



Executive Interim Managers, Independent Consultants, Ninjas & Ronin - Market Segmentation: the Independent Consultant's Story

By Dr Alf Oldman FCA

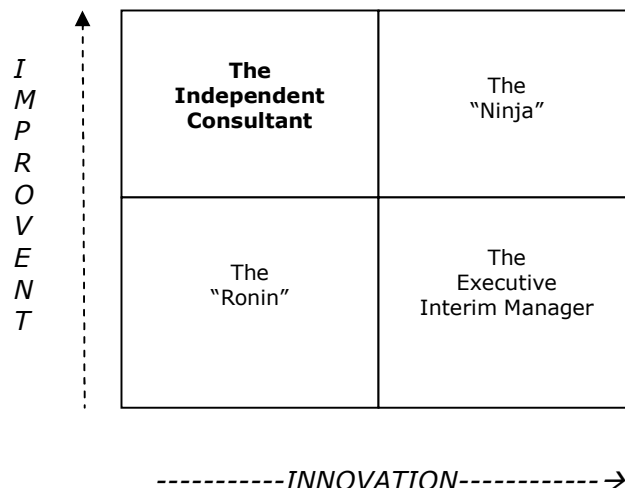
Introduction

In response to popular demand, this is my fourth "Ninja" article. This is the second of four related articles that are being released weekly. To recap, in my original article "[Interim Managers, Ninjas and a Road Map in a Downsized World](#)", I introduced the terms "Ronin" and "Ninjas" in the context of the interim management industry. The "Ronin" were temporary soldiers, called in to bolster troop numbers; the "Ninjas" were highly skilled and professionally trained individuals, capable of exceptional specialist services.

The series of four articles introduces four archetypes: "Ronin", "Ninjas", the "Independent Consultant", and the "[Executive Interim Manager](#)". This article looks at the Independent Consultant.

Based upon some of my earlier, published research, I introduced a four-state model, linking cost reduction models to organisation context. I have adapted this model for interim management industry segmentation.

The Interim Management Industry Four State Model#



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The horizontal axis of my earlier research dealt with Weak Market Orientation and Strong Market Orientation. This is simplified to degree of Innovation. Similarly, the vertical axis of my earlier research deployed "No Turnaround Need/Successful" and Strong "Turnaround Need/Unsuccessful". Again this is simplified to degree of Improvement.

Definition of an Independent Consultant

An Independent Consultant is an established, self-employed, specialist professional or technical expert, offering his/her services, either directly to prospective clients or by way of an intermediary. The service is primarily specialist professional or technical advise and increasingly this is qualified by market sectors served.

The Profile of an Independent Consultant

Typically the Independent Consultant will have an established track record, as a senior consultant, in large, well-known organisations, before becoming an Independent Consultant. An Independent Consultant will be able to demonstrate exceptional professional or technical expertise, in designated industrial sectors, supported by up-to-date accreditations, courses and publications. Fashions change but the following are examples of expertise currently in demand: Business Intelligence, **Change Management**, CRM, e-Business, e-Government, Infrastructure, Implementation, IT Procurement, IT Strategy, Microsoft, Oracle, Project Manager, **Programme Manager**, Regulatory Risk, Sarbanes-Oxley, SAP, Strategy, Transformation. To become an established Independent Consultant, he/she will be able to demonstrate numerous big name "cameos", where he/she had "hit the deck running" and went on to achieve his/her "deliverables", on time, within budget, without negatively impacting other stakeholders. Increasingly, successful Independent Consultants will be able to highlight strong **stakeholder manager** expertise. To recap, the emphasis is on specialist professional or technical expertise, in a particular sector, with focus on deliverables and stakeholder satisfaction.

Finding an Independent Consultant (Caveat Emptor – let the buyer be ware!)

The most effective sources for finding an Independent Consultant are strong personal recommendation/endorsement. Alternatively, a specialist intermediary in Independent Consultants is a safe solution. The specialist intermediary will know the proposed Independent Consultant well, with regular meetings and will be able to vouch for references and the integrity of the CV. However, one should not rule out the "broad line intermediary", especially when they work with a "hot list" of say one hundred trusted, favoured and tested interims. The acid test for the Independent Consultant intermediary is being able to produce a short list of say three candidates, in under forty-eight hours, from Independent Consultants that they know well. When

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choosing an intermediary for an Independent Consultant, the quality of the intermediary's service offering is critical. It would be prudent to ask the intermediary to provide three high profile references that would confirm the quality of their service offering.

Challenges for the Future

Established Independent Consultants and intermediaries of Independent Consultants need to constantly promote the niche status of the Independent Consultant market. This is an important and rapidly growing sector of the market. With the proliferation of the internet, low cost intermediaries have abounded and this has led to much of the independent consulting market becoming commoditized. The challenge is to keep the Independent Consultant sector differentiated.

The interim management market is maturing quickly, with recent endorsement from the UK Deputy Prime Minister's Office. Changing models of intermediation, absence of robust research and industry hype are driving the market towards maturity and commoditization, at an ever increasing pace. This has prompted me to write this series of four articles, highlighting one commodity sector the "[Ronin](#)", and three premium, differentiated sectors: "[Executive Interim Manager](#)", "Independent Consultant" and the "Ninja". It is only fairly recently that industry analysts have associated the Independent Consultant market as a sub-segment of the interim management industry. Today, interim manager intermediaries are the largest providers of independent consultants. Some intermediaries have set up specialist divisions and are providing dozens and dozens of consultants to individual blue chip clients. This is in response to the recent structural changes in the consulting market. Large numbers of highly accomplished consultants, with big firm track records (including former Big 5 partners), have lost their jobs in recent years and are looking to the independent consulting market which is already overcrowded with specialists by function, industry, technology etc.

Personal Insights

Because of my own formal background in research, I have been heavily influenced by the Japanese approach to cost reduction. Japanese buyers look at products or services from three dimensions: (1) functionality; (2) quality; and (3) cost. Buyers of Independent Consultant intermediary services would be wise to focus upon: services offered (functionality) and quality. My own specialist area of expertise as an Independent Consultant has permitted me to develop the [Financial Performance Improvement Programme](#).

The Financial Improvement Performance Programme (FPIP):

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An Independent Consultant diagnostic tool is the first step in the **Financial Performance Improvement Programme (FPIP)**. FPIPs deploy leading edge research tools to clarify stakeholder requirements and structured planning to achieve stakeholder satisfaction. The methodology includes iterative analysis and intervention.

FPIPs have been successfully deployed in some of the World's most complex organizations. Based upon research and successful deployment, I have developed a simple questionnaire to see whether an FPIP is appropriate to your organization:

1. Has there been a pan-functional or pan-organizational record of failure?
2. Have ten of millions of Dollars been invested without benefit realization?
3. Have major consultancies been deployed and failed?
4. Is the situation potentially embarrassing to senior management?
5. Are reputations at risk?
6. Are there multiple stakeholders to satisfy?
7. Do line executives have conflicting views on solutions?
8. Is the issue multi-functional?
9. Is there a strong financial dimension?
10. Is there a critical IT or systems involvement?
11. Is there a need for change at the house-wide level?
12. Do other options not stack up?

If you have scored a yes to eight or more questions, you definitely need to contact me via alf@alfoldman.com.

Also, I am always on the look out for other Independent Consultants, especially if they fit the Archetype!

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