



Canadian Association of Management Consultants Association canadienne des conseillers en management

The **Single Voice** of Management Consulting in Canada

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Dr. Michael Bloom
VP, Organizational Effectiveness and Learning
The Conference Board of Canada

CAMC represents over 3200 professional management consultants across Canada, of whom 2400 have earned the Certified Management Consultant (CMC) designation through the Association's affiliated Provincial Institutes. Approximately 60% of our members are sole practitioners and over 50% of the others work for Small or Medium Enterprises (SMEs).

It should be noted that we advocate excellence in the management consulting profession overall and we represent professional management consultants who are employed by large, medium and small firms, as well as sole practitioners. PWGSC Acquisition Branch should understand this difference between Supplier Associations and Professional Associations such as CAMC. Suppliers typically seek efficiency in procurement reform - use of large Standing Offers, avoidance of elaborate proposals, speed of service provision, corporate profitability, etc. We, on the other hand, seek effectiveness in procurement reform - providing competent, qualified and experienced professionals who conduct their business according to exacting standards and within a recognized code of ethical conduct, regardless of the "supplying" organization or firm.

We have reviewed the Pre-Consultation Report on Temporary Help Services (THS) prepared by the Conference Board of Canada. As well, a representative of CAMC attended the consultation session in Ottawa on September 27, 2006.

In response to the Conference Board's invitation to provide recommendations, we would like to address the following areas:

- 1) management consulting as a component of the professional services stream,
- 2) realizing value through requiring professional certification of management consultants who provide services to the Government of Canada,
- 3) ensuring that small businesses thrive in the new environment of federal government procurement of management consulting services, and
- 4) initiating and maintaining effective communication with industry and professional associations.

Management Consulting Services in the Professional Services Stream

The Professional Services Stream (page 17 of the pre-consultation report) contains the categories and classification of personnel for a wide variety of professional services. However, this listing is far from complete as there are no categories that represent management consulting services. This is a most serious shortcoming. The new method of supply for THS is intended to address non-IT requirements and, as such, it could easily mirror the non-technology task-based categories of the new method of supply for Informatics Professional Services (IPS).

Therefore, we recommend that the following categories and classifications be added to the listing contained at Stream 2: Professional Services:

- Business Analyst (Senior and Junior)
- Business Transformation Architect (Senior and Junior)
- Business Consultant (Senior, Intermediate and Junior)
- Change Management Consultant (Senior, Intermediate and Junior)
- Organizational Development Consultant (Senior, Intermediate and Junior)
- Project Executive (Senior)
- Project Manager (Senior, Intermediate and Junior)
- Project Administrator (Senior and Junior)

Professional Certification

During the pre-consultation session on September 27, 2006 both David Marshall and Yvette Aloisi stressed the need to realize value in the Temporary Help Services procured. Citizens of Canada, quite rightly, demand value for money from their government

The 2005 Report of Parliamentary Secretary's Task Force on Government-wide Procurement Reform describes the need to establish procurement criteria that includes "professional and industry standards", among others. *Strengthening and Modernizing Public Sector Management*, a document supporting Budget 2005, stated that Government will invest in the sustained professional development of specialists - including working with accrediting bodies on programs for procurement officers, HR professionals, financial managers and internal auditors.

CAMC fully supports the decision to move toward professional certification in the provision of government services, whether these are provided through procurement action or by federal government employees themselves.

A major role of the CAMC-affiliated provincial Institutes is to govern our professional certification program through which our members obtain the CMC designation. Obtaining a CMC is no easy task! A candidate must first have the requisite educational background. Then, they are schooled and tested in management consulting process standards and our exacting code of conduct. They must successfully complete a gruelling 2-Part comprehensive written and oral examination. Finally, they are required to demonstrate three years experience in the practice of management consulting. After being granted the CMC designation, they must also maintain their certification through our Continuous Professional Development Program.

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CAMC strongly recommends that the federal government use this internationally-recognized professional industry standard in the procurement of management consultant services - the CMC certification - as the key selection criterion for the selection Suppliers. As such, we suggest that the CMC professional designation should be a requirement to qualify as a senior consultant for all categories identified above for addition to the professional services work stream of the New Method of Supply for THS, as well as the following categories that are already included in that stream:

- Commerce Officer
- Financial and Administrative Services
- Program Administration Services

For subsequent task solicitations within the New Method of Supply for THS, we suggest that the CMC professional designation should be a rated, if not a mandatory, criterion in the procurement of these management consulting services.

Small Business

CAMC is most pleased to note the Minister's comment that 40% of federal government procurement is expected to be provided by small and medium business in Canada. This was reinforced by the David Marshall's comments at the pre-consultation session on September 27, 2006. It should be noted that most management consulting firms that provide Temporary Help Services are small businesses.

As indicated above, during the pre-consultation session on September 27, 2006 the Deputy Minister also stressed the need to realize savings in the Temporary Help Services procured. However, both David Marshall and Yvette Aloisi also stressed that there is a strong desire not to reduce the income of the Temporary Help consultants who actually do this work.

In the event that the number of firms providing Temporary Help Services is reduced to a handful, given that the income for the consultants doing the work is maintained, the savings expected by the Government of Canada simply will not be realized. Savings desired can, more realistically, be achieved through broadening, rather than limiting, the number of vendors from which management consulting services are obtained. If the Government of Canada reduces the number of vendors to a handful, federal government clients will simply have to pay additional mark-up to access these specialized niche management consulting firms. The aim should, in fact, be to reduce the number of layers of overhead applied to management consulting services procured. Therefore, we suggest that the number of vendors providing management consulting services be broadened rather than reduced.

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Another savings measure that should be considered is to enable federal government clients to sole source requirements to a level of funding greater than the current \$25,000. When this \$25,000 limit was established in the 1970s, it represented a significant level of funding. However, since that time the true value of this level of funding has eroded due to inflation. In fact, an analysis of the impact of inflation on this \$25,000 sole sourced limit will reveal a value close to the current NAFTA limit of \$84,000. Therefore, we suggest that the value of sole sourced contracts be raised from \$25,000 to the NAFTA limit, currently \$84,000.

Consultation with Industry and Professional Associations

Unlike the consultations that have occurred with respect to the new method of supply for IPS, there has been little consultation with respect to the new method of supply for THS. This has caused a significant divide between buyers and suppliers. Communication is most important in any relationship, business or otherwise. This is particularly important during times of change.

As such, we strongly recommend that ongoing consultations be established with industry and professional associations involved with THS, as well as with representatives of GoC client Departments and Agencies. Success can only be truly achieved if all three stakeholders, buyer-providers-facilitators, work together to formulate a realistic and successful solution. CAMC would be most pleased to participate, and contribute actively, to these consultations.

However, it should be noted that consultations of this nature take time. The imposition of unrealistic, artificial deadlines should be avoided. Therefore, we strongly suggest that the deadline of March 31, 2007 as the date by which the new method of supply for THS be eliminated. The target date should be a result of initial consultations with industry and professional associations as well as with GoC client Departments and Agencies.

Conclusion

Reform of federal government procurement is a most worthwhile and needed activity. The marketplace certainly looks forward to the establishment of the New Method of Supply for Temporary Help Services. The aim of CAMC is to facilitate the provision of competent, qualified and experienced management consulting professionals who conduct their business according to exacting standards and within a recognized code of ethical conduct, regardless of the "supplying" organization or firm.

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The following is a summary of our recommendations:

1. The following categories and classifications should be added to the listing contained at Stream 2: Professional Services of the New Method of Supply for THS:

- Business Analyst (Senior and Junior)
- Business Transformation Architect (Senior and Junior)
- Business Consultant (Senior, Intermediate and Junior)
- Change Management Consultant (Senior, Intermediate and Junior)
- Organizational Development Consultant (Senior, Intermediate and Junior)
- Project Executive (Senior)
- Project Manager (Senior, Intermediate and Junior)
- Project Administrator (Senior and Junior)

2. The CMC professional designation should be a requirement to qualify as a senior consultant for all the following occupational categories in the Professional Services work stream of the New Method of Supply for THS:

- Business Analyst
- Business Transformation Architect
- Business Consultant
- Change Management Consultant
- Organizational Development Consultant
- Project Executive
- Project Manager
- Project Administrator
- Commerce Officer
- Financial and Administrative Services
- Program Administration Services

3. For subsequent task solicitations within the New Method of Supply for THS, the CMC professional designation should be a rated, if not a mandatory, criterion in the procurement of management consulting services.

4. The number of vendors providing management consulting services through the New Method of Supply for IPS be broadened rather than reduced.

5. The value of sole sourced contracts be raised from \$25,000 to the NAFTA limit, currently \$84,000.

6. Ongoing consultations be established with industry and professional associations involved with THS, as well as with representatives of GoC client Departments and Agencies. CAMC would be most pleased to participate, and contribute actively, to these consultations.

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7. The deadline of March 31, 2007 as the date by which the new method of supply for THS be eliminated. The target date should be a result of initial consultations with industry and professional associations as well as with GoC client Departments and Agencies.

We remain available as needed to answer any questions you may have.

Most sincerely,

Heather Osler
President & CEO

cc: Michael Appleton, FCMC