

Competency Sets for Management Consultants Operating in China

A Research Executive Summary

January 2004



EXECUTIVE SUMMARY

The Institute of Management Consultants in Hong Kong (IMCHK) initiated this project during the second half of 2003, and this was made possible by a grant through the Professional Services Development Assistance Scheme (PSDAS) of the HKSAR Government. It was carried out by members of the Institute of Management Consultants Hong Kong with Tsinghua University's China Business Research Centre.

Aims of the Project

This project had three key aims:

1. To set a benchmark for prospective management consultants.
2. To enable current management consultants to evaluate themselves against this standard.
3. To provide guidelines for firms and educational institutions in training competent management consultants.

Methodology

The study employed both qualitative and quantitative research methods. The qualitative part of the research involved the use of focus groups and one-to-one interviews. These generated data for the body of the report and provided a base for the survey instrument that was key to the quantitative element in the project. Subsequently, an additional follow-up with users of consulting services to substantiate the competency was done in both locations.

Findings

The surveys conducted with consultancy firms in Hong Kong and Beijing identified a set of core competencies for both Hong Kong-based and Beijing (PRC)-based consultants.

These are so-call technical or job competencies:

- Analyzing the problem Situation
- Planning the Approach/Methodology
- Implementation with the Client
- Managing the Project

There were, however, significant differences in the competencies identified outside of these core areas. These reflected the level of maturity of the industry in the two locations and the commercial environment in which the firms were operating.

A survey of client organisations in both Hong Kong and Beijing who have used the services of consultants also placed these competencies high in their ranking of competencies needed for effective work. They did, however, add one further competency to the list '*Being professionally ethical*'. Since the survey in Beijing also identified this competence as of significant importance, we believe that this should be added to the list of core competencies.

Hong Kong

Whilst concerned about the continuing overall professional development and technical training of their staff, the Hong Kong firms placed emphasis on their personal competencies. The Hong Kong respondents tended to assume, quite justifiably, a high level of technical competence for their personnel.

The interview stage of the project identified the following personal competencies as key to effective operations in the Mainland for Hong Kong-based consultants:

- Organisational politics;
- Dealing with uncertainty;
- Demonstrating emotional resilience; and
- Managing local staff.

The survey data showed that Hong Kong firms place a high priority on:

- Interpersonal competence and cultural awareness.

It would seem that the common key competencies would have to be supplemented for consultants based in Hong Kong by this identified competency set.

Beijing

Both the interview and survey data emphasized the importance of the core technical competencies. However, notice has also to be taken of the additional competencies identified in the Beijing study. These are:

- Possessing the ability to learn; and
- Being professionally ethical.

Once again, these are a reflection of the level of development of the profession in the PRC and the commercial environment on the Mainland.

Conclusions and recommendations

As a result of the study there now exist for the locations covered by the research:

- A set of core common competencies; and
- Identified sets of supplementary competencies.

There are, in large part, behaviour statements for each of the competencies within these competency sets. This will permit the development of:

- Instruments for the assessment of consultants' competencies; and
- Education and training programmes to build the competencies.

Given that the future for Hong Kong rests, in part, in its higher level of commercial and professional sophistication vis-à-vis the Mainland and its ability to leverage off this, it appears to us that there exists an opportunity for Hong Kong to:

- Help in the development of the consulting profession in the Mainland; and

- For Hong Kong-based firms to earn increased consulting fees in the Mainland.

It is our view that in order to make the most of these opportunities, there need to be developed:

- Assessment tools to identify the competency levels and development needs of consultants in both locations; and
- Education and training programmes that will build the required competencies for consultants in Hong Kong and the Mainland.

Data gathered in Mainland China indicate that there is a relatively short window of opportunity. In view of this, it seems that action will need to be taken over the next few months if this opportunity is not to be lost.

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