

Management and Financial Consulting

Management and Financial consultants, certified by international bodies, have the appropriate skills to observe the company as a whole to intervene in their specific areas not overlook other aspects and, if required, can recommend other colleagues with the appropriate professional skills.

UNI, Italian unification body, sacked three rules in the management consulting field: precisely the 10771, the 11067 and the 11166.

In detail:

- Standard UNI 10771 refers to the offer and the definitions of the sectors;
- Standard UNI 11067 refers to the supply of this service, the steps and the control at run time of the same;
- Standard UNI 11166 refers to the demand for counselling by clients, to assess the offers.

These rules are scrupulously observed by certified management consultant.

We are simply, at this stage, to consider some parts of the standard UNI 10771 that dictate specifications for the sector developed the following.

To receive drafted Consulting offers following standard UNI 10771 of the company allows comparison between offers different in drafting, but probably similar in substance.

.... Abstract from Standard UNI 10771

0 INTRODUCTION

Management consulting services shall respond to the need of ensuring maximum transparency of service between supplier and customer by means of more effective communications, more efficient service management and service performance assessment, comparing expectations and supply. In this way, the service and the methods for supplying the service are objectified and comparable, whereby favouring the preparation of internal management specifications.

I. SCOPE

This standard establishes the terminology, the classification and the requirements of management consulting services (management consulting), as defined in 3.1.

The standard is intended to steer and guide both the supplying parties, i.e. consultants or consulting firms, and the users of delivered professional services, i.e. customers intended as profit-oriented organisations (i.e. companies) and organisations for which by nature profit is not their primary objective.

II. NORMATIVE REFERENCES

UNI EN ISO 9000 Quality management and quality assurance - Fundamentals and terminology
UNI CEI EN 45020 General terminology and definitions for standardisation and related activities

III. TERMS AND DEFINITIONS

For the purposes of this document, the terms and definitions given in UNI EN ISO 9000 and UNI CEI EN 45020 and the following apply.

- 3.1 *Management consulting:*** Independent professional activity aimed at supplying - i.e. designing and providing - immaterial and intellectual services, individually, in a group or in the form of a firm, and whose customers are collective subjects (companies, organisations, bodies).

The activity requires the respect of values and behavioural rules (ethics).

- The activity includes such professional services as:
- advice, opinions and recommendations;
- study and drafting of plans and projects;
- addressing, supporting and participating in said plans and projects;
- monitoring process quality and result effectiveness and quality assessment;
- professional and behavioural training.

From Standard UNI 10771

GENERAL REQUIREMENTS OF MANAGEMENT CONSULTING SERVICE

6.1 *Consultants' Competencies:* Competencies are behaviours, i.e. performances (outputs) deriving from the possession and application of specific attitudes and mental orientations (values), role capacities related to the consulting process, specialised know-how, interpersonal skills and operative methods, to implement projects and obtain the expected/agreed results.

6.2.6 *Flexibility:*

Management consulting service providers shall offer a service corresponding to the specificity of the reality by customising managerial disciplines.

This can be assessed on the basis of the contents of the offer and the service supply realisation methods.

6.2.7 *Communications:*

Management consulting service providers shall be capable of clearly conveying the contents and the methods of supply and realisation of the service so to favour reaching the defined objectives.
This can be assessed on the basis of involvement of persons, documentation effectiveness, participation in and productivity of meetings, expository clarity, by which the project phase of the intervention has been handled.

More Abstract from Standard UNI 10771

5.6 Administration, finance and control

That chair to planning and control the business, operating with a view to optimize the use of all its resources, in particular financial area. Includes control management system, administrative system, financial system.

5.6.1 Management control system

Management control is a organisational driving tool, i.e. the activities used by management to ascertain that management is proceeding as intended so as to reach the basic objectives expressed in strategic planning.

This process is translated into the formulation of programmes and the definition of possible corrective actions in the event of troubles. In other words, controlling also means guiding, deciding and directing in a planned, coordinated fashion.

The control process is articulated in essential points:

- to formulate short-term objectives and programmes to produce a budget which highlights the results that the organisation intends to pursue in the following business year or period. Budget drafting requires the prior knowledge of preventive costs, i.e. pre-calculated costs which express organisation management expenditure;
- to systematically verify the degree of implementation of the program and the reaching of objectives by analysing deviation and applying indexes/ratios/quotients.
- These activities are explicated by the production of control reports periodically presented to top management (reporting). Reporting compares perspective quantities (included in the budget) with quantities shown in balance (general and analysing accounting) to highlight possible discrepancies;
- to take adequate corrective actions for verifying the existence of management troubles and programmes which are no longer valid.

The accounting tools used by management control are:

- analytical accounting;
- general accounting and operating ratio;
- budgeting;
- reporting.

5.6.2 Administrative system

The administrative system of an organisation is a number of operative support processes, some binding being related to standards in force (general accounting) and other optional intended for internal departments (analytical accounting).

General accounting includes the investigations employed to gather costs and proceeds to defining the operating ratio after financial charges of the organisation and follow the monetary-financial movements of management.

Analytic accounting includes the investigations of economic nature for imputing costs and proceeds actually sustained by the single parts in which the company structure is divided (responsibility centres) and the single products or product families.

It is a tool for analysing the economic results of management, in particular concerning costs.

Management consulting activities related to the administrative system consist in verifying coherence and efficiency of adopted tools for supplying exhaustive and timely data and for integration with other systems.

5.6.3 Financial system

The basic objectives of the financial system as organisation activity may be identified on two levels:

- search for maximisation of invested capital value (shares);
- maintenance of constant balance between use of resources and finance sources, ensuring adequate flexibility and reserves and providing at the same time financial coverage for the organisation's development plans.

The possible interventions areas are:

- collection of venture capitals and interest-bearing debts;
- management of assets and use of cash;
- management of working capital (use policy);
- management of merges and acquisitions;
- financial market analysis;
- definition of financial strategies;
- financial analysis, planning and control;
- rule and procedure drafting.