



BEST-IN-CLASS ENVIRONMENTAL BUSINESS RELATIONSHIPS

Today, it is a rare industrial environmental management department that plans and implements all its programs using exclusively in-house resources. Increasingly, companies are shifting more of the burden for environmental management to outside service providers as part of their organization's efforts to downsize functions that do not represent core competencies. For many EH&S managers, the most effective solution is to enter into a longer-term business relationship with a few key service providers, rather than sourcing each individual project as a need arises.

But selecting the right consultant(s) to be part of an industry's long-term environmental programs and building a best-in-class business relationship with them is not always easy. For many years, the approach taken by many EH&S managers has been to hire a consultant for a particular assignment, become frustrated or disappointed in the consultant's performance, and move on to another. However, just as employee turnover costs firms substantially in lost productivity and knowledge, training, and recruitment and hiring, the process of procuring and releasing consultants carries high costs. In fact, managing a long-term relationship with a consulting firm can actually be quite similar to managing in-house staff. For example, most of us, upon learning that an employee has made a mistake, do not fire the individual for the first, or even third, offense. Rather, we work invest in them - providing the education or training needed to improve. To maximize their value to you, the same philosophy should hold true for consultants.

In the most productive environmental business relationships, the consultant's staff and the client's staff become part of a seamless team. All parties have agreed on and are working toward a common goal or set of short- and long-term goals. Because they are fully engaged in the objectives, they find the work satisfying and meaningful, and work productively, collaboratively, and efficiently. The team seems infused with energy and creativity, and individual and collective talents are fully exploited. The consultant serves as the client's advocate, and trust between the two parties is strong. Although occasional times of conflict are inevitable, these strengthen the relationship because they are handled swiftly, responsibly, and in an atmosphere of trust.

Project Conceptualizing Phase

During this step, the client determines what the project might entail, its objectives, whether it should be handled internally or through a service provider, and what it might cost. Some environmental managers also make decisions about the most appropriate internal project manager at this time. This is prudent, since the project manager should be heavily involved in conceptualizing the project. Best practices include the following.

- Identify criteria for your project manager, and evaluate more than one candidate. Consider technical and management skills, interpersonal and communication skills, and attitudes toward consultants, along with general strengths and weaknesses.
- Once selected, involve the project manager every step of the way.

- Carefully outline expectations regarding goals, the level of accountability, internal communications, and budget.
- With the project manager, identify areas of potential difficulty and develop a contingency plan. Recognize that role definition, scope, communication, and costs represent common problem areas.
- Again with the project manager, develop the project scope with care, even if the consultant selection process will not be competitive. While it is tempting to detail every task, you will get more creativity and innovation from the consultant if you allow him or her to develop the approach and specific tasks, just as you might spark more innovation from an employee if you allow some latitude for independent thinking.

Consultant Selection Phase

This phase can be stressful for many of us, who fear making the wrong choice. However, it is helpful to remember the analogy of the in-house employee to the external service provider. Just as you would invest in an employee who appeared to have the necessary ingredients for long-term success, it makes sense to invest in the consultant who demonstrates the qualities that will serve you best in the long run. The following best practices will help you choose a consultant wisely.

- Carefully evaluate the consultant's individual team members. The proposed project manager, in particular, must possess the skills and degree of competence needed to carry the project through to successful completion. Evaluate the project's manager style, such as how he or she listens, communicates, and responds to questions. Find out the project manager's track record with respect to managing projects, as opposed to simply completing technical work on projects managed by others. Verify workload and availability.
- Obtain and call references on all key staff.
- Pay attention to proposed total cost as just that – proposed, because the project is likely to change. Focus instead on indicators of the value this consultant is likely to contribute over the life of the project

Implementation Phase

If the preceding project phases have been executed with care and with a commitment to building a successful long-term business relationship, actual project implementation is likely to be efficient. Best practices include:

- Hold a face-to-face project kickoff meeting that clarifies project roles, scope of work, objectives, barriers to success, and issues of concern. All key stakeholders should participate.
- Assign someone – or assume responsibility yourself – to track progress against the decisions made at the project kickoff. Schedule a mid-project follow-up session and a post-project follow-up meeting.
- Identify your own communication needs and clearly articulate these to the entire team. Should contact be daily, weekly, monthly? Should it be by phone, e-mail, or status report? In the ideal environmental business relationship, the client asks for – and gets – very frequent project updates. In addition, it is essential that all team members understand that mistakes or other bad news should be communicated immediately.
- Meet with the senior manager to whom the consultant's team is responsible and begin a dialogue with this individual. You will appreciate having a relationship with a more senior-level individual, particularly if problems arise. Regardless, you will have gained a better understanding of the consultant's firm and provided them with an opportunity to learn more about your organization, just as you might educate a new employee about the company's history and strategic direction.

- Most consultants, like many employees, have developed their own systems for managing and administering projects. Understand what those systems are, communicate your own expectations, and reach a clear understanding on the who, what, when, where, why, and how of project management.
- Be prepared for staff turnover by letting the consultant know that you want to be involved in selecting a replacement for any key roles that must be reassigned and by setting aside time for the outgoing and incoming project managers to work together.

Project Closeout

Once a project is completed, it is tempting to close its books and file it away. But each project provides valuable learning lessons that can strengthen the long-term business relationship. A project review session should be held to bring all key players together for an open evaluation against three factors: what the team would like to stop doing, start doing, and continue doing. Best practices should be documented and distributed to all team members so that they become standard practice on future assignments. The process will yield valuable information for future projects while enhancing the relationship between team members.

Establishing and maintaining a mutually rewarding long-term business relationship with environmental service providers -- as with an employee -- requires commitment and investment on both parts. There must be joint commitment to making the relationship work, learning together, continuously improving, and reaching decisions that are in the best interests of both the client and the consultant. The payoffs for making these commitments are substantial in money and time, as well as improved environmental compliance or management.

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Paper published in Industrial Wastewater Magazine

By Water Environment Federation