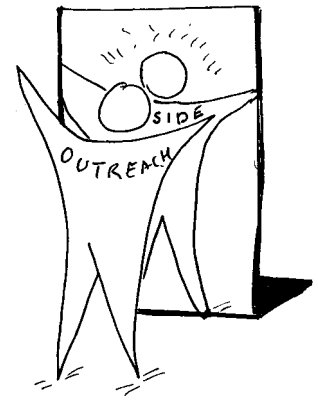


## Turning Inside Out! – A new model of Internal Consulting



A case study prepared for Roffey Park Institute- Role of Internal Consultant  
By Jean Floodgate - Founder of Inside Outreach and previously Head of Learning and Development at The Body Shop International.

This is the story of a journey through internal consultancy into an external consultancy environment and arriving at a model which seeks to bridge the two.

- Starting off in internal consultancy at The Body Shop
- Recognising the limits of internal consultancy
- Establishing an external consultancy as “outsiders”
- Operating as “insiders” from the outside

### **Internal Consultancy at The Body Shop.**

From 1996 – 1999 as Head of Learning and Development I had the opportunity to set up a new concept Learning And Development internal consulting team - who became affectionately known as the LADs.

I recruited the team - mainly from inside – typically trainers - and some line managers from different parts of the Business. Interestingly the environment had been quite training orientated with the emphasis on course delivery.

What was unique and different was the entrepreneurial spirit and campaigning heart of the organisation which was intuitively applying a very learning focused approach. Fair Trade and Community links were key to all business activities and staff had half a day a month to spend on a Community project of their choice. We were able to build on this commitment - and lots of our learning activities made strong connections to social and environmental projects.

Our approach was to build a team who operated like a Business within a Business but inspired by the Body Shop mission - it had to be "business as unusual".

We researched the key criteria for being effective consultants from both a business and a marketing perspective. We spent time exploring this with external consultants and marketeers.

Our "service offer" was to generate engagement with Learning – and be demand led – not supply driven in our approach. We found it very valuable to have a clear consulting cycle as a framework for action - and to consider more overtly how we worked with our clients e.g. making sure we were contracting properly.

We also spent time getting clear client relationships - recognising that in every piece of work there is likely to be more than one client - users, deciders, influencers etc.

Being demand led still meant that we had to take some proactive measures. We actually spent a lot of time with data collection - asking individuals what helped them to learn best . We heard from our internal customers that there was a negative reaction to "sheep dips". People, when asked, don't like having training "done to them". The Induction programme got reshaped into a hands on practical experience -rather than a lot of "talking heads" - with staff travelling round the whole organisation - making a product in the labs and following its path; ending up on the beach - conducting an environment "beach clean".

We also threw out the course directory – and went to Line Managers with some very powerful questions about their needs.

This prompted an interesting response: "How can I tell you what I need until I see the list of courses?" This was a measure of the dependency loop that had been established.

As a team we saw ourselves on a continuum from dependency to independence to interdependency or partnership. We mapped this out as a way of plotting our relationship with Line Managers without realising that it would potentially be the path we would take more holistically with the organisation as a whole.

The External and Internal Marketing advice we received was excellent. We established for ourselves a Brand and image –and used the power of metaphor to capture the passion and imagination of our learners.

We created the image of the learner as an independent explorer and traveller not a passive spectator.

We mounted a campaign for learning and we used a lot of visual imagery which fitted into the Body Shop culture and visual environment - with quotations like E M Forster's: "Spoon feeding teaches you nothing but the shape of the spoon" strategically placed over the canteen servery.

Our slogan was "Learning is for Life .. not just for courses" and we used this extensively in our materials and marketing literature.

Plus - we had the Board Directors team giving out Passports to Learning at the factory gates at 6.00 a.m. on a cold January morning!! The care we put into our image alongside delivering the goods really paid off.

We had some clear messages about our offer and what we were doing to disseminate within the organisation and beyond and we were well published

in the internal communications and external press. There was a great motivation and enthusiasm amongst the team – success bred success. All the work we did had a positive impact and got reinforced. We particularly impacted through the design and delivery of a suite of management development programmes –with the innovative approaches moving the thinking more towards a learning culture.

There were strong and tangible measures of positive change and increased individual responsibility for learning through Social Audit results etc. and our efforts in supporting the Business resulted in a number of internal and external awards. We were finalists for the People Management Awards 1997 for our contribution to the Business.

We earned a seat at the top table and I was asked to find a way of engaging the whole management group in the roll out of a new Business plan.

- **Recognising the limits of internal consultancy**

1997 There was a Business plan that needed to be rolled out – but no one was really taking responsibility for it. I had heard of Large Scale Strategic Change – and a way of co-creating strategy in a participative way. It was agreed that this was the approach we would take.

However, the organisational climate was one where individualism was rewarded and people were encouraged to speak their minds and be different - rather than collaborate on shared ownership and solutions. The challenge was to work counter culturally to achieve both.

The LADs got asked to support the roll out of the Business plan. We explored the potential of large scale participation - really got to understand the issues. We created a tape called " The Case for Change" in preparation for the meeting and to create a sense of urgency. We were now operating as a catalyst to the organisation. We were lighting the blue touch paper.

A 2 day Business plan meeting was designed and delivered with 80 Senior Managers plus 30 representatives from Stores. The meeting process was highly participative and we all experienced an amazing journey from past into present and future - leading to some strong joint ownership and commitment to establishing a forward, sustainable momentum.

Our success with this process led to a greater challenge which was to run the International Franchise meeting for 180 people from across the world - participatively. A traditional motivational, new product launch, "dry ice" and special effects conference was turned into a participative "working things through" meeting. It was a real turning point - people started to work together differently sharing and solving issues in the meeting -things were changing for the better. At the same time some flaws in the organisation got exposed and the unsayable got said. Facilitating on this scale makes you have to stand back to see the whole system. Suddenly you see the pattern on the carpet – where you have been too close to it before.

The international event was a great success and a great breakthrough for the organisation in terms of participation and engagement . It was also a major turning point and it has taken from then in 1999 to more recently to achieve some of the changes it heralded.

But It was painful – I remember standing on Eastbourne seafront on the fourth evening in tears – partly exhausted but also realising that my insights into the organisation had just shown me that the best path forward was to leave. Seeing the whole system was a bit like an out of body experience - you are up in the air seeing things you would never see on the ground. It made me realise that to have any real ongoing impact on the required change in the organisation I had to step further away. I had to step outside.

- **Establishing an external consultancy as “outsiders”**

Not long after this three of us sat down with Gordon Roddick and worked through some of the significant strategic changes that were emerging.

Gordon was aware and very supportive of a “break out” group. One that could help the organisation on an OD and Learning and Development level – but one step removed.

This is how Inside Outreach was born. I left The Body Shop and Inside Outreach was set up as an independent limited company co-operative. We built on the deeply held beliefs and values of being an ethical business - that had been so strongly advocated at The Body Shop.

We offered them back our own Business plan – which showed ourselves as giving 50% of our time to The Body Shop – and also working with other organisations and ideally creating knowledge sharing links between clients.

There was a reciprocity arrangement where we would offer lower consulting rates in return for reduced rent on offices, some IT support and the ongoing association with the organisation – being able to tell the story.

Interestingly it did not quite work out as planned. Initially, Gordon involved us in some significant change work around brand with the Board, and one of the other Board directors got us doing a major Global project on Customer Service. We also helped the internal HR group work on developing Internal Consulting Skills, but most of our colleagues in Learning and Development pushed us back for a while.

It was almost as if they were not sure how to relate to us.

I am not sure if this goes back to the need to go from Dependency to Independence and then back to Interdependence - but it is a pattern I have seen repeated elsewhere.

Indeed it was a good 9 months – and a large redundancy challenge for The Body Shop - before we got the chance to re-engage with the Internal Learning and Development group. Most of them were choosing to leave and

wanted to join us. One did – many of the others are still working as associates with us.

With a decrease in the internal resource at The Body Shop we were now needed more substantially and this was the chance to rebuild the relationship which had always been intended. We became a kind of “outsourced” team, operating close to the organisational values and heritage but able to be less emotionally involved. The separation time had actually helped with this transition.

In addition, we had been working with other organisations going through similar change processes and were able to make connections and indeed run events, bringing together groups from different organisations to swap notes and share learning.

Finally, our added value in a redundancy situation was that we could be seen as a slightly objective resource and we did some innovative work including sharing our own learning as a small business and coaching others setting up in a small business context. We jointly developed a concept called the Entrepreneurs club which was a “package” of additional benefits offered to people choosing redundancy who wanted to set up their own business.

When things settled we once again found ourselves on a different footing and were bidding for projects alongside other providers. We were not given any preferential treatment but we won the work to project manage, design and run a whole new suite of Management Development programmes for the organisation. So now we were back on the inside – but clearly outside and particularly outreaching for suppliers to support the different aspects of the programmes. This has proved a great partnership - and one leading to recognition as a finalist for the 2002 National Training Awards.

- **Operating as “insiders” from the outside**

We started to realise that we had evolved a different way of work. We had always been keen to work with clients as “buddies” rather than in the more “FORMAL” way consultants tend to relate.

What started to differentiate us was that we had learnt to tread the line between internal and external. To care about each of our clients – their business issues and their needs – but to be able to stand back and help them use us as a mirror and a more objective resource. We now use this as part of our marketing approach .

That “out of body “ experience that I had felt on Eastbourne seafront had somehow embodied itself into a way of working which now means that we quite often find ourselves in a kind of interim "internal consultancy" role.

We go into an organisation and become part of the team – supporting or leading the group (depending on the need). Over time we build the internal capability so that we can let go – and we are careful to contract our exit right at the start.

We were engaged to work at the Dome at Greenwich in this context - project managing the Visitor Service Training. With the internal team we were once again pleased to become a finalist for the 2000 People Management Awards.

Many of our clients respond to us in a way that feels unique and different from being "external consultants". Here are some words from one of our clients that reflect this:

*"I have found Inside Outreach to be pragmatic and flexible yet strongly holding of some core principles about people and what they can aspire to achieve, both for themselves and their teams, when they come together in organisations. The very way they are, is an organisational intervention in itself. They have a shared vision about what they can offer, they are aware of their own mental models and assumptions and have offered me competence and expertise in the areas of large group interventions, networking and learning. Having just participated in a learning review on a most recent project, I know them to have humility and a strong desire to learn and keep on learning so that they can grow as individuals and therefore offer even more next time." Joan Scarrott - Organisational Effectiveness - Mars Inc.*

For us consulting comes down to 3 things - Relationships, Relationships, Relationships and through these enabling our clients to do so much more for themselves.

*"Inside Outreach have the ability to provide a "mirror" for all of us. In a very constructive and friendly way they enable the organisation, and individuals, to look inside themselves and become more aware of how they appear to the external contacts, customers and colleagues. This enables us to drive our own change." Colin Duggleby - Chief Executive of GMAC- RFC (A General Motors Company)*

From our perspective we have established a real mix of the internal and external –blurring the boundaries. We also have a range of clients who actively seek opportunities to work with us on other external projects and we do include them in our team when working with other organisations.

It is all about seeing consultancy as a larger Community of learning - working wider than specific organisations -operating as an interdependent eco-system and sharing knowledge across the typical boundaries.

Finding ways forward for individuals is usually a combination of external and internal factors - a holistic approach to working things out. It is the same for Organisations. Internal or External consultants alone will find this too difficult - but together -in partnership - there is a real chance.