes the project plan. In all likelihood, you would use the same consultant for the next stage, but it gives you the option of selecting someone else or going in a different direction.

Timing: Let the candidates know when the work is to be done, when you expect their responses, and when you will notify them of your decision.

Methods: Ask the consultants to describe how they would perform the work and produce the deliverables. See what you think of their approaches and how they express themselves.

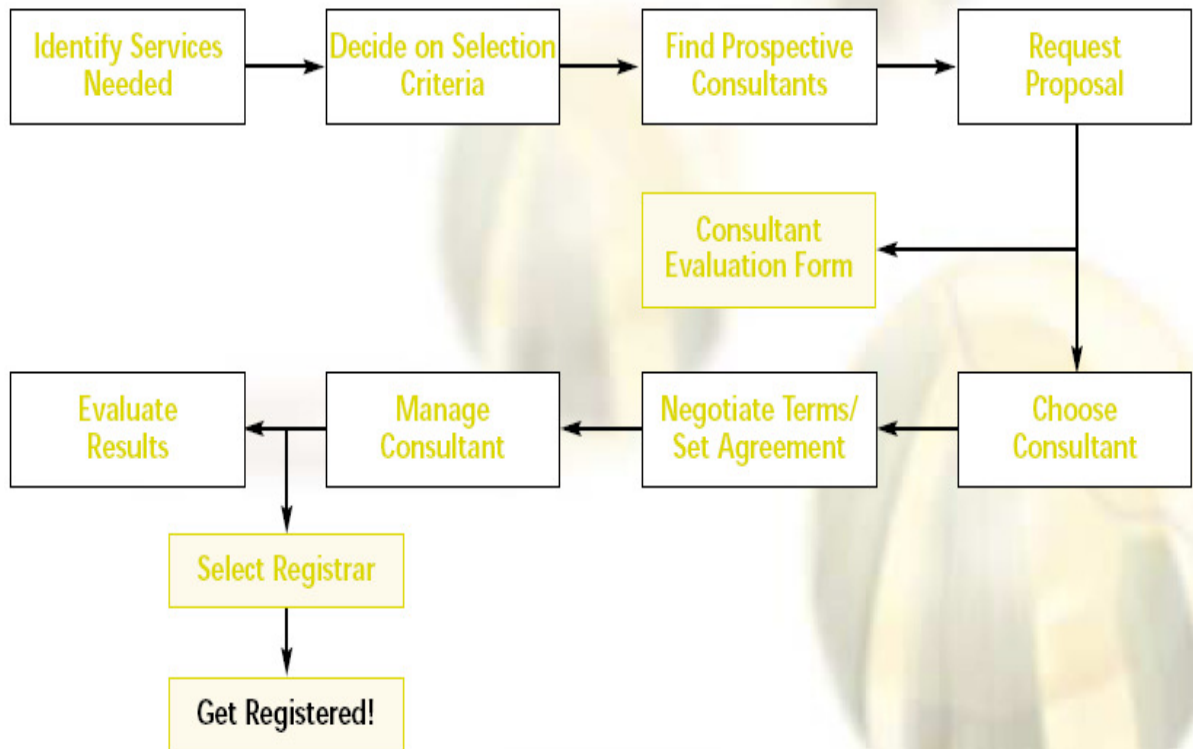
Fees: Ask the consultants to identify their hourly and daily rates. Since the rates may differ by type of service, request their training, auditing, consulting, and documentation rates, as appropriate. Find out if their fees are different for being at your site versus work done off site, or for travel time.

Expenses: Most consultants charge actual and reasonable travel expenses. Some may request a flat per diem. Ask

how they handle expenses. To evaluate the differences, you could ask them for an expense estimate for a possible trip to your location.

Format: If you want the consultants to submit their proposals in a specific format or medium, let them know. Make it easy on yourself to evaluate their responses.

accomplish, check for possible conflicts of interest, (are they working for a competitor of yours as well). Make sure you feel comfortable with the honesty and ethics of the consultant.



6. CHOOSE THE CONSULTANT

Once you receive the proposals, evaluate them using the agreed selection criteria. Know in advance who will participate in the evaluation and make the recommendation. Will a committee make the decision, or an individual manager? In any case, you want the decision fully supported so the consultant can work effectively with your organization. For your help we have included an evaluation form that you can use in the evaluation process (inside back cover). Although difficult to

7. NEGOTIATE THE TERMS

Confirm the consulting fees and estimated expenses. Although negotiating the terms of the agreement remains to be done, you will make your initial decision based on the available facts. Remember, consultants may reduce their quoted rates to win your business. But do remember that you've made your decision so far on non monetary factors, so don't automatically exclude them if the fees seem too high. Notify the preferred consultant of the selection (pending negotiation of acceptable terms). Wait until the negotiations are complete before notifying the remaining candidates.

8. PREPARE THE AGREEMENT

It is very important to get a written agreement. In the discussions so far you may have developed a good relationship, and may not want to refer it to paper, but it could be crucial at a later stage. It is worth taking the time now to make sure you have developed the same understanding of the expectations. The agreement could be a legal contract or simply a letter of understanding. The bigger the job, the more formal the agreement. The agreement should describe the expected deliverables and their timing. Identify your contact for authorizing and scheduling the activities. Clearly set out the payment schedule. Attach the consultant proposal to the agreement. Use the agreement to emphasize the need for confidentiality. Describe when and how you expect the consultant to report on project status. Include a cancellation clause that allows you to terminate the agreement at any time and only pay for services already rendered.

9. MANAGE THE CONSULTANT

Even an expert consultant needs to be managed well. Ensure that the primary contact your organization fully accepts this co-ordination role. Any issues or misunderstandings must be promptly resolved. Keep management informed. Remind your organization to strive for self-sufficiency as you want to avoid a prolonged dependence on the consultant. Give the consultant access to the appropriate people, documents, and records. Ensure the organization cooperates, but remember, the consultant makes suggestions, not business decisions. The project's success depends heavily on management, not just on the consultant.

10. EVALUATE THE RESULTS

When the project completes, evaluate the results. Were the deliverables acceptable? Were they produced as per the schedule? Did the outcome satisfy the objectives? This evaluation will give you insights into

possible improvement activities. Assess the consultant's performance. Did the consultant do a good job of planning? Was the plan followed without significant deviation? Were you kept informed throughout the project? Did the consultant work well with others and foster teamwork? Was the expertise of the consultant reflected in the results? Were the recommendations workable? Does the quality management system perform as expected? A good way of evaluating a consultant's performance is by asking your chosen registrar to conduct a pre assessment. This will give you good impartial feedback as to the effectiveness of your system, and tell you whether the consultant has done a good job. The real test: would you hire the consultant again and recommend them to others?

SUMMARY AND GUIDANCE

If thoughtfully selected and wisely hired, a consultant can be a valuable partner in setting up or improving your quality management system. However, remember that the system is owned by your organization.

Take care to avoid these common problems:

- Not obtaining multiple proposals
- Not clear on what is to be done
- Expecting too much for too little
- Not checking the references
- Relying solely on the consultant

An effective and sustainable quality management system should have clear evidence of employee involvement. Welcome the advice of the consultant, but remember your organization owns the system and is responsible for its success. We hope you find these tips useful in selecting and using a consultant. Best wishes for an efficient and profitable journey with your consultant.





CONSULTANT EVALUATION SHEET

Name of the Consulting firm :
Lead Consultant :
Contact Numbers :

| Assessment parameter | Pie of total evaluation | Ideal level (Out of 10) | Actual Level (Out of 10) |
|--|-------------------------|---------------------------------------|--------------------------|
| NRBPT (QCI) approval of the consultant (list available on www.qcin.org) Ministry of MSME Registration in Case of Lean Manufacturing Consultant (list available on http://www.lmcs-npc.gov.in) | 20% | 10 (Important Note)* | |
| Quality Management System (QMS) of the consultant's organization (Is the consulting company certified for ISO 9001:2000?) | 20% | 08 | |
| Communication and interpersonal skills of the consultant | 20% | 07 | |
| Reference – 01 | 05% | 06 | |
| Reference – 02 | 05% | 07 | |
| Availability of the consultant to achieve the targeted date of completion (Please start the project with target completion date in mind) | 10% | 07 | |
| Qualification and experience of the lead consultant and his whole team | 10% | 08 | |
| Experience in similar industry or organizations | 10% | 07 | |
| | 100% | 60 / 80 | |

***Important Note**

If the consultant is not QCI / Ministry of MSME approved, please do not move forward with the assessment as you may face serious issues in clearances of your subsidy from government. This will also not give any quantifiable evidence about the qualifications, experience and competency of the consultant.

Contract Date:

Value:

Target Completion:
