
Communities and Partnerships of Independent Management Consultants - The Path to Professional Success

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Abstract

The paper presents an analysis of the possibilities for developing a community of independent management consultants and forming partnerships in conditions of global uncertainty. The purpose of the study was to show the core of activity, level of competencies and uniqueness of knowledge of the management consultants' community; determine its growth points. Individual consultants from the National Institute of Certified Management Consultants of Russia (NICMC), Fifty eight consultants took part in the study as a sample. Using the author's questionnaire, it was possible to identify perspective areas of community development strategies and partnerships for consultants that allow them to achieve greater success in consulting.

Introduction

The paper presents an analysis of the possibilities for developing a community of independent management consultants and forming partnerships in conditions of global uncertainty. The context for this research is the professional community of independent management consultants, and the subject is the dynamics of development and change of this community within the association - the National Institute of Certified Management Consultants of Russia (NICMC).

A community is a social unit (a group of living beings) in which they are united based on norms, religion, values, occupation, customs, ethnicity, political views, hobbies, or identity. This term refers to both social connections between people and natural formations (Park, 2008). Human communities can be formed by place, located in a given geographical area (for example, a country, village, city, or organization), or in virtual space through communication platforms (various online communities of interest: thematic web forums, blogs, groups). Communities are very diverse, but in the vast majority of cases, community members feel mutual responsibility towards each other. In professional communities, individuals have common norms and values, as well as the same forms of identification and differentiation. In recent years, the role of communities in the social, economic, and political life of people has been actively considered at international conferences (GUILD, 2023) as horizontal teaming of equals.

We consider the community of independent consultants as a social group of professionals who provide management consulting services to both individuals and companies and are united by professional interests in the field of management. According to the ISO 20700 standard, “management consulting services are a set of interdisciplinary intellectual activities in the field of management that are aimed at creating value or driving change by providing advice and proposing solutions, taking into account actions or producing final results” (ISO, 2017). Other social groups with varying degrees of cohesion and goal orientation can form within communities, such as partnerships and collaborations.

Partnership is the relationship between participants or partners in joint activities. In the legislation of many countries, including Russian, this is the equivalent of a comradeship, and can also be a legal form of organization of an enterprise (for example, a non-profit partnership). In essence, a partner is a comrade; an ally; one of the equal participants in joint activities; an accomplice; a business companion; or a shareholder. The professional community may or may not have such partnerships, since this form is more cohesive and focused joint work activity (see Fig. 1).

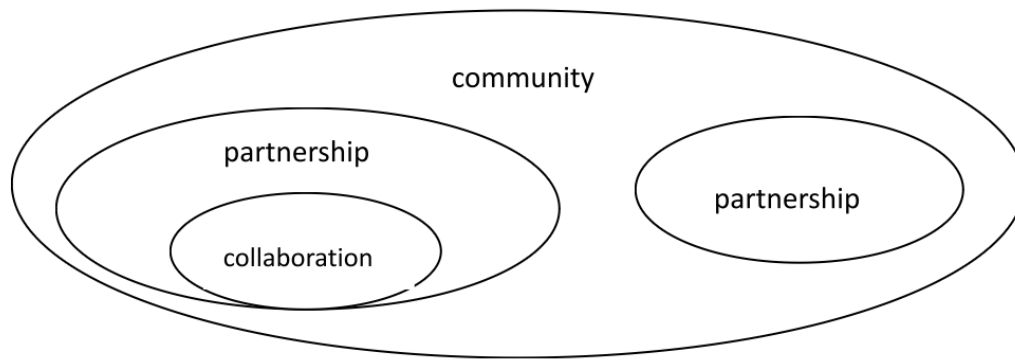


Figure1 - Communities, partnerships and collaborations

There are different approaches and concepts in partnership synergy. Itzhak Adizes's complementary teams are known, when the success of such a team requires partners with different behavioral styles (Adizes, 2014). In the concept of Eric Flamholtz, there is a molecular model of leadership, where each member of the partnership (team) must engage in complementary areas of activity within the framework of change (Flamholtz, Randle, 2011).

The growing complexity of network relationships in business, the variability of the environment and stakeholders require effective partnerships from modern consultants, and this, as we know, is possible only in conditions of high trust. At the same time, we understand that individual consultants are independent and competitive people. This raises the question: is it beneficial for them to cooperate in communities or enter into partnerships?

It should be noted that there are different traditions of partnership. Thus, in the Western understanding, a partnership is determined immediately by how mutually beneficial it is. But if there is no coincidence of interests, the partnership may be reconsidered. And when formalizing partnerships with written agreements, in the Western tradition there are always "points" directed against each other. In Eastern traditions, a 'partnership' is formed only after a long period, during some 'grinding-in'. There is also a strict cultural divide; tolerance is not encouraged.

Usually at the initial stage, partner communities and teams are very charged with entrepreneurship and the desire for development. But to extend the partnership, special efforts are required. A sustainable partnership over time is seen as a value, as a rare exception to the rule. Are consultants ready for such efforts?

In relation to partnerships, such psychological constructs as compatibility, role complementarity, etc. are often used (Belbin, 2003.) But this is more applicable for working in teams, rather than in cases of partnership. The root of partnership between consultants is not in psychology, but in respect and trust in each other. The most solid and sustainable foundation of a partnership is the recognition of a long-term subjectivity in a partner. And this requires professional maturity from consultants (Petrova, Blinov, 2015). The tools for effective partnership of consultants are, of course, various options for partnership agreements, the role of which in consulting communities is played by ethical codes and other statutory documents.

Another basis of partnership is dialogue. In the Russian tradition, the concept of dialogue is presented, for example, in the poetics of Dostoevsky. It is important to note that consultants need to specifically study dialogue. Dialogue indicators are:

- trust, including respect and openness;
- responsibility, as an opportunity to respond to others;
- understanding the importance of what is happening;
- agreement as synthesis, as consonance;
- patience as abstention from evaluation.

It is these indicators that provide the key to forming a sustainable partnership within the consultant community.

Finally, another form of close professional collaboration within communities should be addressed. This is a collaboration. The term comes from the French 'collaboration' (cooperation) and the Latin 'collaboro' (to work together). That is, collaboration is also called a set of participants in the process of joint activity in any area of two or more people or organizations to achieve common goals, in which knowledge is exchanged, learning and agreement is reached (consensus). Of course, collaborations can arise both within communities and between communities. We consider them only in the context of collaboration within the community. Collaboration is the process of working together with others to design or create something. Individuals or groups may bring their special abilities, perspectives, and ideas to a project or effort to achieve a common goal. Brainstorming sessions, group meetings, writing or editing articles together, sharing feedback, working on a problem, and participating in group activities are all examples of consultant collaboration.

Research Context

All associations of consultants are divided into two groups. The first group includes professional and public organizations that unite individual consultants and representatives of consulting firms to exchange experience, methods, knowledge, and information. The second group includes associations pursuing commercial goals, that is, forming joint projects to work with specific clients. Our goal was to study associations of the first type - independent individual consultants. Recently, other types of more or less formal communities have emerged - networks of independent professionals, platforms, channels, more or less formal communities of practice, etc.

Existing research discusses what is at stake for independent consultants and how important community building is to them. Thus, Cross and Swart, studying the activities of self-employed neo-professionals, found that outside organizational boundaries, independent consultants adhere to a strategy of professional fluidity. In contrast to notions of collegial, organizational, and corporate professionalization, professional fluidity is a co-constructed and agentic approach in which credibility and legitimacy are achieved primarily through relationships with clients and employees rather than institutions or employing organizations. It is a relational and market-based approach that requires multiple roles and chameleon-like tactics (Cross and Swart, 2021).

In this regard, it seems important to our research question about how the success of independent consultants' changes when they join a formalized community - the Association of Consultants. Does this participation add to the success of client projects? Could partnerships and collaborations of independent consultants emerge in this community, implementing more global consulting projects? And what recommendations for professional implementation and development of independent consultants such communities can offer.

The study was carried out using the example of such a community of independent consultants as the NICMC Association. The professional community - the Association of Certified Management Consultants was formed in 2003. Then, at the ICMCI congress in Istanbul, the first Russian consultants were certified according to the Amsterdam standard, and the National Institute of Certified Management Consultants (NICMC) (hereinafter referred to as the Association) was created. This was the third wave of Russian consultants who sought to satisfy the emerging and already recognized demand for professional consulting services. These were scientists with good economic, social, and psychological training, who stopped giving direct recommendations, but began to develop methods that could be used to develop recommendations, but with the participation of the client himself, and not instead of him. But they all had different practical experience and management schools, which sometimes hindered the implementation of large projects and created unhealthy competition. The purpose of joining the community was not only mutual enrichment, exchange of methods and best practices, but also the development of common values and ethical standards of consulting. Therefore, it was decided to independently develop a Code that would correspond to the values, interests, and characteristics of this community of consultants. This was not easy, and at times there was a real struggle over certain provisions put forward by different members of the Association. Finally, the consultants agreed on the minimum that suited the majority. Such values as competence, openness, honesty, reliability and responsibility, objectivity and independence, confidentiality and professionalism were recorded and accepted. It was the Code of Ethics, as well as the international standard of competencies for professional management consultants, that made such a professional association as NICMC a real community.

Currently, the market of independent consultants in the country is formed from different professional categories. These include managers with extensive experience and length of work, and professional managers and entrepreneurs, industrial engineers-mentors, financiers, project managers, organizational and social psychologists, teachers, trainers, coaches, facilitators, trackers, as well as graduates of master's programs, MBA programs and programs advanced training. Often participants in this market have the status of self-employed or individual entrepreneurs, but there are also those who have small businesses with three to ten people. The professional fluidity of representatives of the market of independent consultants is confirmed by the fact that many of them work either as internal or external management consultants, exercising a wide range of role flexibility.

Today, any management consultant who submits an application, has a higher education and a desire to work in the field of consulting and who is interviewed by one of the members of the Association Council can become a member of the community - the Association. At the same time, he undertakes to comply with the Charter of the Association, the Code of Ethics for Management Consultants and to pay a small membership fee. Also, in accordance with his interests, he is offered the

choice of joining one of the Association's partnerships - Committee, section, project, etc.

The Association offers its members participation in educational programs and webinars on consulting, passing international certification, mentoring and assistance by consulting gurus, participation in pilot projects, case championships, participation in the international Constantinus Award for the best consulting project, etc. For young and inexperienced consultants there is a club of young management consultants and an internship program.

Research Methodology and Procedure

The research methodology was the author's questionnaire of 30 questions, which covered the characteristics of the professional activities of consultants, a retrospective of their presence in the professional community, motivation for development, etc. The questionnaire contained questions regarding changes in business areas, the number of consulting projects and clients, and the specifics of client requests, for example, "How does your membership in the Association affect your professional activities"; "How did the cost of your services change after joining the NICMC association?"; "List the types of client requests with which you started working and what requests do you have now". Some of the questions were open-ended, and some were closed-ended with multiple choice.

The survey of community consultants (NICMC Association of Russia) was conducted using Google forms. Participation in the survey was voluntary and independent. Information with a link to the questionnaire was sent to all participants of the professional association NICMC. Information processing was carried out by students of a master's program at one of the universities. Data analysis was carried out using Excel, where quantitative and qualitative results were calculated for each of the 30 questions of the Questionnaire.

Sample Data

58 people took part in the survey (more than 60% of the Association of Consultants), 51% men, 49% women. The average age of participants was 47.5 years (range 35 to 70 years). The consultants' work experience ranged from 1 year to 44 years. Participants' average work experience as a management consultant was 13 years. Most respondents recorded the main role in their professional activities over the past 5 years as the role of a consultant (40%), 25% attributed themselves as managers, 20% as teachers, and 15% as trainers. The sample included consultants who had been members of the Association from several months to 20 years, with an average period of membership in the consultant community of 5.5 years. 35% of the sample were CMC Global certified consultants.

All interviewed consultants had experience of successful work in companies of different sizes (see Table 1).

Table 1: Distribution of experience of consultants in companies of various sizes

Number of employees in companies	Number of consultants with experience in these companies
More than 1000 people	32%
From 500 to 1000 people	11%
From 100 to 500 people	27%
Up to 50 people	30%

78% of the studied group of consultants worked in the domestic market, 22% in the international market. International clients include such companies as Saudi Aramco, ADNOC, Total Energies, BP, Exxon Mobile. Among the domestic market are JSC Mostostroy-11, GAZPROM, TATNEFT, ROSTECH, Ingosstrakh, Glavstroy, and Eurocement.

Consultants worked primarily in the areas of service and trade (28%), industry (28%), slightly less often in the construction sector (16%), banks (15%), and the IT sector (13%).

Research Results

The main research question was: What changed in the professional activities of independent consultants after joining the community (NICMC Association)? 55% of survey participants gained new work experience during their stay in the Association and as a result of cooperation with colleagues. They have expanded their customer market. Among the new business segments were identified: agriculture, ecology, fitness, medicine, higher education institutions, multimedia technologies, bakery production.

The average number of consulting projects per year before joining the NICMC Association was 4.8 projects for consultants. At the same time, novice consultants recorded the completion of 3-4 projects per year, while consultants with experience recorded two times that (8-10 per year). According to the results of our study, 28% of consultants reported that after joining the consulting community, the number of projects per year increased by about a quarter, and for 6% this increase was more than half.

Survey participants whose number of completed projects increased while in the consulting community indicated the following reasons for such changes:

- ☐ Development of your competencies
- ☐ Understanding your positioning and management/organizational consulting services offered
- ☐ Understanding how to promote consulting
- ☐ Increased confidence in yourself as a consultant
- ☐ Collaboration with colleagues and meeting experienced consultants
- ☐ Emergence of a system, algorithms, structure, new vision
- ☐ Prioritization

Indeed, the NICMC Association offered consultants who joined the community a wide range of B2C (business-to-consumer) services and cutting-edge consulting methods that allowed participants to achieve such impressive results. For example, many independent consultants had difficulty selling their services, were unsure of their value to the client, and were unable to 'package' their products in a presentable manner. Therefore, seminars and round tables were held on the following topics: 'How to launch your own consulting product'; 'Three keys to creating a queue of clients for a consultant'; and 'Intricacies in management consulting'. The proposed approaches, algorithms, and 'life hacks' allowed consultants to build a systematic and sustainable process for attracting clients and achieve high conversion into projects by transforming a personal brand into effective marketing and speech communications, as well as through the use of an expanded product line. To master new methods and technologies of consulting, develop competencies and increase self-confidence, in the last year alone, courses such as 'Optimization of Business Processes', 'Strategic Sessions', and 'How TRIZ (Theories for Solving Inventive Problems) Solve the Problems of Strategic Consulting' have been conducted.

Opportunities to meet more experienced community consultants are realized in the process of round tables, case studies, and mastermind groups on the topics – 'How to overtake a Lexus on a scooter: on solving pressing problems of Russian business using a case example'; 'Inadequate requests, typical management mistakes and organizational pathologies in Siberian small and medium-sized businesses'; 'Experience in developing a consulting business in region', etc.

The survey showed that for 27% of consultants the cost of services increased by 10-25%, for 8% the cost increased by 25-50%, and for 14% it increased by more than 50%. The change in the cost of services was affected by:

- ☐ Understanding the value of a consultant's work,
- ☐ Obtaining more in-depth complex projects
- ☐ Change of location
- ☐ Application of new technologies

Many consultants, upon joining the Association, would like to start working with new client requests, namely: information and change management, crisis management, improving management efficiency, business development, strategic and operational development, coaching and career development. But they noted that the lack of knowledge and experience, time resources and incorrect prioritization, as well as the unpreparedness of clients for new areas of consulting, prevented them from realizing their plans.

Before joining the NICMC consultant community, the top 3 queries that consultants worked with were: 'Strategies and planning', 'Business development', and 'Business processes'. After joining the community, the number of requests from consultants increased. To these areas of consulting, 'change management' and 'working with organizational culture' were also added.

Consultants identified the main reasons for increasing the number of clients and their requests: expansion of their area of competence, experience, training, greater understanding of business, life, and people. During their stay in the professional community, 30% of consultants increased the number of 'return' clients with whom they have been working for more than two years.

The research showed that the reasons for the increase in the number of projects and the cost of services from independent consultants who joined the NICMC community were not only their training within the framework of the offered webinars and development programs. The main value was communication with other, more experienced community members. For example, one of the products offered by the Association was a mentoring or support program. Two groups were proactively identified - mentors and mentees, who, during a special procedure, found common points of contact (common interests in consulting, areas of work, areas of consulting) and worked under the mentoring program for 3-6 months. Moreover, each such pair of consultants (mentor and mentee) had specific goals and objectives for cooperation. It was the results of the work of these dyads that allowed the consultants to achieve quantitative and qualitative indicators for projects and the cost of services, as well as to come to an understanding of the value of the consultants' work.

During the survey, it was found that 70% of the consultants had unsuccessful cases in their business portfolio, but did not have the opportunity to discuss their 'mishit', 'boner', and mistakes. It was the exchange of experience and tools with community colleagues, discussion, and training within the framework of a special program that helped them transform the experience of unsuccessful cases into opportunities for successful results and learning from other people's mistakes.

Most respondents believe that membership in the counselling community contributes to their professional development in the process of comparing their experience with the counselling experience of other consultants in the course of analyzing their best practices. For example, discussions between experienced and novice consultants on the topic of creating or 'reassembling' their own products, as well as 'live conversation' in the interview format about 'instructive cases' in consulting, were very popular in the NICMC Association. Thus, another finding of our study is the reduction of occupational risk for consultants involved in the community. Despite the fact that many consultants have attended professional courses, trainings, seminars, webinars, conferences, they would like to additionally acquire the following professional skills and competencies during their membership in the community:

- ☐ Financial management, working with software products, statistical programs
- ☐ Brand development within social networks
- ☐ Competencies in marketing and corporate governance
- ☐ Structural thinking skills
- ☐ Implementation of new projects with digital transformation and implementation of IT solutions
- ☐ Creation and sale of courses
- ☐ Website creation and promotion
- ☐ Coaching
- ☐ Project- and risk-management

38% of respondents found among the members of the Association consultants with whom they could implement joint projects in a partnership format. For example, during the webinar 'Effective and ineffective partnerships in business and consulting', the root problems of ineffective partnerships (deficits of respect and trust) were identified and tools for synergistic partnerships were proposed: partnership agreements, team decision technology, etc. All this made it possible to create within

the NICMC community several partnerships for the implementation of specific projects. It should be noted that independent consultants joining partner teams have become more willing to share their knowledge and experience with other colleagues, as the level of trust has increased, and competition has decreased.

Many consultants in the NICMC community have become more motivated to read literature that expands their professional horizons. For this purpose, the NICMC association offers community members such a product as a knowledge base. The sections of this IT knowledge base system are regularly updated and expanded, and current changes are made to increase its effectiveness. Thus, the association prepares reports, accumulates, and structures information from which community members can glean some information about the practice of other consultants.

An interesting fact is also that more than half of the surveyed community members have written and published their books and original articles on consulting over the past 3-5 years (Ivanov, 2017; Krivosheina, 2018; Pervushin, 2018; Prigozhin, 2021; Lobanova, 2023). 75% of respondents have conducted their own seminars and courses on management consulting over the past 3 years, such as 'Personality of a manager. Competencies and limitations'; 'Human Resources Management'; 'Profession Manager. Management Resources'; 'Competitive Analysis in Conditions of Uncertainty'; and 'Preserving Emotional Stability and Resources in a Crisis'.

Conclusion

So what do the survey results reveal about independent consulting? First, the desired needs of individual independent consultants were identified. Namely:

- ☐ The need to have a more reliable and compelling channel for obtaining consulting orders
- ☐ Positioning and promoting yourself based on a national or international brand
- ☐ Professional support and feedback from experienced consultants
- ☐ Exchange of practices, methods, and techniques in consulting
- ☐ Partnership with other consultants to obtain and implement new projects
- ☐ Dialogue with authorities and collaboration with "reliable" consultants for lobbying
- ☐ Ability to create strong partner project teams and participate in federal and international projects.

Second, a study based on a sample of 60% of members of the community of independent consultants, namely the NICMC association, showed the practical benefits and success of such an association as a growth area that can help independent consultants reach a new professional level. This growth zone includes: the acquisition of business connections and experience, new competencies, knowledge, new motivation to develop and improve their skills, succeed behind leaders, the opportunity to be certified as a management consultant and receive a new status, information support and access to a knowledge base, development of a personal brand, increased self-esteem, a significant line in a resume, and professional advantages in consulting. Consequently, the majority of respondents consider membership in the Association useful for professional and personal development.

Third, the study allows us to conclude that even if each independent consultant has a variety of work experience and consulting experience, joining a professional community gives him its competitive advantages:

- ☐ experience in new areas of business
- ☐ increase in the number of projects and requests from clients
- ☐ increase in wages and fees
- ☐ new partners with whom you can implement joint projects
- ☐ opportunities to be certified according to international standards.

As part of the work of the Association NICMC managed to increase the professional potential of consultants, thanks to which many clients were able to see their strengths and gain opportunities for successful business development.

Fourth, the study made it possible to give the following recommendations for further optimization of the activities of professional communities of consultants:

1. It is useful to provide certification of community consultants to monitor their professional competence and effectiveness.
2. It is possible to introduce a mentoring system in the community of independent consultants, when more experienced ones will monitor the work of less experienced consultants, give feedback, transfer their experience, and also involve them in activities.
3. It is important to show community consultants the trajectory of professional development: international certification, additional professional retraining programs, advanced training, and expansion of the product line and portfolio of client orders.
4. A system of incentives and benefits may be introduced to stimulate scientific and research work (increasing the number of original articles, research, and publications).
5. Create a common open base of members of the consultant community who are interested in partnering for joint projects.

Thus, this study showed significant results in the formation of communities of consultants to increase the success of their professional activities. All this allows us to recommend independent management consultants to unite in such communities.

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