

# Clients Going Global: Opportunities for consultants



O P E N S P A C E S

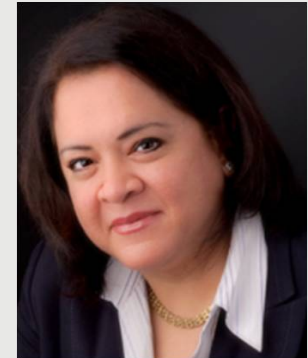
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# Introductions



# Introducing Me



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# Introducing ICMCI

- A Brief History – 1987 meeting of founders, 1989 formal incorporation
- Today we have evolved into the only global and apex body for the profession of consulting
- 49 Countries with >50% of the globe
- Much information on ICMCI in public domain
- Do visit website [www.icmci.org](http://www.icmci.org) and view the multilingual presentation on the home page





# What ICMCI Does

- Trustees as chief stakeholders
- Setting of global standards (IAF/CEN)
- Certification (CMC, ACP, ATP)
- External Relations (EBRD/UN/ILO/FEACO)
- Membership services and processes (Quality Assurance Committee)
- Annual Conference, Biennial Congress
- Governance through set of Byelaws
- Newsletter - Meridian
- The Meridian Order





# What is CMC?

- International Quality Standard for Individual Management Consultants (technical competence, social competence, methodological competence, ethics)
- Global Certification for individual management consultants
- Official body for awarding the CMC is the National Institute for Management Consultants

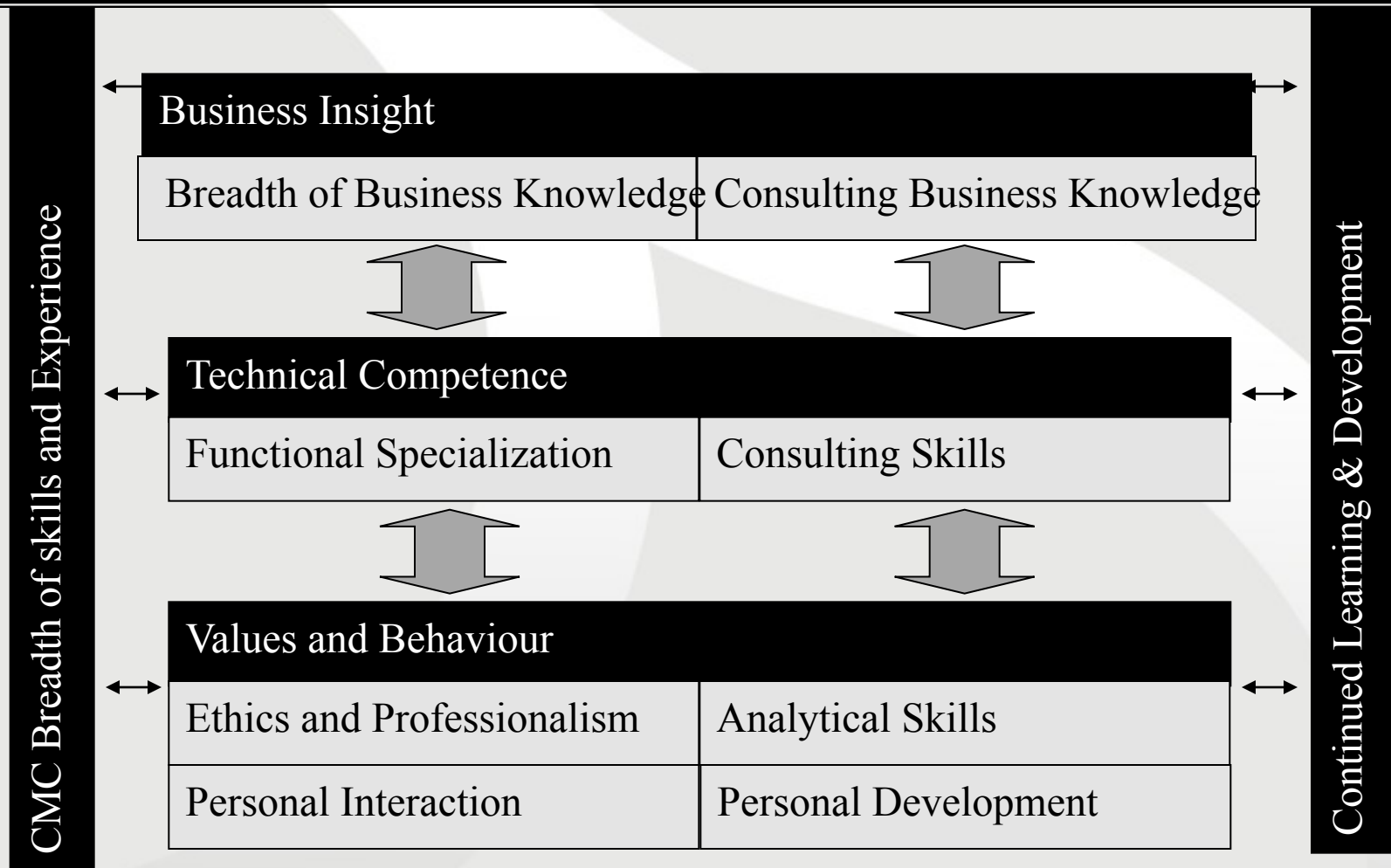




# International Council of Management Consulting Institutes

## Professional Standards – Part 1

### Competency Model





# The Context

## India-Korea Relations





# The Context of India-Korea Relations

- Relations between our countries have emerged in the last three decades
- Several trade agreements have been reached
- Trade between India and Korea increased from \$ 530 million in 1992-1993 to \$10 Billion in 2006-2007
- Your President Roh, on his visit to India voiced that India's software capability and Korea's IT hardware industry would bring synergistic outcomes

# India-South Korea Economic Partnership – some examples



- LG, Samsung have established manufacturing and service facilities in India
- Many Korean companies have won grant of many infrastructure projects in India esp National Highways Development Project
- Tata Motors from India has purchased Daewoo Commercial Vehicles
- Last month India purchased eight warships from South Korea



# And you thought it was so recently?

- In 48 AD, Queen Suro (Princess Heo Hwang-ok) travelled from Ayodhya in India to Korea following her dream about a heavenly king who was awaiting her in Korea. Her tomb is located in Gimhae, South Korea.
- Hyecho, A Korean Buddhist monk from Silla, set out for India in 723 CE to understand the land of the Buddha and wrote his travelogues of his journey titled “Wang ocheonchukguk jeon” meaning “an account of travel to the five Indian kingdoms”



O P E N S P A C E S

# Clients Going Global: Opportunities for Consultants



# Clients Going Global?

- Enabling Domestic Companies going global
- Enabling global companies to enter national boundaries
- Opportunities in other countries for Local Consultants
  - Neighboring/other Asian countries
  - Other developing nations
  - Developed nations today



# Strategies Deployed in Going Global

- Organic and inorganic growth
- Adding and export component
- Moving up the value chain
- Creating niche markets
- Searching for new markets
- Global supply chaining
- Bringing foreign direct investment



# Stages of Globalization

## Domestic

- Products and services are developed and sold in the home country.

## International

- Products and services are exported.
- Products, services, processes, and strategies are developed in the home country.

## Multinational

- Organization is a decentralized portfolio of subsidiaries.
- Knowledge is developed and remains in subsidiary.

## Global

- Organization views the world as a single, global market.
- Strategy, ideas, and processes developed at headquarters.

## Transnational

- Strategy is developed globally.
- Services and processes are globally dispersed.



# Strategic Orientations

## **Ethnocentric**

- Products and services are exported.

## **Polycentric**

- Organization consists of decentralized subsidiaries.
- Knowledge developed in and remains in subsidiary.

## **Regiocentric**

- World is seen as a single global market.
- Strategies and processes developed at headquarters.

## **Geocentric**

- Strategy is developed globally.
- Services and processes are globally dispersed.





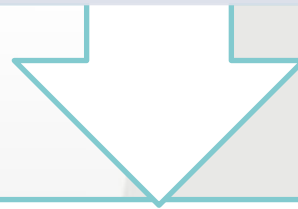
# Elements of Strategy

## Global Integration (GI)

**Consistency of  
approach**

**Standardization of  
processes**

**Common corporate  
culture**



## Local Responsiveness (LR)

**Adaptation to local markets  
and culture and sociopolitical  
and legal issues**

**Subsidiaries develop unique  
products, structures, and  
systems**



# Managing Cultural Differences

- A global mindset
- Cultural intelligence
- Dilemma reconciliation
- The 4 “Ts”:
  - Travel
  - Teams
  - Training
  - Transfers



# Obstacles to Reconciling Cultural Differences

**Limited world views (ethnocentrism and parochialism)**

**Cultural stereotypes**

**Cultural determinism (“The culture made me do it.”)**

**Cultural relativism (Everything varies depending on the situation.)**

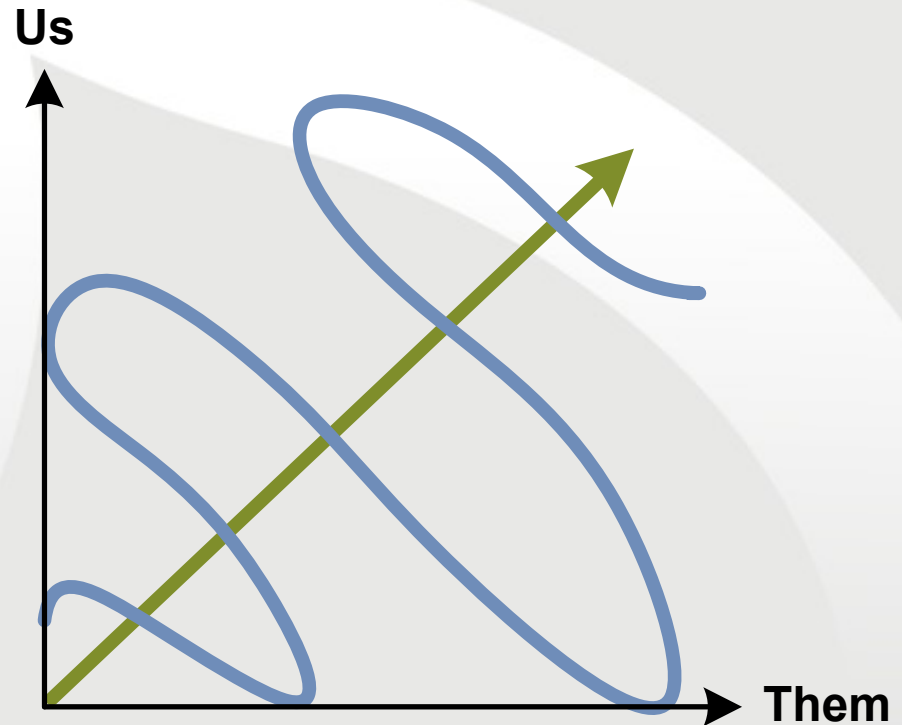
**Malicious compliance (Local managers agree to programs from headquarters but sabotage their success.)**



# Path of Dilemma Reconciliation

## 4 Rs of Dilemma Reconciliation:

- Recognize
- Respect
- Reconcile
- Realize and root





# Role of Consultant

## THE BUSINESS CONSULTANT

- Strategize for the client
- Architects its worldwide asset and resource configuration
- Coordinates transactions across borders

## THE COUNTRY CONSULTANT

- Senses and integrates local opportunities and threats
- Builds local resources and capabilities
- Contributes to active participation in global strategy

## THE FUNCTIONAL CONSULTANT

- Scans for specialized information worldwide
- Cross-pollinates leading edge knowledge and best practice

# TEN TASKS FOR THE GLOBAL CONSULTANT



1. Work with colleagues from other countries
2. Interact with external clients from other countries
3. Interacts with internal clients from other countries
4. May need to speak in a language other than mother tongue
5. Supervises employees of different nationalities
6. Develop strategic business plan on a worldwide basis
7. Manage a budget on a worldwide basis
8. Negotiate in other countries with people from other countries
9. Managing foreign suppliers and vendors
10. Managing risk on a worldwide basis



# Going Global – Challenges Faced

- Technology
  - Adoption of technology developed in other countries
  - Investment in bringing technology to India
- Manpower
  - Attraction of global managers
  - Managing mindsets
  - Retention of talented employees
  - Management of diversity
  - Compensation management for global careers



# Going Global – Challenges Faced

- Markets
  - Creation of brand equity abroad
  - Channel Management
  - Competition from global brands
  - Competition from local brands in other countries
- Quality Management
  - World class business practices
  - Product and process quality assurance
  - Conformance with local quality standards





# Going Global – Challenges Faced

- Management of change
  - Mindsets of existing managers
  - Bringing in flexibility
  - Changing old leadership styles
  - Aligning with world class
- Governance and Ethics
  - Conformance with legal requirements on foreign soil
  - Holding up to international scrutiny
  - Due diligence of operations abroad
  - Constitution of Boards with independent directors
- Risk Management
  - Credit/currency/financial risk
  - Market risk
  - Operational risk



# CEO's expressed need for consultants in Going Global (n=45)

- Markets
  - Need for competitive intelligence
  - Market research on foreign soil
  - Strategy consulting on channels in other countries
  - Insights on consumer psychology in alien cultures
  - Advice on entry strategy
  - Improvement on existing value chains



# CEO's expressed need for consultants in Going Global (n=45)

- Manpower
  - Training for global mindset
  - Talent management and retention strategies
  - Global compensation strategies
  - Insights into work ethic of different countries
  - Competencies development
  - Soft skills and domain knowledge training
  - Diversity management strategies and training
  - Social sensitivity training



# CEO's expressed need for consultants in Going Global (n=45)

- Technology
  - Knowledge of technology developments
  - Adaptation of existing technology to local conditions
  - Sourcing of technology globally
  - Technology transfer and collaboration



## CEO's expressed need for consultants in Going Global (n=45)

- Quality Management Systems
  - Importance of quality management systems (eg. PCMM)
  - Implementation of world class management practices
  - Benchmarking studies with others in the same class
  - Quality with cost control



# CEO's expressed need for consultants in Going Global (n=45)

- Governance and Ethics
  - Conduct of due diligence audits
  - Advice on low cost compliance with local laws
  - Meeting the international standards



# CEO's expressed need for consultants in Going Global (n=45)

- Risk Management
  - Research on risk exposure on foreign soil
  - Nature of political risk in other countries
  - Intelligence on competitive strategies of business partners
  - Enterprise Risk Management (ERM) solutions



## CEO's expressed need for consultants in Going Global (n=45)

- Management of Change and Organisation Culture
  - Facilitating and communicating change
  - Attitudinal change management





# Peek into the Future of Business Strategy

## LOOKING INWARDS

- Ethical strategy and governance
- Enterprise Risk Management practices
- Diversity management
- Talent management
- Benchmarking of operations
- Innovation and enterprise
- Away from feudal mindsets
- Measures and metrics



# Peek into the Future of Business Strategy

## LOOKING OUTWARDS

- Competitive intelligence
- Supply chain management
- Image management
- Investor behaviour management
- Innovations in forms of business strategy partnerships



# Innovative Consulting Practices

- Technology is the key driver of innovative consulting solutions
- Large buyers of consulting will look for multiple partnerships with consulting firms
- Challenge to small consulting firms and independent consultants
- Branding and Packaging of consulting solutions will call for novelty

*Thank  
you*



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