



TenStep Supplemental Paper

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Do You Think You Would be a Good Consultant?

Many people are company employees and swear they would never do anything else. However, a good number of “regular” employees go into the consulting field. Have you considered this field? There are some things to think about if you are considering the change.

First, let’s get a quick definition out of the way. Here, the term “consultant” is being used in a generic way. Some organizations consider consultants to be different than contractors. Contractors might imply someone who is used for supplemental staffing, while consultants would be people hired specifically for some needed expertise. However, all of these definitions are arbitrary. Here, the term “consultant” will include both titles and both roles.

Generally, you need experience to be a consultant

If a company is going to pay for a consultant, they will normally insist that he or she has the necessary skills to do the job. Of course, some larger consulting companies are able to utilize college graduates on client engagements, but most of the industry does not have that luxury. So, as you start to look at whether you think you would be a good consultant, the first area to consider is your skill set. Some people want to become project management consultants; the only problem is that they don’t have any project management experience. If you want to become a consultant, that is a big problem. Formal training, and even formal certification, normally won’t suffice. You need to have experience.

Determine whether your skills are marketable

Okay, you have experience. However, you need to ask whether you have experience in an area where companies need help. This isn’t an easy question to answer all the time. Sometimes, you are able to acquire experience in a skill set that you know is highly marketable.

You don’t necessarily have to be a guru in an exotic skill to be employable as a consultant. For instance, people with good mainframe skills became very valuable in the two years leading up to Y2K. This may still be an area in demand by many companies as fewer and fewer people pick up the skills and older workers retire.

You could be an “employee” consultant position instead of an independent

There are different employment options for consultants. One option is to be an employee of a consulting company. If you work on this employment model, you would earn a salary and benefits from your consulting company just like a regular company employee. The consulting company has sales, marketing and management people to run the business. They find your next assignment when your current assignment ends. If your company does not have another assignment, they will typically put you “on the bench.” You will still get paid while you await your next assignment. There may well be limits on



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how long your company would pay you while you are not working. However, for the most part, these types of positions are more stable than the true independent consultants.

The second consulting model is the true independent. These people are typically self-employed and in many cases self-incorporated. Instead of a salary, the independents typically negotiate an hourly rate with their employer and get paid based on the hours that they work. Usually these people make more money than employees; however, they do not get paid when they are not working. This includes no paid vacation, holidays or sick time. Also, when one assignment ends, the pay ends as well until the next contract comes along.

More questions - a quick mental checklist

Okay, let's say at this point that you have experience and you believe that the experience is marketable. You also understand the two general consulting paths – employee and independent. Are you still interested? Here are some other things to take into account to help you make up your mind.

How confident are you in your abilities? You have to be pretty confident in your skills and abilities if you want to be a consultant. If you typically received high ratings when you were an employee (and if you felt like they were truly deserved), you may have the right skills to be a consultant. However, if you are tired of your skills, or if you don't think they measure up to your peers, then you are probably not yet ready for the consulting world.

Will you take control of your career? A consultant needs to be in charge of his or her own career planning and development. If you are an independent, this is totally within your control. If you are an employee-consultant, you still need to take a proactive approach to learning and acquiring new technical and business skills. If you want others to be responsible for your career growth, stick to a traditional employee relationship.

Can you stand some downtime? Consultants generally have more of a chance of being unemployed and between jobs. If you are an independent, you have to be prepared for downtime. If you are lucky, it will not occur. However, you need to be prepared for it. Even employee-consultants are not immune. Consulting companies generate revenue through your labor on client assignments. If too many people do not have assignments, they become a financial drag that the company cannot afford. Layoffs become inevitable. This happens in small companies as well as the big ones.

Do you want to travel? If you live in a big city, there may be enough work that you will not have to travel far. However, consultants typically need to go where the work is. If that means across the street - great! If it means a two hour commute across town - bummer. If it means traveling to another city for two weeks at a time – tough. If you cannot take travel, then you need to be very confident that you will always be able to find work locally. Otherwise, find a regular employer.

Summary



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Many people have black and white views of consulting. Some people think it is a romantic field where people make tons of money and get all of the good assignments. Others see consultants as wandering risk-takers. The truth is that there are some people who make lots of money, some people who travel a lot, some people who get great assignments and some people that are career risk takers. However, the majority of consultants are like you – just people trying to make a living. Consulting/contracting is an alternative working style that many people find attractive. Many companies also have staffing strategies to hire consultants for certain types of positions. Maybe consulting would be right for you. But go into it with your eyes open – understanding the risks and the potential rewards. Is consulting right for you? Only you can decide.