

Important Considerations for Engaging Consultants

by Marsha Knapik RN, MSN, CCRN



Today's health care environment requires hospitals to respond quickly to changing economic, technology and service demands. When hospitals begin to develop strategy they often have a need to garner a great deal of information, analyze the information and make informed decisions based on that information. The resources to do this (personnel, information systems and time) are not always readily available within the organization therefore consideration might be given to hire consulting support. It can be a significant financial investment for the hospital to do this and requires thorough due diligence to choose the right firm. When selecting a consultant there are several things to consider that will assist in insuring the company selected meets the hospital's needs and will provide the best results for the project. Several questions come

to mind when considering a consultant.....

- When do we use a consultant?
- Why use a consultant?
- What should we look for in a consulting firm?
- How do we develop a working contract with a consulting firm?

These questions are examined here in an attempt to give hospitals the tools with which to ensure best fit of consultant to hospital.

When should a hospital use a consultant?

Hospitals about to undertake major projects need to consider if they have the internal resources with the expertise and time to devote to the project. In some instances hospitals have an individual with the appropriate knowledge and skills to complete the project, but that individual can not be relieved of their day-to-day responsibilities to devote adequate time to the project. Other times, the hospital has someone who could be spared for the project but doesn't possess the skills to provide project oversight and coordination. Hospitals may have the resources to pull data and provide information but may not be able to analyze the data to provide conclusions for strategic planning projects. Other hospitals may have the resources to collect and analyze data or create a strategic plan but have a need for outside objective validation of their findings in order to achieve a comfort level for moving forward on that plan. Finally, some facilities may not have any internal resources with the appropriate skills or experience to complete the project in a timely manner. Consulting firms can provide resources to hospitals ranging from a basic review and analysis of hospital provided data to providing full project research, analysis and management. The hospital should detail the level of involvement they and the consultant will have on the project.

Why should a hospital consider a consultant?

As previously stated, hospitals sometimes do not have the resources or expertise to handle certain types of projects, however there are additional reasons to consider a consultant. Often hospitals are faced with situations or decisions that are in areas they have never encountered before (ie: consideration of a new service line that has not been available/provided). The consultant brings the expertise that the hospital could not be expected to have in that area. Consultants can also move a project along in a timely manner as they have the data and human resources available to expedite the project. In most instances the consultant has worked on that type of project before and has historical experience, data and templates available to allow the project or report to be completed quickly. An extremely useful role of a consulting group is conducting negotiations when there are opposing sides to the issues involved in the project. The consultant can present the outcomes of the project in an objective manner and act as the mediator responding to and deflecting any negative responses to project findings.

What should a hospital look for when selecting a consulting firm?

Consulting firms are not "one size fits all" and it is imperative that hospitals look for the type and size of consulting firm with the specific expertise that will meet their project needs. Consulting firms range from one person operations with very specific expertise to large corporations with multi-specialty resources. If a hospital has a well defined issue or project a smaller, more specialized company may be a better fit, while large projects with complex issues may require the multi-specialty resources of a larger company. In all instances, the hospital needs to perform due diligence in the consultant selection process including a review of the size of the company, education and experience of the consultants, company's work history with the type of project the hospital has outlined, a review of samples of the deliverables or reports from previous projects completed by the company, the company history and finally, the company's experience with similar types of facilities. One way to get a "feel" for the consulting company is to review their website or any printed materials they have available. This will give an indication of the resources available and the quality of the company's products. Initial contacts with the consulting company should set the tone for the relationship and those contacts should reflect the level of professionalism and the personality of the company. The hospital should examine the consulting company's willingness to take the time to explore the hospital's needs for the project, their responsiveness to the hospital's questions and the turnaround time for proposal submission once a proposal request is initiated by the hospital.

What should be considered when contracting with the consulting firm?

Consulting firms being given serious consideration by the hospital should submit a proposal to the facility that defines the scope of the project, outlines all activities associated with the project (including number of site visits and consultants engaged), lists inclusions and exclusions of the project, identifies all deliverables (results, outcomes) and outlines a timeframe for the delivery of the final product or project closure. It is essential that costs and timeframe for payment be outlined in the proposal not only for the consulting services, but for added expenses as well such as travel, meals, printing, etc. The proposal should also include how quickly the consulting company is available to begin the engagement and who the primary consultant for the engagement will be. The primary consultant's curriculum vitae outlining their qualifications and experience in similar projects should be included. The consulting firm should express a willingness to be available as an off-site resource for the duration of the project as well as provide follow up after project completion. The hospital should also determine if the company has any restrictions on performing work for direct competitors for a set period of time once the project is completed. A non-disclosure of information should also be a routine part of the final contract. The initial proposal from the consulting company forms the foundation for fine tuning the final contract. The hospital should discuss with the consultant any revisions to the proposal including any items to add or delete from the proposal, negotiation of price or changes to project timeline. The consulting company should be willing to discuss all these options and changes before submitting a final proposal. The responsiveness and flexibility of the consultant during the contract negotiation may be indicative of the manner in which the company works during a project. The consultant should be eager to make every attempt to meet the client's needs within the client's timeframe and cost structure.

Selecting a consultant can be an involved process and takes time and effort on the part of the hospital to insure the company they select will best meet the project needs and fit the hospital's style. When a project is completed in a timely manner with quality outcomes the hospital can feel certain they invested their time and money in a worthwhile manner.

Marsha Knapik is a Senior Consultant with Health Care Visions, Ltd., a cardiovascular consulting firm based in Pittsburgh, Pennsylvania. She can be reached at (412) 364-3770 or mknarik@hcvconsult.com or visit www.hcvconsult.com