

The
Value of Consulting
in the Public Sector

2019

Purpose of this report

This report has been compiled by the *Management Consultancies Association* for all buyers and users of consulting within public services. It serves as a guide for the types of value Government should be expecting from consulting. Government is one of the biggest clients for the Consulting industry and we at the MCA recognise that all consultancies want to ensure they are achieving the very best of outcomes and value for money for every Government client.

THIS REPORT WILL:

- Show how consultants can bring value to the public sector
- Provide real examples of best practice of delivering with consultants
www.mca.org.uk/category/consulting-case-studies
- Give you an overview of the MCA and the ways in which it is driving up Consulting Excellence standards

GOVERNMENT VIEWPOINT

“ While government has considerable resources at its disposal, it cannot do everything by itself. It needs the dynamism and innovation that only a healthy, diverse marketplace of suppliers can provide. I see it as the duty of both government and industry alike to restore, repair and rebuild that trust between us. It is ... through lively, innovative and dynamic markets that high-quality, effective services are created. ”

David Liddington Chancellor of the Duchy of Lancaster

Senior ministers confirm the importance to government of engaging external suppliers in the transformation of public sector organisations and the delivery of public services. This paper explains the particular value that consulting firms bring when working with public sector clients.

How do consultants help to deliver value for public sector clients?

WHAT WE BRING

- Consultants play a vital role in the public sector and according to a recent independent survey¹ by Circle Research are valued by public sector leaders for the transformational impact, innovation and increased efficiency they bring.
- Consultants deliver additional benefits and value for public sector clients enabling the organisation to deliver public services uninterrupted and consultants help central government and local authorities get better results with less money.



CASE STUDY INCREASED EFFICIENCY

The challenge of delivering better outcomes for citizens is the key priority for all local councils. The significance of the challenge is far from simple and requires deep transformation and innovation, with a realisation that this cannot be delivered in isolation.

Working with a range of eco-system partners across all sectors and facilitated through consultants, the London Ventures programme is supporting 33 local authorities in responding and adapting to their biggest challenges in delivering local public services. **To date this programme has realised over £40m in savings.**



CASE STUDY LOCAL GOVERNMENT

Supporting the most vulnerable adults in our society with the pressure of an ageing population and significantly reduced budgets, is a common challenge for all large local authorities.

Through consultancy expertise, Hampshire County Council is now delivering better results for less money by implementing a new operating model of care, **saving over £14 million whilst improving the support and outcomes for over 15,000 vulnerable adults.**



- Consultants bring up to date and innovative thinking and experience from a wide variety of sectors and markets to deliver the best solution for public sector clients.

- Consultants are outcome focused and deliver real return on investment for the work delivered.



CASE STUDY BEST THOUGHT LEADERSHIP

The current system for supporting children in care in the UK is broken and at the centre of ongoing debate. By bringing together a body of evidence, hard-hitting white papers and by lobbying key influencers in central government, consultants have raised awareness of the issue and put a 'Valuing Care' programme into practice. As a result, this is **transforming the life chances of thousands of children through the creation of a nationwide movement.**



CASE STUDY PRIVATE SECTOR INNOVATION

Quicker access to timely and quality emergency care is a key focus for the NHS and ultimately their patients. Through consultancy support and intervention, 350,000 patients across 13 NHS Trusts are now **receiving the urgent care they need faster and more effectively.**



- Consultants provide technical, sector and market insights to deliver better solutions and outcomes, improving efficiency and doing more with less.

- Consultants bring tools, platforms and accelerators which improve not only the value of services achieved but increase the speed to value and bring genuine pace to the government's delivery of services.



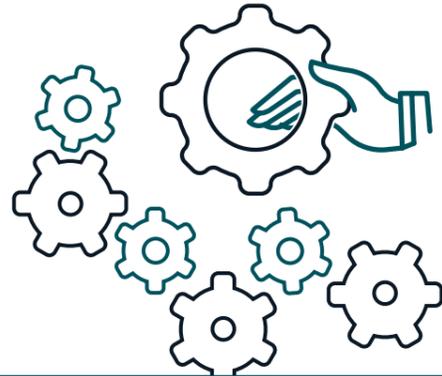
CASE STUDY PERFORMANCE IMPROVEMENT

Police forces across the country rely on mobile identification devices to fight terrorism, strengthen law enforcement and support our immigration system. These are often expensive, difficult to use and rely on out of date technology. Working with specialist technical consultants, **the Home Office has created a new technology platform significantly reducing costs by a factor of ten** and enabling police officers to be better equipped to tackle operational priorities and improve safety and security.



¹Client survey conducted by Circle Research Sept 2018. www.mca.org.uk/reports/mca-client-survey

How do consultants help to deliver value for public sector clients?



WE ARE EXTERNAL AND INDEPENDENT

Organisations may need an independent view for consensus building and decision making.

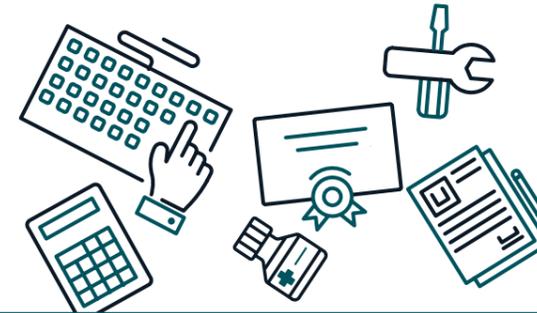
- A core value of consulting is to provide a credible independent voice. Consultants provide an ability to challenge the status quo and can find it easier than current employees to call for change and reform.
- Consultants research and bring in external points of view which provide diverse and thought-provoking insights to drive organisations forward. They focus on delivery and try to overcome internal politics and hierarchy.



SKILLS

Organisations cannot afford to employ, cultivate and retain the wide range of skills and expertise they might need for specific projects.

- Our sector brings together teams of consultants who have relevant skills and expertise that government departments might lack. Multi-disciplinary teams can be brought in quickly and flex skills required as needed without the need to manage the transition.
- Consultants draw on deep subject matter expertise (for instance in digital technology or healthcare), combined with sophisticated understanding of business and organisational dynamics.
- Consultants can bring in innovation skills and ideas and experience from the private sector.
- Consultants transfer knowledge and skills into the client organisation, leaving it better equipped to respond to future challenges.



CAPACITY

Organisations may lack the in-house capacity, or have difficulty recruiting the right skills to deliver key projects.

- Consultancies provide flexible access to the right mix of skills to augment capacity gaps quickly.
- Consultancies provide rigorously selected resources, continually developed through structured professional development to ensure consistent quality.
- Consultancies invest in the development of their people - with structured professional development in all disciplines to ensure best practice, up to date thinking and ensure consistent quality. Clients can rely on rigorously selected resources to supplement their existing skill sets.



RESULTS

Organisations can achieve results within defined fixed term and cost parameters.

- Consultants bring deep focus on the problem.
- Consultants are accountable for the quality of performance and outcomes, managing risks. Consultants are frequently requested to return to clients because they deliver real results and positively impact in the public sector.
- As the MCA awards this year demonstrate, consultants share our clients' objectives and purpose and are delivering social benefits across the UK - from work on getting better outcomes for children in care to improved processes for finding homes for vulnerable families in London - these examples offer a true reflection of the consulting excellence that operates across the UK to the benefit of councils and the wider society.

Dos and Don'ts of working with consultants

We want to work with you to ensure you get the best value out of your engagements so here are some key points.

DO:

- Engage with the consulting industry as early as possible to gain advice on the scope and clearly articulate the definition of objectives
- Distinguish clearly between the roles of interims and contractors, and the different purposes of consultancy, and match each to your business needs
- Test the consulting market for the quality of service and ability to achieve the value you want, and agree commercial arrangements that suit your needs
- Establish a joint QA process with your consultant - don't leave them to deliver a piece of work and wait till the end to see it!
- Be available for steering the work and decision making when required and ensure your organisation's staff are available to provide expertise - it is a joint effort

DON'T:

- Keep consulting firms in the dark so that they are unable to suggest ways of maximising value and benefits for the client
- Suggest that consultancies bid for work that is better done by temporary staff, OR vice-versa
- Just buy the lowest price option, and risk that you can end up paying more for an unsatisfactory outcome

Definitions

WHAT IS MANAGEMENT CONSULTING?

Members of the Management Consultancies Association help public and private sector organisations to become more effective and more efficient by improving how they operate, accelerating growth, reducing costs and changing the way they do their business. Management consulting is the practice of creating value for organisations, through improved performance, achieved by providing objective advice and implementing business solutions.

They do this by solving problems, providing outside perspective, and enhancing business capability. Management consultants bring niche skills and a breadth of experience into organisations, which is often useful for specific projects but not for an organisation to employ full time. Many draw on deep technical expertise (for instance in digital technology) combined with sophisticated understanding of business and organisational dynamics. They will transfer knowledge and skill into a client organisation leaving it better equipped to respond to future challenges.

EXTERNAL SUPPORT FOR THE PUBLIC SECTOR TAKES THREE MAIN FORMS:

- 1: Interim labour or contractors**
Most suitable as a supplementary resource to deliver 'business as usual' objectives. Provides access to specific skills, through the recruited individual, which might otherwise not be available in-house, or which are difficult to recruit.
- 2: Outsourcing**
Government contracts an external supplier to provide a public service or function.
- 3: Consultancy**
Management Consultancy is a completely different model to outsourcing or interim labour. Normally project or assignment based and drawing on the expertise and quality assurance regime of a consulting firm as well as individual consultants and teams, consulting is used to help an organisation achieve specific outcomes and equip it for future challenges.

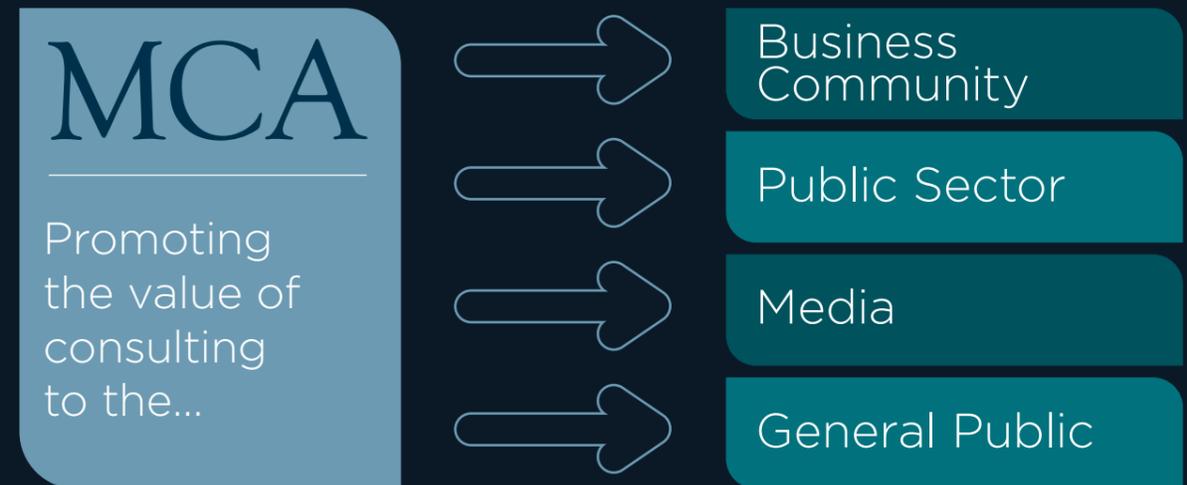
Who are the MCA?

The Management Consultancies Association (MCA) is the voice of UK consulting sector. The MCA is the representative body for the UK consulting sector and has been at the heart of the industry for over 60 years. We have a wide membership base and our members include PwC, Deloitte, EY, KPMG and IBM as well many other medium size firms and small specialist consultancies. Management consulting firms provide a broad range of services, from help in defining strategies to implementing large-scale IT and change programmes, and from coaching individuals and teams to providing expert advice in specialised fields.

The UK consulting industry is extremely competitive and includes a wide diversity of types

of firm and specialisms, providing clients with the means to access precisely the support that they need. Requirements vary enormously - from highest level strategy and policy development to the achievement of specific financial and organisational goals. Common to them is the need to deliver tangible value for the client organisation.

Through our Consulting Excellence principles, which our members sign up to - members commit themselves to high standards in terms of ethical behaviour, clients service and value and professional development. They provide excellent consulting services which deliver the outcomes clients seek and need and they always strive to improve the value we can deliver to clients.



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