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Guidelines for management consultancy services

Lignes directrices relatives aux services de conseil en management

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Foreword

ISO (the International Organization for Standardization) is a worldwide federation of national standards bodies (ISO member bodies). The work of preparing International Standards is normally carried out through ISO technical committees. Each member body interested in a subject for which a technical committee has been established has the right to be represented on that committee. International organizations, governmental and non-governmental, in liaison with ISO, also take part in the work. ISO collaborates closely with the International Electrotechnical Commission (IEC) on all matters of electrotechnical standardization.

The procedures used to develop this document and those intended for its further maintenance are described in the ISO/IEC Directives, Part 1. In particular the different approval criteria needed for the different types of ISO documents should be noted. This document was drafted in accordance with the editorial rules of the ISO/IEC Directives, Part 2 (see www.iso.org/directives).

Attention is drawn to the possibility that some of the elements of this document may be the subject of patent rights. ISO shall not be held responsible for identifying any or all such patent rights. Details of any patent rights identified during the development of the document will be in the Introduction and/or on the ISO list of patent declarations received (see www.iso.org/patents).

Any trade name used in this document is information given for the convenience of users and does not constitute an endorsement.

For an explanation on the voluntary nature of standards, the meaning of ISO specific terms and expressions related to conformity assessment, as well as information about ISO's adherence to the World Trade Organization (WTO) principles in the Technical Barriers to Trade (TBT) see the following URL: www.iso.org/iso/foreword.html.

This document was prepared by Project Committee ISO/PC 280, *Management consultancy*.

Introduction

Management consultants use their know-how to support clients in any sector locally, regionally and globally to deal with important issues such as handling complexity, achieving sustainable organizational growth, innovating, achieving change and enhancing productivity. The management consultancy industry makes a substantial contribution to the world economy.

The aim of this document is to improve transparency and understanding between clients and management consultancy service providers (hereinafter referred to as MCSPs), in order to achieve better results from consultancy projects. Appropriate application of this document enables MCSPs to provide better value for clients and reduce risk in management consultancy assignments. By improving quality, professionalism, ethical behaviour and interoperability of management consultancy, this document is intended to enhance the effectiveness of the management consulting industry and accelerate the development of the profession.

This document is based on good practice from the management consultancy industry. It includes recommendations to improve the specification, execution, acceptance of the outcome and closure of management consultancy services, based on research and the experience of a wide range of MCSPs and their clients.

This document takes the form of an easy-to-understand guidance document, written from the perspective of management consultancy. It applies to all MCSPs, whatever their size or specialism, including sole proprietors, partnerships, associations, governmental and non-governmental organizations, internal departments of corporations, etc.

Innovation, differentiation and ethical behaviour are important parts of an MCSP's value proposition. This document focuses only on the deliverables and outcomes of management consulting. MCSPs are free to use their own methods and approaches.

This document:

a) is written as guidance;

b) is applicable to all MCSPs;

c) applies to organizations, not their internal resources;

d) is based on outcomes;

e) protects innovation and differentiation;

f) emphasizes the importance of understanding clients' needs;

g) is easy to understand.

Guidelines for management consultancy services

1   Scope

This document provides guidelines for the effective delivery of management consultancy services.

NOTE   Refer to Annex A for supplementary information on ISO standards.

2   Normative references

There are no normative references in this document.

3   Terms and definitions

For the purposes of this document, the following terms and definitions apply.

ISO and IEC maintain terminological databases for use in standardization at the following addresses:

— ISO Online browsing platform: available at http://www.iso.org/obp

— IEC Electropedia: available at http://www.electropedia.org/

3.1
agreement
formal binding *outcome* (3.15) (preferably documented in writing) from the *contracting* (3.7) phase

3.2
assignment
service to be provided by the *MCSP* (3.12) to the *client* (3.4) and the *recipient* (3.21) as described in the *agreement* (3.1)

Note 1 to entry: An assignment is typically performed as a *project* (3.18) by the *MCSP* (3.12). Other formats of assignment could be encountered, such as the provision of ongoing support.

3.3
capability
staff, contractors, knowledge, methodology, third parties, technology and other relevant *resources* (3.23) or *processes* (3.17)

3.4
client
organization (3.13) that agrees to the *management consultancy services* (3.11) supplied by the *MCSP* (3.12)

3.5
closure
set of activities between the *MCSP* (3.12), the *client* (3.4) and the *recipient* (3.21) aimed at ending the *assignment* (3.2)

3.6
communication
maintenance between the *MCSP* (3.12) and the *client* (3.4) of clear and systematic flow of information

3.7
contracting
set of activities aimed at reaching an *agreement* (3.1) to provide *MCS* (3.11)

3.8
deliverable
tangible item produced by the *MCSP* (3.12) as part of an *assignment* (3.2)

EXAMPLE   A report, a plan, a document.

Note 1 to entry: Output is considered synonymous with deliverable.

3.9
execution
performance of the *management consultancy service* (3.11)

3.10
intellectual property
any identifiable product of the mind attributable to any person(s) or one or more legal entities that can be represented or communicated physically and protectable by copyright or similar laws

[SOURCE: ISO/IEC 21000-19:2010, 3.1.28]

3.11
management consultancy service
MCS
service
set of multidisciplinary activities of intellectual work, within the field of management, which aims to create value or promote changes, by providing advice and proposing solutions, by taking into account actions or by producing *deliverables* (3.8)

3.12
management consultancy service provider
MCSP
organization (3.13) that offers and delivers *management consultancy services* (3.11)

Note 1 to entry: An organization (3.13) acting as a broker or as an introducer (facilitator) of *MCS* (3.11) or providing administrative support (e.g. invoicing, payment of salaries) to MCSPs is not considered an MCSP.

3.13
organization
person or group of people that has its own functions with responsibilities, authorities, relationships and *resources* (3.23) to achieve its objectives

Note 1 to entry: The concept of organization includes, but is not limited to, sole-trader, company, corporation, firm, enterprise, authority, partnership, association, charity or institution or part or combination thereof, whether incorporated or not, public or private.

[SOURCE: ISO 9000:2015, 3.2.1]

3.14
organizational governance
system by which an *organization* (3.13) makes and implements decisions in pursuit of its objectives

[SOURCE: ISO 26000:2010, 2.13]

3.15
outcome
impact or result of an action or *process* (3.17)

EXAMPLE   An improvement in profitability or value.

3.16
policy
intentions and direction of an *organization* (3.13) as formally expressed by its top management

[SOURCE: ISO 9000:2015, 3.5.8]

3.17
process
set of interrelated or interacting activities that use inputs to deliver an intended result

Note 1 to entry: Whether the "intended result" of a process is called output (3.8), product, or service (3.11) depends on the context of the reference.

Note 2 to entry: Processes in an *organization* (3.13) are generally planned and carried out under controlled conditions to add value.

[SOURCE: ISO 9000:2015, 3.4.1]

3.18
project
unique *process* (3.17), consisting of a set of coordinated and controlled activities with start and finish dates, undertaken to achieve an objective conforming to specific *requirements* (3.22), including the constraints of time, cost and *resources* (3.23)

[SOURCE: ISO 9000:2015, 3.4.2]

3.19
project governance
system by which an *organization* (3.13) makes and implements decisions in relation to projects

3.20
project management
direction of the *project* (3.18) under the authority of *project governance* (3.19)

Note 1 to entry: Project management is the application of methods, tools, techniques and resources to the management of a project and includes the integration of the various phases of the project life cycle. Project management is accomplished through processes.

3.21
recipient
organization (3.13) receiving the *MCS* (3.11) agreed by the *client* (3.4)

Note 1 to entry: Often the recipient is the client.

3.22
requirement
need or expectation that is stated, generally implied or obligatory

Note 1 to entry: "Generally implied" means that it is custom or common practice for the *organization* (3.13), its customers and other interested parties, that the need or expectation under consideration is implied.

[SOURCE: ISO 9000:2015, 3.6.4]

3.23
resources
assets, people, skills, information, technology (including plant and equipment), premises, supplies and information (whether electronic or not) that an *organization* (3.13) has available to use, when needed, in order to operate and meet its objectives

[SOURCE: ISO 22301:2012, 3.47]

3.24
risk
effect of uncertainty on objectives

Note 1 to entry: An effect is a deviation from the expected — positive or negative.

Note 2 to entry: Objectives can have different aspects (such as finance, health and safety, security and environment) and can apply at different levels (such as strategic, organization-wide, project, product, and process).

Note 3 to entry: Risk is often characterized by reference to potential events and consequences, or a combination of these.

Note 4 to entry: Risk is often expressed in terms of a combination of the consequences of an event (including changes in circumstances) and the associated likelihood of occurrence.

Note 5 to entry: Uncertainty is the state, even partial, of deficiency of information related to, understanding or knowledge of an event, its consequence, or likelihood.

[SOURCE: ISO Guide 73:2009, 1.1]

3.25
stakeholder
person, group or *organization* ([3.13](#)) that has interests in, or can affect, be affected by, or perceive itself to be affected by, any aspect of the *assignment* ([3.2](#))

Note 1 to entry: Refer to [Annex B](#) for examples of typical stakeholders.

[SOURCE: ISO 21500:2012, 2.14, modified]

4   Principles

4.1   General

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4.1.1   Scope

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During a typical assignment, the MCSP, the client and recipient jointly undertake three activities described below as the "typical consulting process".

This document applies to those activities.

This consulting process has a beginning and an end as described below.

4.1.2   Typical consulting process

The consulting process includes three typical activities: contracting, execution and closure, which are described in d), e) and f) in the basic structure of consulting outlined in [Annex C](#).

— **Contracting**

The client and MCSP reach a clear agreement on the scope and approach of the service to be provided and commit to working together.

This activity starts once the client and the MCSP have reached an understanding of the other party.

[Clause 5](#) offers guidance for contracting.

— **Execution**

Once agreement has been reached, the next part of the assignment is execution.

The MCSP provides the service in accordance with the agreed approach and plan. The MCSP and the client need to collaborate with confidence, fairness and mutual respect to achieve a mutually positive outcome.

[Clause 6](#) offers guidance for execution.

— **Closure**

The final stage of the assignment is closure.

After completion of the assignment, including the delivery of all deliverables and assessment of the results, the assignment is "closed" by resolving any unfinished items and meeting all contractual and legal obligations.

It is critical that the MCSP gains acceptance from the client that the assignment is complete.

Clause 7 offers guidance for closure.

NOTE   Refer to Annex C for basic structure of consulting activities.

4.1.3   Responsibilities

The MCSP is responsible for its resources and work, however the ultimate accountability for decisions, outcomes, deliverables and the impacts on stakeholders lies with the client.

NOTE   If specified in the agreement, the MCSP might also be responsible and held accountable for outcomes, deliverables or impacts on stakeholders other than the client and the recipient of the MCS.

4.2   Other standards

To deliver management consultancy services effectively, the MCSP should consider guidance provided by other national and international norms and standards relevant to the stakeholders in the assignment. Some standards of relevance include those on project management, ethical behaviour, risk management, business continuity, quality management, safety, and sustainability.

4.3   Ongoing evaluation and improvement

The purpose of evaluation is for the MCSP to assess and determine the effectiveness of the assignment.

Evaluation also allows the client and the MCSP to:

— diagnose the effectiveness of the assignment;

— make recommendations for corrective action;

— implement new processes and methods;

— provide and receive feedback from each other;

— evaluate added value.

The MCSP and client should agree on a suitable methodology for ongoing evaluation and feedback throughout the assignment.

The MCSP should establish a structured process for ongoing evaluation for the duration of the relationship between the client and the MCSP. The effectiveness of the assignment should be assessed based on the evaluation criteria, the policies and strategies included in the agreement.

Even if no evaluation is included in the agreement, the MCSP should have a process to learn from the work it undertakes.

If evaluation is required for contractual reasons to determine the fees paid, the MCSP and the client should agree the most appropriate method of evaluation.

4.4 Policies

Policies as written in 4.4.1 to 4.4.12 are to guide the MCSP in the delivery of the assignment and apply during the assignment.

4.4.1 Regulatory framework

The MCSP should maintain an appropriate level of awareness of the relevant laws, policies, rules, regulations and standards that govern their services and those of the client.

The MCSP should:

— engage in dialogue with the client to determine the relevant laws and regulations for the assignment;

— manage any conflict between laws and regulations relevant to its general activities and those relevant to the specific assignment.

If conflicts exist, to ensure clarity the relevant laws and regulations for the assignment should be identified in the agreement.

NOTE   In case of multiple jurisdictions, the aim of this subclause is to select and specify which laws are relevant to the assignment depending where the MCSP operates and where the recipient operates. This also creates awareness of potential conflict between laws for cross border assignments.

4.4.2 Stakeholder engagement and commitment

The MCSP should engage in dialogue with the client to identify the relevant stakeholders and agree on their involvement.

The MCSP together with the client should then engage with those relevant stakeholders to agree on their involvement.

The role of stakeholders and their relationship with the MCSP should be described in the agreement.

The agreement should include:

— access to information;

— consultation;

— communication;

— roles and responsibilities.

An effective strategy and policy should exist for communicating with stakeholders for the duration of the assignment.

4.4.3 Code of ethical and professional conduct

A code of conduct should be observed in order to guide the ethical and professional conduct of the MCSP during the assignment.

This code of conduct should include major topics such as:

— professional behaviour;

— sustainability;

— social responsibility;

— conflict of interest;

— integrity.