Consulting Questions: Should I Become a Consultant? Which Consultant Should I Hire?

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ABSTRACT

As more companies down-size their permanent staff, the more consultants are becoming a necessity. However, not all consultants nor projects are the same. Do you set up a business of your own or do you join an existing consulting company? Do you work out of your home/office or go into the client's office? Do you only do local work or regional/national work? What specific skills do you offer? How do you handle the unexpected such as a broken arm? If you are the client, which person/company do you hire?

This paper poses these and other questions you should consider about consulting -- from the perspective of both the consultant and the client. It is based on personal knowledge and informal interviews with consultants and clients. It is intended as a base for decision-making and not as a guide to starting a consulting business or evaluating companies.

INTRODUCTION

Why would someone consider becoming a consultant? Non-consultants usually think it is because you can be your own boss, set your own hours, only do the work you want to do, and make lots of money. Most consultants will probably say those reasons are only partially true.

Consultants I talked to said they liked consulting work because of the sense of accomplishment in seeing a project through to the end. They also received credit for the work they did instead of having someone else take the credit. They liked the variety of projects although some would rather avoid certain projects. Others liked the challenge in taking on some unusual projects.

However, these same challenges can also be stressful. While you get noticed for good work, you also get noticed for poor work. One consultant said most of her projects have very short deadlines and she was usually called in because of problems. For some consultants, the biggest challenge is having the right number of clients at the right time.

Throughout the paper, "consultant" will refer to the person actually doing the SAS® work for a "client." "Account manager" is the person "selling" the consultant's abilities. For some companies, consultant and account manager will be the same person.

TYPES OF COMPANIES

Consulting companies come in all styles and sizes. Just review the Consultant's Registry published each year by SAS Institute. There are 1-person companies, 2+ people in a partnership, or 1 or more partners (owners) with additional non-partner employees. This last group may have a few non-partner employees or many. Some companies that also offer consulting in other languages may have several hundred employees. Consultants may work full-time, part-time (< 35 hours per week) or on a per project basis. The following topics may apply to each type of company in a different way. The questions are posed in this paper and you will need to determine the answers based on your situation since no two consultants or companies will be exactly alike. Different industries also have different expectations of consultants.

ACTUAL WORK / SKILLS

A client may hire a consultant because they need someone with an expertise that is not available in their company. They may need additional staff for a specific length of time so it is not feasible to
hire additional staff. The client may want someone to focus on a specific project to meet a deadline but client staff have other commitments. The client may need an additional person part-time or someone to replace a person on an extended leave of absence. Sometimes the client needs help to get them out of a jam. As a consultant, you may do the entire project, work with client staff as a team, or finish a project the client started. The client may need someone to do development work, report generation, or analysis of their data. You may be doing the same daily work as client staff or you may work on a special project.

If the consulting company is more than one person, who will really do the work? One consultant said that the advantage to his 1-person company is the client definitely gets his expertise on the project. Larger companies may have teams with an experienced project leader. Some clients may want to interview everyone who will work on their project while another client may decide to hire the consulting company as a whole and trust the company to put the right people on the project.

The client needs to be as specific as possible about what the work will be and which skills are mandatory versus desirable. Sometimes clients will ask for a "SAS expert" - a vague term. The client needs someone with the necessary skills but they want to avoid the consultant who specializes in another area of SAS. For example, a client who needs a statistics expert and doesn't even license SAS/AF® would probably not be satisfied with a SAS/AF expert who knows only entry-level statistics. The consultant probably wouldn't be happy either.

Many clients also request good communication skills. Does that mean the consultant will need to present project results, write reports or memos, or just work with other staff? An outstanding SAS/AF developer may work well with others during the development process but freeze when it comes time to train non-SAS users.

Consultants also need good communication skills to quickly assess problems for the client and return a good solution. The challenges arise for the consultant when the client really isn't sure what they want or they want everything and right now. The consultant must be able to determine the priority and feasibility of the requirements.

Many times there are several additional people involved in the selection process from both the client side and the consulting company side. Some clients have a human resources department make the initial contact with the consulting company so the contact person may not be knowledgeable about SAS. The more people involved also increases the chance of poor communication. One consultant was told by an account manager that he would start by generating reports for client staff but would be moved to development work. Although the client had explained the development work in detail, the client really wanted someone to generate the reports so client staff would be free to do the development work. If it is possible, put the work description in writing to avoid such situations.

Another required skill is the ability to solve problems on your own. Are you currently considered a "SAS guru" by your coworkers at your site? Does everyone come to you with their problems because you can solve them? If so, you are already working as a consultant. Do you enjoy this role? One consultant who works for a small consulting company says she has seen several potential consultants that do not try to solve problems on their own. These people were excellent candidates when they could rely on their current knowledge but didn't do well in new situations. A new SAS user at a client staff stated she assumed all consultants would know everything and could help her solve any problem quickly. Since not all industries nor clients need the same work, even the most experienced SAS users may encounter something new.

Do you want to work for only one client at a time or do you want several projects going on at once? Does the client want or need someone that is devoted to the project or just working a few
hours a week? Will there be a conflict of interest working for two different clients at the same time?

How much flexibility will you have in setting your hours? One consultant worked at the client site and from her home. She worked at the client site a few hours during the day, was home with her children after school and worked from home during the late evening after the children were asleep. However, her next client needed her on-site 8 hours a day.

How much say will you actually have in what work you do? If you are the company, can you afford to turn away the unwanted work? The next project for the same client may be ideal but the client could pass you by since you said no before. If you work for someone else, who determines which projects you get? Will you be told do it or quit?

Who will handle the non-SAS work? Depending on your company, you may also be the account manager, billing clerk, supply clerk, receptionist, typist, computer repairman, janitor and all those other positions that someone else handles at other companies. Even if you work on-site for a client and your consulting company has other staff to handle the non-SAS work, you may still be involved in the recruiting and interviewing process. You may also generate leads for the account managers. Some consultants find their own assignments and let the account managers and client handle all the paper work for the project. One consultant went from being independent to working for a large consulting company because she hated doing the billing and reminding clients about past due bills.

As a consultant, what other services do you offer? Will you do data analysis and give the client the finished report on both hard-copy and diskette? Will you also do work in other languages or software packages? Will you do training or install software? Does the client expect you to be proficient in other areas such as word-processing?

ON-SITE VS OFF-SITE / LOCATION

Some clients want a person to actually work in their office and use their equipment. Others want the work done in the consultant's office and the final product delivered. Which is better for the particular project? Some clients want all work done on-site to protect confidential information. Another client may not have the facilities for another person. How often does the client need to see the consultant or the work in progress? Is the expertise more important than the location?

Is there enough work in your current city or nearby cities to support you and the competition? If you decide to work for an existing company, does the company keep their consultants within a region or will you be assigned projects anywhere in the US? As a consultant, are you willing to live in other cities to work on long-term projects? Some consultants like the idea of moving from city to city every few months or so. Even if you work out of your own office, are you willing to travel to other cities? One consultant traveled so much that relocating to another city due to the spouse's job change had little impact.

TRAINING

How important is training to a consultant? How do you learn about new SAS products or enhancements? Time spent on training means less time available for client projects. If you work for a consulting company, will they provide training? Will you have to work additional hours to offset the time in training? What happens if the client requests you to get specific training for an additional SAS product or other software they use? Who pays for the training and is the consultant's time billable to the client? Are consultants, especially those on-site, allowed to take any client-offered training?

What about attending SUGI, regional conferences, or local user group meetings? To attend SUGI, most people will "lose" 3 days of working time in addition to the expenses of the trip. Some consultants offer to attend certain
sessions or gather information specifically for the client.

What happens if you encounter a new problem in the middle of your project? How many times have you found the solution yourself while explaining the problem to someone else? Do you have a network of people to contact? If you work for a consulting company, are other consultants available for help? Although you can always call SAS Institute, you may not get an answer immediately.

PERSONALITY / APPEARANCE

Do you like going for job interviews? As a consultant you are always being interviewed - either formally or informally. The person sitting next to you at SUGI may be your client in the future. If you work for a consulting company your projects may be affected by the company’s other consultants or account managers. One potential client was a former coworker of the consultant. Although the client knew the consultant would do an excellent job, the client didn’t like the sales style of the account manager. The client selected a less experienced independent consultant on the basis of the overall performance of the company. By the way, the client project was research on customer satisfaction.

Do you enjoy working with a variety of people? Can you work with difficult people or people who are not at your skill level? Are you a team player? Would it bother you to work with someone who didn’t like consultants? Some people feel a consultant is depriving someone else of a permanent position. Maybe the person you have to work with at the client really wanted to do the job.

Do you want to work alone? Do you mind working alone? One consultant said the hardest thing about consulting was always being treated as an outsider and never feeling part of an organization. Another consultant said he is an introvert who prefers working alone. Would it bother you if everyone else goes off to a meeting and you are the only one working?

Are you an independent worker who doesn’t need to be reminded about deadlines? Do you finish projects on time or early? When you are a consultant there may not be anyone helping you keep on track. Some consulting companies do request status reports to keep them informed. Some clients may also want status reports. Others may simply give you a deadline and expect you to meet it.

What happens if you and the client don’t agree - how are you at handling conflict? Do you know when to compromise, when to accept another way and when to push for your view? If the client wants you to follow their style for some aspects of a project such as documentation requirements, are you willing to change temporarily? Remember, without clients you don’t have a business no matter how skilled you are.

If you do any work on site, would you mind sharing an office? Would you mind having to use the “spare” computer which may be placed in a common area where you are interrupted several times a day? Some consultants have had to move from office to office each day depending upon who was on vacation or out of the office.

As the client, how much interaction will the consultant have with client staff? Will the consultant need information from client staff in other departments? If so, can the consultant contact that department directly? Simple questions can become complex problems when you are unable to go directly to a source. If the consultant is in-house, will he/she be part of any project teams with permanent staff? Will the consultants on a team be treated differently? Will they become frustrated because they are not given adequate information or support?

Does your appearance fit into any company - even the most conservative? While appearance doesn’t affect your work, it can affect someone’s perception of your work. Although this may

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seem to be important only to consultants who work on-site, any consultant might not get a project if the consultant didn't fit the company image. Jewelry and hairstyle are also important for both men and women. I've met several consultants who have their "first meeting with the client" outfit. After you get to know the client, casual clothes may even be acceptable.

COSTS/INCOME

People often think that consultants make more money but do they? Consultants may earn a higher hourly rate but they also have additional expenses. If you work for a consulting company, your rate will also need to cover administrative staff. One company actually paid a lower salary but offered a bonus based on hours actually worked.

Think of all the benefits you currently earn that would come out of a consultant's income. Even if you work for a consulting company, you may pay for your own health and dental insurance, life insurance, and retirement. Do you currently take advantage of discounts from other companies you may get as an employee of a company? These might include day care, banking charges, or even movie tickets.

As a consultant, do you get paid holidays, vacation or sick leave? What about the time between projects or if the client needs you for part-time work only? Even if you work for a consulting company, do you get paid for that time? Will you have to use your vacation leave during that time? Some consulting companies only pay partial salary when you are not working at the client or may have a limit as to how many weeks they will pay you. Will you be paid by the project, by the hour, a flat salary or a combination? Does the client want to pay by the project, by the hour or a combination? What about hours over the estimate for the project? If the consultant works full-time for a single client, how are overtime hours handled?

What about equipment costs - computers, phones, fax machines? If you are analyzing data and writing reports for your clients, how many word-processing packages will you need to be compatible? What about access to reference materials or services such as Internet?

What about travel expenses or relocation expenses? If you relocate to different states and don't have a permanent address, you'll also have other expenses such as new license plates. If you do have a permanent home but work elsewhere, you'll have the extra expenses of a hotel or apartment. If you work for a consulting company, do you receive any additional compensation when you are out of town? If so, is it considered taxable income or non-taxable expense reimbursement?

What happens if the client does not pay on time or maybe not at all? One consultant had a client file for bankruptcy before he was paid. What happens if the client is not satisfied with the work and wants their money back? Do you have a source of money to fall back on when you are not getting a regular paycheck?

Don't forget about the non-monetary costs such as job security. Of course, these days no job is truly secure. There will always be a need for consultants but will the need be in your area of expertise or geographic area? If you work for a company, you'll also be affected by other staff. If the owner decides to sell the business or the account manager leaves, where does that leave you? One consultant worked for a consulting company that went bankrupt. She was able to set up her own company and continue working for her clients. As the client, ask how stable is the company? How many other clients have they had?

What happens if you can't work for an extended period of time due to injury or illness? Is there another consultant from the company who can finish your project? Even independent consultants may have another consultant they call on when they get a large project requiring several people or when they are unable to take on another client.
ADVANCEMENT

Some people may think becoming a consultant is the top of the ladder but it may be the bottom of the consulting ladder. If you form a 1-person company, do you want to be large enough to hire other consultants? If you work for a larger company, are you starting as a programmer with opportunities to become a project leader? Do you want to move to other aspects of consulting such as account manager or other management work? Do you want to expand to use other SAS products? Think about what you want to be doing 5 or 10 years from now. Will the type of company you are considering give you that opportunity?

CONCLUSION

There is a lot of variation in consulting. If you are considering becoming a consultant, you should talk to consultants who do similar work in the type of company you are considering. For example, if you want to work from your home doing development work with SAS/AF, don't ask a statistician working on-site about his experiences. Go through the next couple weeks paying close attention to what you do now and think about what you like and dislike about it. Don't forget to include things such as the camaraderie with your coworkers at the lunch table. Think about the benefits you use. Decide what is important for your work environment and what you could live without. Will the things that are important fit into your plans for being a consultant?

If you are considering starting your own company, you will also need to investigate other aspects such as finding clients, how much to charge, setting up your business, and legal issues. There are many books available on starting a business and there are also government agencies who can provide assistance.

If you are the client, you need to think about what the project really involves and how the consultant will fit into your work environment. Think about how you interview permanent staff.

If you wouldn't consider this person for a permanent position, you probably won't want them as a consultant.

In general, think through your options first. The right people will then become consultants and the client will hire the right consultants for their project.

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