



Planning and implementing international growth

# SELECTING A CONSUL- TANT

Take your company to the international markets with the right expert

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**BUSINESS  
FINLAND**

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# 1 INTRODUCTION

With the right consultant **your business can reach international markets faster and with better results**. Operating models tested by an expert will allow your company to focus on what's important - finding the best potential clients, launching sales and increasing readiness - instead of on learning new processes.

It is always up to you to select the best consultant **for your business and project**. This is an important decision and should be weighed carefully. Should you need help with this decision, Business Finland can assist you.

This guide is designed to assist Finnish small and medium-sized enterprises (SMEs) choose the consultant best suited to help them **develop their international business**. The guide covers selecting a consultant both in Finland and abroad.



If you are looking to expand your business to international markets, **Business Finland** provides independent, experience-based expertise in international business and the challenges involved. We can advise you on how to prepare for and go through the internationalisation process and provide information about market opportunities.

# 2

## SELECTING A CONSULTANT AND PROCURING THE SERVICE

A successful internationalisation project requires planning, high quality implementation and revision of plans.

It is essential to allocate sufficient amounts of:

### PERSONNEL RESOURCES

### KNOW-HOW

### FINANCIAL RESOURCES

for the planning and implementation phases. However, if your company doesn't have the experience or

resources required, using the services of an outside consultant is sensible. The know-how, experience, contacts and resources of an expert will both speed up and facilitate the change process. To ensure a successful outcome, your company will need to collaborate with the selected expert and be actively involved in the process.

The diagram below depicts the systematic selection process. This guide follows the same path as the diagram.

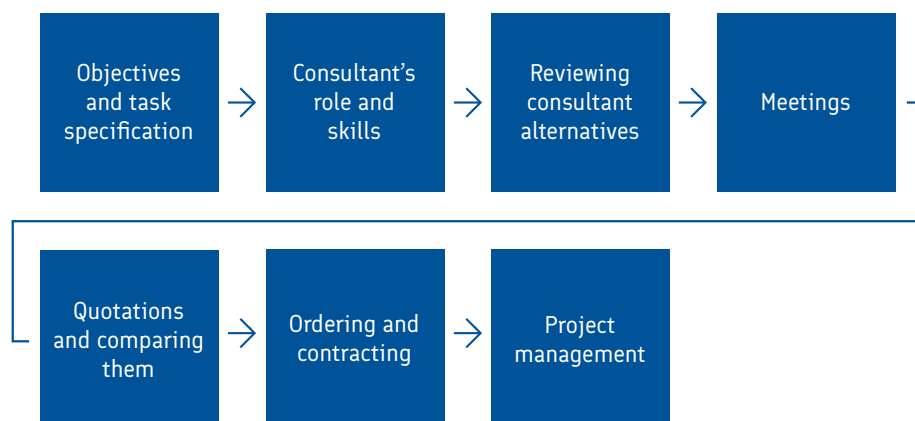


Diagram 1. Systematic selection of a consultant.

## 2.1 Numeric goals and operative actions

It is a good idea to concretise your company's internationalisation goals and timetables in as much detail as possible. This is best achieved by setting numeric goals such as the desired growth percentage of export or

turnover during the planning period. You must also plan the required projects, their key actions and the amount and timing of resources needed to reach the goals.

### DEPENDING ON YOUR COMPANY AND ITS BUSINESS AREA, REACHING THE GOALS WILL REQUIRE

- **STRATEGIC** planning, such as defining
  - target countries or segments with the most potential
  - what you will sell (product, service, solution)
  - which sales channels will be needed and how to build them
  - what type of know-how is required within your company and how to develop it, or
- **OPERATIVE** actions in the chosen target countries or segments, such as
  - acquiring market knowledge
  - finding partners
  - listing client companies
  - contacting authorities
  - setting up meetings and interpretations

It is often best to undertake both strategic planning and operative actions simultaneously.

Correct specification of required actions is an essential element of success. It may not always be easy, as there are many alternatives and markets can differ greatly. You can find three case examples in **Appendix 1**.

Your goals and scope also depend on your company's resources. If time and money are finite, it is best to allocate them accurately instead of trying to do everything at once. You should also decide which areas should not be included in the project.

Business Finland's experts can help your company map out different action alternatives. Filling the internationalization test (<https://oma.yrityssuomi.fi/kansainvalistymistesti>), available in Finnish can help you determine your company's strengths and

development needs in relation to internationalisation. Discussions with potential consultants will help crystallise the project's goals and action plans.

At this point, you should also determine whether it will be possible to obtain funding, e.g. from Business Finland or Team Finland operators, to obtain financing, such as a partial grant or loan, to cover the cost of an external expert. For a successful outcome, it is essential to allocate most of your resources for the implementation phase instead of the planning phase.

**Correct specification** of required activities is the key to success.

## 2.2 Select an expert based on project requirements

An experienced and capable expert can, for example, support your company in general business development, such as in planning an internationalisation strategy. An expert's contacts can also help in locating the right clients and

partners and obtaining funding. In addition, a consultant can assist in developing digital sales and marketing capability, scaling logistics and production and finding suppliers.

### Role

**TYPICAL ROLES FOR CONSULTANTS** in internationalisation projects include

- **Management consultant:** Coaching management, planning a company's internationalisation strategy
- **Market/industry consultant:** Market-/industry-specific planning and operative actions in the market
- **Analyst:** Acquiring and analysing market information
- **Project manager:** Managing several consultants, for example in several markets or industries, especially in larger projects

**An experienced** and capable consultant can support your company in many ways.

## Know-how

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**AN INTERNATIONALISATION EXPERT'S** know-how can be divided into five categories:

- **Business know-how**, for example general management, change management, consumer or B2B business, product or solution business
- **Functional know-how**, for example sales, marketing automation, production, contract law, financing
- **Industry know-how**, for example manufacturing, software, food or healthcare industry. It is a good idea to determine whether you need expertise from your own or the target group's industry – this will depend on the project's goals, industry and target markets.
- **Market knowledge**, for example Germany, United States or China. Bigger countries are split into several markets that may function differently. The right contacts and networks in your target market are often indispensable.
- **Consulting knowledge**, for example heading workshops, analysing large amounts of data, communication skills, leading international projects. Consulting skills are usually not taught in schools or universities but developed in practice. Some consulting skill development courses do exist, such as the international CMC (Certified Management Consultant) competence-based qualification.

A consultant's capability in all areas is affected by both training and experience. Your company's and project's objectives should determine the competences required.



## Personal attributes and interaction skills

The significance of a consultant's personal attributes and interaction skills will vary according to objectives and roles. For long-term or strategic projects, it is especially important for a consultant to be on the same "wavelength" as the company.

Good interaction skills will also be useful in the target markets. For example, in partner selection a local specialist will often handle first contacts and he must therefore be able to present his client as interesting and credible partner.

Reliability is extremely important in consulting projects and it is crucial for your company to be able to rely on the selected consultant and his company.

A consultant's working speed should also be considered, as some are better suited for slow-paced speculative discussions while others prefer direct action. A quick learner can be an asset when dealing with complex business activities and quickly evolving industries.

Internationalisation projects always require adequate language skills. However, local language skills alone without other skills or useful contacts will rarely lead to good results. But it is true that in some countries complete fluency in the local language is essential. The communication between your company and the consultant should also be fluent.

## 2.3 Large consulting firm or stand-alone consultant?

Should you use a large consulting firm or a stand-alone consultant for your project? There are advantages to both alternatives, but also some risks.

### BROAD KNOW-HOW AND EXPERIENCE

**Large consulting firms** have more resources, which often translates into a broader knowledge and experience base. However, a client usually deals with only one, or possibly a few, consultants, and it is their know-how that the success of his project depends on. In some large specialist firms, it is normal to have an experienced specialist sell a project but then have less experienced employees or sub-contractors do the actual work. The risk with this type of operation is that the client pays a high price for a quality service but ends up getting less than stellar results. On the other hand, large-scale projects usually involve a great deal of research and analysis and only a limited amount of deeper expertise is required. In such cases, the right role casting can make the project very cost effective.

Large consulting firms have a lot of clients and numerous projects ongoing simultaneously. To ensure adequate resources are allocated for your project, you need to make your project look interesting to the consulting firm.

### HIGHLY COMMITTED AND FLEXIBLE

**Stand-alone consultants** are often highly committed to their clients and projects. They can also offer more flexibility and better pricing than larger firms. The downside is that their knowledge base is usually narrower. But sometimes what they offer can be exactly what you need. It is advisable to pay attention to a stand-alone consultant's interest in continuously developing his/her skills, as international markets can change quickly.

### THE RIGHT EXPERTISE PRECISELY AND EFFECTIVELY

In addition to large consulting firms and stand-alone consultants, there are different **consulting communities and networks**, that can provide anything from tight collaboration to less-involved recommendations. In many cases networks can offer strong capability very cost effectively. Besides fixed networks, there are also ad hoc networks, where experts are selected according to a specific project's objectives. Many industries and markets are so large that it is possible to find exactly the right type of know-how by leveraging an ad hoc network and get excellent results. Building and managing an ad hoc network requires experience and time.

# Where to find a suitable consultant?

It is best to start mapping out potential experts through discussions with your stakeholders. References from other companies can be useful, as long as you take into consideration the objectives and scopes of their projects. Business Finland's experts have contacts within local consultant communities both in Finland and abroad. As they are already familiar with your business and its needs, they may be able to give you the names of several potentially suitable consultants. If your company has previously used or met with consultants, it may be a good idea to consider whether one of them might have the know-how needed for your current project and what type of added value they might bring.

Information about consultants can also be found online. The websites of consulting firms have information about their reference clients and projects, industries, networks and operating models. Channels like LinkedIn and websites can offer more details about the backgrounds of specific consultants. Prior assignments can tell a lot about experience, such as whether a consultant has experience from

- **Responsible roles** in operative projects
- **Small or large companies** and in which industries
- **Sales** and other activity in the customer interface

- **International** business
- **Consulting** in the required roles.

When looking for a consultant in a certain market, it is advisable to check whether the person or firm has experience from working with companies from Finland or other European countries. This type of experience will often be an advantage when carrying out a project.

There are no requirements for or limitations to acting as a consultant. A single, comprehensive and updated consultant registry does not exist in Finland or elsewhere. Also, there are no uniform standards for assessing ability and quality. Consultants themselves will tell you about their abilities and experience, such as industries, markets and types of consulting, so it might be wise to take it with a grain of salt. "An all-around expert" may in reality not have know-how that is sufficiently deep and up-to-date to achieve the desired results.

**Business Finland is not allowed to recommend a specific consultant, but it can present different alternatives.**

## 2.4 Meet before you select

Your next step should be to meet with at least two of your top candidates. The meetings can be either face-to-face or, especially when dealing with foreign consultants, via phone or video conference. If your company doesn't have a lot of experience in selecting consultants, you can ask a Business Finland expert to join the meeting.

Your company has to look interesting right from the start, especially in the eyes of foreign consultants. In addition to income, successful consultants are looking for winning projects, which they can use as references later on. You should be prepared to give a "sales pitch" to convince the consultant that working with your company would be to his/her advantage.

At the meetings you will receive feedback and insights about both your objectives and process specification. At the same time, you will be able to assess the consultant's ability level. The meeting will also give you a first impression about working with that consultant.

The following points should be carefully considered in the meetings:

- **Does** the consultant understand the objectives and solution alternatives and does he/she give constructive feedback?
- **Is** the consultant able to focus the issues logically and rationalise them?
- **How** does he/she coach and challenge?
- **What** is his/her level of credibility?
- **Would** you be able to collaborate with the consultant?

If the consultant can not offer new insight or knowledge during the meeting, you should re-evaluate his/her true ability.

**The meetings** can be a way to gain valuable insights into your objectives and process plan.

In addition to reviewing your company's status, goals and action plan, we recommend going over the consultant's or consulting firm's:

- **REFERENCES**

- References with contact information
- Customer results and benefits

- **RESOURCING**

- The names, roles and projected hours for the project team
- Networks in potential target countries

- **SKILLS AND EXPERIENCE**

- Roles, skills and experience (see 2.2)
- How they've been acquired and how they are maintained

- **ACTION MODEL**

- Stand-alone consultant, team or network
- Implementation models: Workshops, desk work, interviews, mass polls

- International network leadership experience, if required
- Reporting methods
- Implementation and reporting languages both home and abroad
- How much company participation is required

- **TIMETABLE**

- Implementation timetable
- The effects of annual leave etc.

- **LEGAL ISSUES**

- Are there conflicts of interest e.g. with competitors
- Have all legal duties, such as taxes (Contractor's Obligations and Liability) been properly dealt with

Depending on the timetable, some of these can be handled later, for example during the quotation phase. If necessary, non-disclosure agreements can also be dealt with at that time.

## 2.5 Compare offers to find the best one

We recommend asking for quotes from two of your most suitable-looking consultants. When comparing the offers, you should also consider the following:

- **ACTION PLAN**

- Does it seem realistic in relation to your company's goals and resources

- **PRICE**

- Implementation model: Desk work, for example, usually costs less than a meeting, but sometimes the necessary information can be found quickly and cost effectively by using the right data bases. Practical projects that involve meeting potential clients and partners in the market and planning the required changes in the company are usually more costly than reports or general strategy studies. Their results, however, are often significantly more useful than those of theoretical projects.
- Pricing model: Fixed, combination of fixed and commission, solely commission based. Charging for possible additional work

- Charging for travelling time and expenses: It pays to be specific, especially when dealing with foreign experts, since telecommuting is not always an option (e.g. some workshops)

- **TERMS OF THE CONTRACT**

- Some contracts allow a consulting firm to change the consultant without consulting the client, but this term is not one that you should agree to, especially in the case of senior or principal consultants.
- Project suspension procedures
- Jurisdiction, governing law and legal procedures in possible conflict situations

- **WAS A QUOTE GIVEN WITHIN THE AGREED TIME**

- **PROFESSIONALISM OF APPEARANCE AND WORDING**

**At this point** you should consider once more whether your company has sufficient resources for planning and implementation.

You can compare quotes in the manner presented in the example below. "Soft" issues, such as general impression and personal chemistry, are difficult to compare, but play a very important role in the success of a project. If you're not impressed, the consultant is not worth consideration.

A consultant's references should be checked if necessary, especially in regards to results and smoothness of collaboration.

CRITERIA	WEIGHT %	CONSULTANT 1	CONSULTANT 2	CONSULTANT 3
Ability and experience	30%	5	2	4
Action plan	25%	4	2	3
Consulting references	15%	4	2	3
Cost	30%	2	5	3
Other, what	0%	3	3	3
<b>TOTAL</b>	<b>100%</b>	<b>3,7</b>	<b>2,9</b>	<b>3,3</b>

Table 1. Example of a consultant comparison table.

## 2.6 A project begins with a written contract

A written contract should always be made for a project. This can, for example, be in the form of a confirmation of acceptance of a

quotation if the quotation covers all required issues in an acceptable manner.



# 3

## PROJECT MANAGEMENT

Internationalisation projects are often so large that it is advisable to employ tried and tested project management procedures.

**Appendix 2** includes tips for implementing internationalisation projects successfully.





# 4

## SUMMARY

A successful internationalisation project is usually the result of concrete goals and the procedures to achieve them. Business Finland can help your company in the planning of these steps. If your company lacks know-how or resources, the right external consultant can help you achieve your

goals. When selecting a consultant, it is best to act in a systematic manner and carefully specify the criteria for selecting the best expert for your company's needs. This selection guide covers the minimum criteria for selecting a consultant.

# APPENDIX 1

## EXAMPLES OF INTERNATIONALISATION PROJECT SPECIFICATION

Below are three examples of procedure specification. The examples are fictitious, but they are based on actual company projects.

### Market selection

**Company A** had decided to expand abroad by launching sales in the German market, which they knew to be very big. A's solution was broad and complex. At a trade fair, the company had met a German company that was interested in selling A's solution and a partnership agreement was made. However, sales did not begin as expected, although time and expenses were running.

Disappointed, **company A** started a new project with an experienced internationalisation consultant. First, they evaluated which market or markets would be most receptive by analysing the interest level of several markets and A's competitiveness in them. For the evaluation, they acquired market knowledge from experts operating in the selected markets. Based on the analyses, they decided to develop sales in Finland and begin a more detailed investigation into models for entering the UK market. Several phases later, Company A was able to acquire long-term customers from both Finland and the UK.

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In this case, Company A first tried to enter a big market quickly without truly understanding customers or the competitiveness of its solution. The results were non-existent. With proper planning and implementation, however, they were able to increase their sales.

# Overplanning

**Company B** had successfully increased sales of its product in a specific customer segment. B also wanted to increase its sales in the international market. B hired an outside expert to help create an internationalisation plan. All of the company's upper management participated in the creation of the plan. The planning phase lasted for a long time, because they wanted to cover all bases thoroughly. However, the implementation of the plan never began as there wasn't enough time or budget for everything. Thus results were non-existent.

Later, **Company B** met with a consultant, who lived in the target country. The consultant made a simple agreement with Company B to meet with potential clients in this country. The required sales materials were quickly prepared. The consultant approached selected companies and was able to set up meetings that he participated in with B's representative. The clients were interested in B's product, because it offered a clear advantage over their current solution. After two meetings, the first sale was made and more followed soon after.

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In this case, the mistake at first was overplanning. The second time around, the company moved quickly to meet with potential clients in the target market, because they had a good product with a clear advantage. Results were quickly achieved.

## Testing a product idea

**Company C** developed a new product, the idea for which came from their product development department. When the product was nearly ready, it was presented to C's sales organisation, but the experienced salespersons were not enthusiastic. The product was introduced at a trade fair, where feedback from the few random visitors remained unclear. Product sales began slowly.

**Company D**, on the other hand, had conceptualised a new product. D wanted to sell the product internationally and hired a consultant with an international network to investigate the product's attractiveness and competitiveness in the target markets. Before beginning full scale product development, D created professional presentations about the product and a network of outside experts interviewed potential clients and partners. The feedback was mostly positive and they received some suggestions for small changes. The potential clients also had some requests regarding the sales channel. Since product development hadn't been finalised yet, making the required changes was easy and the product reached the markets on schedule. Because the product matched customer needs and differentiated from the competition, sales started quickly.

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In this case Company D tested the markets and specified customer needs at the early stages of development. Because of this, making the required changes was easy. What's more, customers felt their needs had been heard and they were happy with the product, the company and the chosen sales channel. The outside experts brought added value in the form of neutrality and this helped the potential clients feel that the meetings were not mere sales pitches.

# APPENDIX 2

## TIPS FOR IMPLEMENTING INTERNATIONALISATION PROJECTS SUCCESSFULLY

### Beginning the project

An internationalisation project is a significant step for your company and your personnel should be informed of it. Internationalisation and the use of outside expertise often create preconceptions and questions that should be answered to ensure your project proceeds smoothly.

We also recommend having a kick-off meeting with the project team to go over the project's goals, phases, roles, timetables, working methods (rules and e.g. communication tools).

### During the project

Adequate communication is critical to the success of the project. Regular reporting increases trust between members of the project team and possible problems can be resolved at an early stage. If there is a conflict between objectives, tasks, resources or results, a more detailed specification can be done at an early stage and the project still implemented effectively.

Systematic project management is key, especially when dealing with international expert networks. Each country and culture has their own way of working, so expectations can vary regarding e.g. communication.

Many tasks, such as preparing for workshops and implementing the actions defined in the workshops, will be the responsibility of your employees. It can often be challenging to implement them properly on time in the midst of everything else. However, if these actions are not implemented, it may become impossible to reach project goals and time and money already used will be wasted.

## Project conclusion

A project should always be properly concluded. At that point, the consultant should deliver the agreed final report and any other materials. It is a good idea to tie the payment schedule to the final report for example by paying the final instalment only after the final report has been presented and delivered.

The debriefing meeting should also include a review of the results, successes and challenges of the project. This is an opportunity for the company and the consultants to receive direct feedback, which they can use to learn from.





# TEAM FINLAND EXPERT SEARCH

Working with a consultant or expert partner is one of the most effective ways to go international. Through Business Finland's Expert Search, you can find experts ranging from Legal and IP, through Communications and Marketing, to Sales and Business Development consultants, to help you with all phases of international business. The experts are located both in Finland and in your target markets. The experts have been evaluated by Business Finland. If you need guidance on how to proceed, or help in scoping your project with the expert, please contact Business Finland.

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