



The CFO Guide to Hiring an IT Consulting Firm

GUIDE

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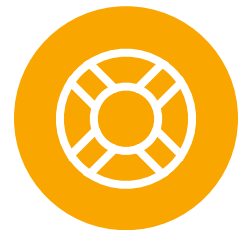
Depending on the size of an organization, and the scale of its information technology (IT) systems and processes, IT can often report to, and be the responsibility of the finance department. This scenario is prevalent in small, start-up and even mid-market organizations. Today's finance executive must understand, and often direct IT projects and investments. The term, "tech-savvy CFO" is frequently in the news.

At the same time, IT is changing rapidly with cloud technologies, and managed IT service options. Outsourced IT and lean IT are trends effecting organizations. Internal IT teams are often overloaded, projects require specialized skills, and keeping up with maintenance makes it hard to find time for the projects that add business value. Partnering with an IT consulting firm can be an effective way for companies to meet their technology needs and achieve business goals. For that partnership to work, though, you need to make sure you choose an IT consulting firm with the skills and capabilities that apply to your environment and your projects. This CFO Guide to Hiring an IT Consulting Firm will identify typical services, 5 reasons to hire an IT consultant, a checklist for choosing the right firm, along with some tips for achieving a successful relationship.

IT Consulting Firms Services

IT consulting firms can provide services across the entire breadth and depth of IT, starting with strategic advice that sets a company's technical direction, implementation of the selected solution, and monitoring and support once the solution is live. The available services often include:

- **CIO advisory services.** You can align your technology strategy and your business strategy with an IT consulting firm's advisory services that evaluate your current tech stack to identify vulnerabilities and opportunities. Assessments collect and review data and metrics along with business policies and goals in order to develop strategic technology plans that support both business growth and business continuity.
- **Systems and networks.** IT consultants review your infrastructure's current implementation and identify enhancements required to meet your storage, network, processing, and security needs, then build out the infrastructure with new equipment. After deploying the hardware, a consulting firm can provide the maintenance and monitoring necessary to keep the systems' operational performance and security current.
- **Software.** Consulting firms can implement custom software for you, as well as help you make the most of off-the-shelf software by establishing the optimal configuration, implementing upgrades, and providing support to end users. A consulting firm can also help you leverage the cloud and Software-as-a-Service effectively.
- **Remote and/or managed services.** IT consulting firms help companies manage their data centers through both remote and on-site services. This support enables companies to proactively manage, monitor, and maintain their systems to minimize downtime. Backup and disaster recovery services ensure that your technology operations recover successfully in any crisis scenario.



- **Help desk.** Find the expertise your employees need to solve their technology problems with an IT consulting firm's help desk service. First level support with remote access can often resolve problems immediately, while escalation processes bring additional expertise on-board when necessary.

Top 5 Reasons to Hire an IT Consulting Firm

- 1. You want to bring in specific expertise.** When you're adopting a new technology, an IT consulting firm can supply expertise that your own team lacks. Their experience can help your project implementation succeed, and they can transfer knowledge to your team so they can support it and enhance it going forward.
- 2. You need to supplement your staff on a special project.** A special project might call for more resources than you have on hand, but only on a temporary basis. An IT consulting firm can provide the resources to get the project done when there isn't a long-term justification for hiring employees.
- 3. You need an unbiased perspective to find a solution.** Your employees understand your problems in depth, but they're so enmeshed in your organization and culture it's hard for them to come up with an out-of-the-box solution. IT consulting firms provide unbiased eyes that can look at a situation objectively and provide a new perspective.
- 4. You need someone who can drive change.** When things aren't working and you need to implement a new process, IT consulting firms can push changes through to resolution. Because they are external to the organization, they don't have to worry about a resistant corporate culture.
- 5. Your team is too overloaded to do the important work.** Employees are often overloaded with routine maintenance that prevents them from focusing on tasks that support core business functions. IT consulting firms can take over this work, not only making your IT team more productive but also boosting their morale.



Checklist for Choosing the Right IT Consulting Firm

So you've thought over your IT situation and decided it matches one of the top five times to hire an IT consulting firm, or it's a different situation and you still think you need outside help. How do you make sure the consulting firm you hire is up to the job?

First, make sure you're very clear about your business objectives before you start the hiring process. Interview multiple firms, and evaluate them using a standard set of criteria that includes the following checks:

- **Does the consulting firm have solid expertise?** You're hiring the consulting firm largely for their technical knowledge, so make sure their expertise is real. Ideally, your consulting firm participates in industry and trade associations, and their employees hold industry-standard certifications.

And because everyone knows fresh graduates with a diploma aren't as valuable as a veteran with years of experience, verify how long they've been applying that knowledge to real-world problems. Also make sure they're keeping the certifications up to date; if the technology is on version 4.0 but they were certified on version 1.3, they may lack the current knowledge you need to solve your problems.

- **Does the consulting firm's experience match your environment?** Technical knowledge is very specialized, and the way it applies varies with the industry and with the size of the business. Make sure the firm's experience is applicable to your existing vendor infrastructure, your industry, and the size of your business.

Coming in with knowledge of your industry gives the consulting firm a foundation for understanding your business problems. As to size, a firm with experience deploying enterprise-level solutions for multinational businesses may have trouble scaling their approach to fit a medium-size business operating out of a handful of offices (and vice versa).

When it comes to technology, standard concepts transfer, but every vendor puts their own special spin on the implementation. You'll save time and money if the consulting firm already knows the implementation-specific details.

- **Does the consulting firm use current technology and methodologies?** Find out how the consulting firm keeps up to date with industry changes, including new development, delivery, and support models. Make sure they will bring insights into how to use best practices and apply the latest technical methods to create a solution tailored to your environment, rather than reusing a standard approach across all customers.



Does the consulting firm have solid expertise?



Does the consulting firm's experience match your environment?



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- **Does the consulting firm have the capacity to meet your needs?** Every consulting firm supports multiple clients. Make sure they're able to dedicate resources to handle your company's problems.
- **Does the consulting firm supply references?** A consulting firm will almost always offer the names of references; follow up by contacting the references and asking specific questions to verify both how the consulting firm's work measured up in terms of quality and how easy it was to work with them. Also, don't fail to do standard due diligence, including a D&B check, to review the company's background history and get a sense of their reliability and stability.
- **How does the consulting firm measure results?** The consulting firm should be able to quantify their effectiveness. Depending on the service they're providing, appropriate metrics might be downtime or number of help desk problems resolved without escalation and the average time taken to resolve an issue. Ask whether the firm follows any formal methodology such as ITIL or CMM.
- **What are the consulting firm's relationship with vendors?** You can guarantee the consulting firm has expert knowledge in a product if they have vendor certification, and they'll have additional insight into the vendor's strategic plans if they're a partner. But you may want to work with a consulting firm that's vendor neutral and can draw on the products and services from many vendors.
- **Where are the consulting services provided?** Consulting firms can provide services on site or from a remote, off-site location. On site services may provide the highest level of responsiveness and make it easier to investigate and resolve system problems. Off site services may cost less while giving you access to a larger support staff, and ultimately lead to quicker resolution of simple problems. Often, off-site services can be packaged as Help Desk or Managed IT services for a subscription fee. Be sure to ask the location of off-site consultants, as this can be domestic, off-shore, or a combination. If off-shore, there can be language or related barriers.



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Does the consulting firm supply references?



How does the consulting firm measure results?



What are the consulting firm's relationship with vendors?



Where are the consulting services provided?



Working Successfully With Your Consulting Firm

Once you've evaluated several IT consulting firms and selected the one that matches your needs best, make sure you and the firm agree on what work needs to be done and how it will be delivered. Build the following items into your contract, and then don't just walk away—monitor the firm's work to make sure they're living up to the contract's terms.

- **Create a detailed contract.** Start by creating a detailed contract that fully defines the scope of work. The contract should specify the cost, hours expected, project milestones and deliverables, responsibility for expenses, and the expertise of the contractors assigned to your project.
- **Document the service level objective.** Define with the consulting firm the service level objective they target, including reliability and responsiveness. Make sure you define how the system will be monitored to identify problems, how problems will be reported, what steps will be taken to resolve problems, and how issues are escalated if necessary.
- **Protect your intellectual property.** Your consulting firm has other clients, and some may be competitors. Use confidentiality and non-disclosure agreements to protect your intellectual property. Your contract should also specify ownership of any intellectual property the consulting firm develops while working under your contract.
- **Specify how to transition knowledge at the end of the contract.** Your contract has an end date, but simply cutting off services abruptly isn't a good way to end the relationship. Make sure your agreement calls for a transition process that hands work products, documentation, and knowledge back to your internal team. You'll need passwords, system and network diagrams, how-to guides, support procedures, and backup processes to keep things running smoothly once the consulting firm hands back the responsibility.



IT Consulting Firm Fees

The fees you'll pay to work with a consulting firm can vary significantly, depending on the firm and the type of service. Some firms may charge for some services by the hour, at rates of \$350 and up; other services may be charged by usage, including number of incidents, number of devices, or number of employees supported. Overtime charges can add up, so make sure the contract addresses how additional work requirements are handled. Explore the possibility of all-inclusive or fixed price contracts to remove any uncertainty of how much you'll spend on consulting services.

The CFO is Now Well-Positioned to Manage IT

For many organizations, IT is one of its largest investments. Consequently, IT often falls under the responsibility of finance or the CFO.

Working with an IT consulting firm is a good option for businesses that have IT needs that cannot be met with internal staff. Whether completing a short-term project, providing long-term support, or bringing expert insight to new technologies, IT consulting firms can help clients manage existing and anticipate future information technology requirements. The documentation and support that IT consulting firms provide help companies maintain their day-to-day operations and cope with challenges when disaster strikes, and business continuity processes become urgent.

Consider the 5 reasons to hire an IT consultant, utilize the checklist for choosing the right firm, and execute a contract that ensures both parties expectations are met. Finally, evaluate payment options, whether hourly rates or a managed service with fixed fees.

About Prescient Solutions

Prescient Solutions has been providing managed technology services both on site and remotely to small, medium and large enterprises and government agencies for 20 years. With certifications in key technologies spanning hardware, software, network, security, and other specializations, our team has the insight and experience to address the technical challenges that are holding back your IT team and your business. For more information about Prescient Solutions, or to request a complimentary IT consultation, call 888-343-6040, or visit www.PrescientSolutions.com.

