

Concepts of Consultancy

The BMC Glossary

This Glossary defines all the terms in use by The BMC. Some terms which are widely used in the commercial world may vary in a strict interpretation from their definitions as used by other entities.

Appendices(at end) - Financial Definitions, Programme Definitions, Parties to a sale and Decision Criteria.

Glossary

Phrase	Definition	Document
Action	An Action taken as a consequence of a Management Decision.	PoM
Agenda	The (sequential) list of Decisions (and Issues) to be made at a meeting or other interaction or Decision Point.	PoM
Avenue Closure	The consequences of an Action in preventing other potential Actions.	PoM
Best Practice	The optimum solution for a particular situation from the perspective of the particular issue in question. The Best Practice solution may not be appropriate in the context of all the other requirements the Business has. Best practice is normally provided by the <i>Specialist</i> but then refined for the context by the <i>Generalist</i> .	
Best-case	The most optimistic, perfect or best suited solution or outcome – the theoretical Model of pragmatic perfection towards which changes and improvements should lead.	
Brand	The set of expectations which the Business dictates or implies to the Market.	CoC012
Business Blueprint	The roadmap for consultancy assistance in the short-term – it acts as the Proposal in defining the Requirements, Outcomes, Process and Deliverables for ongoing work.	
Business Model	The design of a business for a particular state or time – its Capability Model plus the underlying Need and Solution	PoCTM
Business Plan	One or more Business Models with the underlying Phase structure.	PoM
Business, The	The enterprise being studied.	

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Capability Model	A Model of the Business which defines it by its component capabilities which are in turn driven by customer need and its solution.	Cap Pract
Capacity	The ability to meet customer and sales requirements.	
Capacity Management	The management of multiple means of Production, PSGs and/or CMGs to ensure maximum effectiveness and efficiency.	Cap Pract
Cause Prompt	A prompt triggers a management Decision – a Cause Prompt is a specific event – see <i>Data Prompt</i> .	PoM
Change	An alteration to the nature of the Business and its activities	PoCTM
Change Management	The act of conducting a permanent alteration to the nature or activities of the business.	PoCTM
Channel	The channel between the Business and a PSG. The channel is primarily a means of sales and marketing and co-exists with <i>distribution network</i> .	
CMG – Customer/Market Group	A group of the customers, markets or a combination thereof which the Business provides to (or proposes providing to) which has common characteristics. Used to subdivide the entire group of the customers, markets or a combination thereof for analysis, management or other actions.	
Commodity/non-commodity	A Non-commodity product is one whose nature is essential to the product ultimately produced by the Business and whose supply, specification or nature may have a degree of uniqueness, appropriateness or inflexibility. A commodity product can be substituted at any time without change to the ultimate product or solution.	CoC001
Competition	The supply of alternative solutions to a customer by a different commercial entity. <i>Cannibalisation is the supply of an alternative solution by the same entity.</i> Direct competition is the supply of similar solutions. Indirect competition is the supply of different solutions which satisfy the same ultimate need in the end customer.	CoC001
Compliance	Compliance with rules, regulations and requirements originating from outside the Business – see <i>Governance</i> .	PoD

Contingent	An Issue or consulting requirement upon which the progress of a larger (or earlier) piece of work depends.	
Control	What can be changed in response to a situation different from that envisaged – how Resources or Processes can be controlled.	PoM
Core management actions	Those management actions which require specific industry, customer or technical knowledge. Those actions which define, sustain and give purpose to the Business and actions which a qualified manager not familiar with the industry would be able less able to do than those with prior knowledge.	PoM
Core/non-core Processes	A core process is one which defines the solution the Business provides. It is specific to the Solution, product or Service and fundamental to the Value the business adds. The choice of non-core Process, like a Commodity Product, should have no impact on the overall Solution if it works.	PoM
Criteria	The Reasons by which the Solution should be chosen.	CoC005
Critical path	The path from start to finish which is the longest or the most constraining. The critical path is the one whose timeframe dictates the minimum timeframe that can be achieved and whose achievement is therefore the most critical to success.	
Data	Raw numbers or statements.	PoM
Data Prompt	A prompt triggers a management Decision – a Data prompt is a set of data which is <i>Monitored</i> and when it falls outside <i>Parameters</i> requires management attention – see <i>Cause Prompt</i> .	PoM
Decision	The act of making a decision is the primary act of management. Composed of the <i>Process, Options</i> and <i>Criteria</i> . See <i>Management Decision</i> .	CoC005
Decision-making Process	The specific process of making a Decision which considers who and what information will be involved - and how and when – in order to ultimately choose an <i>Option</i> according to the <i>Criteria</i> .	PoM
Deliverable	A material, document or event which is fundamental to leading the Business to the Outcome and which is complete in itself.	Proposal

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Demand	The demand for a Product or Solution by a Market.	
Direction (s)	The instructions of the shareholders as to how their Resources are to be applied to create wealth, add value or other goals. Should match the <i>Objectives</i> .	PoM/PoD
Distribution (Network)	The logistical means by which the solution to customer's needs is brought to them (as distinct from how it is created – <i>Production</i> and <i>Capacity</i> - and how it is marketed and sold – <i>Channel</i> .)	Cap Pract
Elasticity	The responsiveness of an outcome to one of its inputs or components – ie the elasticity of sales to price.	
Element	Components of the business – Objectives, Process and Resources or how they are functionally organised into capabilities or components. Used to define what is and is not relevant in the PoM and PoCTM.	PoM, PoCTM
End consumer	The ultimate consumer of the goods or services of which the Business' contribution is a part – the end of the <i>Value Chain</i>	
End state (working)	The ultimate static state which the Business should attempt to achieve.	
End supplier	The ultimate source of the raw material in question – the start of the <i>value chain</i> .	CoC001
Environment	The environment in which the business exists – the landscape in which it exists of which its value chain is a part but also investors, staff, the public, neighbours etc.	CoC012
Environmental Marketing	Any activity whose intent is to enhance the profile of the business in its environment with the intention of influencing the actions of Investors, Partners, Suppliers, (Potential) Staff and any other constituent of the Business' Environment.	CoC012
Exception	An outcome which exceeds parameters or was not foreseen.	PoM
Expectations	The customer's understanding of what they will receive in return for their involvement with the Business (ie wider than just the sale).	
Focus element	The particular element of a Process, resource or Objective which the Change or Trial intends to alter or address.	PoCTM

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Foreseen	The anticipation of an event or situation (normally an <i>Exception</i>) See <i>Unforeseen</i> .	
Frequency	The number of actions on which an event or action takes place.	
Gap Analysis	The immediate findings of capability shortfalls which arise during the Process Mapping stage; the essential shortcomings which need to be rectified for the business to be in – or in the process of attaining – the steady state necessary.	ToC008
Generalist	The skill of a Generalist is to understand the overall needs of the organisation and therefore apply the appropriate level of expertise, generalist or specialist.	CoC007
Governance	Compliance with rules, regulations and requirements originating from inside the business – see <i>Compliance</i> .	PoD
Growth	The increase in overall Revenue from one time period to the next.	CoC008
Horizon	The point in the future to which any piece of work (but especially Phases, Directions and Business Plans) points but does not go past – the limit of the distance ahead which is being considered. See also <i>Long-term</i> , <i>Medium-term</i> and <i>Short-term</i> .	
Image Gulf	A mismatch between Brand and Reputation	CoC12
Immediate Actions	Those actions recommended immediately by a consultant following some form of interaction – meeting, analysis etc.	IA Template
Implementation	The steps necessary to Change, Trial or create a Process and/or its accompanying Resources.	
Improvement Change	Improvement change seeks to reach a new (better) Static State.	PoCM
Incremental	A change to Objectives, Processes or Resources which is one of extent not direction and one which is attainable by an extension of current efforts.	PoCTM
Independence of perception	The extent of the consultant's perception which has not been biased or compromised by the views of the client.	
Information	Data which has been processed to provide facts.	PoM

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Innovation	The act of identifying and proposing new Needs and Solutions with new or existing PSGs for new or existing CMGs.	Cap Pract
Input	The Data, Information or Knowledge required to make a Decision.	PoM
Interim product	A stage or state for the Product which is not the ultimate Product.	
Issue	Broad term for anything the consultant needs to resolve in the client's Business.	
Knowledge	The application of the information to extract conclusions.	PoM
KPI	Key Performance Indicator – chosen as an Input requiring a high level of interest.	PoM
Leadership	Leadership is the strength which Management requires to fulfil the Directions.	Leadership in Context
Long-term	The period in which all of the Business' Directions and Objectives can be altered. See also <i>Medium-term</i> and <i>Short-term</i> .	
Macro	The issue in question at the collective level.	
Major/minor Resources	Major Resources are essential to the Processes and typically cannot be substituted. Minor Resources are not specific, unique or customised.	PoM
Management	The act of controlling Processes and Resources to meet the Objectives.	PoM
Management Decision	The act of making Decisions to operate the Processes to meet the Objectives. Typically can only have the following No change, Amend monitoring (change of Input), Investigate, Alter Resources, Alter Process, Request Objective Change.	PoM
Management Plan	Is the comprehensive statement of how the management required by the Management Summary will be achieved. It states who does what when, how and why.	PoM
Management Summary	The statement of what needs to be managed – the Core Management Actions presented in the most appropriate fashion.	PoM
Market	The term for the group of potential buyers to whom the Business directs its activities and for whose Needs its Solutions are designed.	
Marketing	Any activity whose intent is to make a sale more likely – up to but stopping at the point at which it becomes sales activity, ie a direct interaction between Prospect and a sales	Cap Pract

	function of the Business.	
Material	A representation of Data, Information or Knowledge used as an Input, Output or Plan.	PoM
Maturity	The maturity of the business – its position in a cycle of conception, birth, growth, refinement and ultimate decline or exit.	Maturity Practice
Medium-term	The period in which some of the Business' Directions and Objectives can be altered but its fundamental nature and activities cannot be altered. See also <i>Long-term</i> and <i>Short-term</i> .	
Meeting	A formal interaction between two or more staff members to make Decisions. Usually has an <i>Agenda</i> , <i>Inputs</i> and an <i>Output</i> .	PoM
Micro	The issue in question at the individual level.	
Model	A representation of the business which has structure, clarity and completeness.	Cap Pract
Monitor	The assessment of whether the Process is functioning as it should – within parameters. This is a level down from <i>Review</i> .	PoM
Need	The need the customer has which the solution offered by the Business should meet <u>or</u> the Need a client has which the consultant intends to meet, see <i>Requirement</i> .	
Objective	Objectives define the specific achievement of the Directions at any one time <u>or</u> Are the achievements which Processes of the Business must reach in the absence of Directions.	PoM/PoD
Options	The set of Options from which a Solution can be chosen (see <i>Decision</i>).	CoC005
Output	The record of the product of a Decision-making process or management Decision. It states what Actions will be done and what Plans changed.	PoM
Parameters	The data (or information) which indicate whether a Process is functioning as required.	PoM
Partner	A Business with whom the Business co-operates.	
Perfect Competition	The state of a market where every action by a member creates a theoretically perfect reaction. Fundamental to perfect competition are transparent and equal	

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	pricing, mobility of resources and instant communication.	
Phase	A distinct period when a business transitions from one Static State to another; the purpose of a Phase structure is to add structure to growth, tackle issues in the right order or more simply to clarify change.	CoC011
Plan	A written statement of Actions, Changes or Management to achieve a defined target.	
Presumptions	A certain understanding or clarification of external factors	PoM
Process	A Process required to achieve the Objectives <u>Or</u> in a proposal the process the consultant will follow to provide their contribution to the Outcome	PoM/ Proposal
Process map	The act (and product) of mapping all the constituent Processes of the Business including the interactions between them.	
Production Management	The act of managing a single Product or PSG to satisfy one Order or CMG most efficiently and effectively. It focuses on that act of production in isolation.	Cap Pract
Professional adviser	A partner or supplier who provides (intangible) services which involve some degree of direction, recommendation, advice or information on decisions or situations which require management level decisions.	Prof Advisers
Programme	A Programme (is the activity by a consultant which) creates a new Process or enables new or existing Processes	CoC006
PSG – Product/Service Group	A group of the products, services or a combination thereof which the Business provides (or proposes providing) which has common characteristics. Used to subdivide the entire group of the products, services or a combination thereof for analysis, management or other actions.	
Reparative Change	Reparative change seeks to restore a business to a static state (or part thereof) from which it has deviated.	PoCTM
Reputation	Reputation is the expectations the market has based on experience and deduction <i>See Brand and Image Gulf</i>	CoC012
Requirements	The needs the Business has which the consultant intends to address. Stated in terms that would quickly and clearly justify	Proposal

	to a shareholder why the investment is necessary and always ultimately referring to the bottom line of the business.	
Resource	The Resources which are applied to (not necessarily consumed by) a Process.	PoM
Responsibility	The allocation to a staff member or Role the responsibility for ensuring or Monitoring that a Process and/or its Resources remain within Parameters.	PoM
Review	The assessment of whether the Process is having the effect or end result that it should. This is a level up from <i>Monitor</i> .	PoM
Risk	The possibility that a Process or Change will not function as envisaged.	Risk Mgmt in Context
Risk profile	The ability and willingness of the business to take risks – the number, type, gravity and inter-relation between them.	Risk Mgmt in Context
SAKE	Skill – Attribute – Knowledge – Experience The grid used to assess staff and roles.	CoC009
Sales	Any activity which takes place between a person or part of the business and a (potential) customer, whose purpose is to make the customer purchase what the business offers.	Cap Pract
Short-term	The period in which none of the Business' Directions and Objectives can be altered. See also <i>Long-term and Medium-term</i> .	
Simple Management Model	A basic view of management which revolves around Needs, Inputs, Decisions, Outputs, Actions and Plans.	PoM
Solution	The solution selected by a Decision <u>or</u> The solution to the Customer's <i>Need</i> which is the ultimate purpose of the Business.	
Specialist	The expertise of a Specialist begins from a specific action, discipline, skill or need and broadens out back into the organisation.	CoC007
Stability	The growth pattern of the business.	Maturity Pract
Static element	The elements of a Process, Resource or Objective which the Change or Trial does not intend to alter or address. They may however be altered in the course of supporting the alterations made to the <i>Focus element</i>	PoCTM
Static State	The unchanging condition in which most businesses remain. It should be noted that this means the nature or activities of the	

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	business are constant, not necessarily the environment in which the business operates.	
Strategy	The sum of the Business Plan and the Directions of the Shareholders. <i>Stated Strategy is the path which a Business believes it is taking – normally differentiated from the actual consequences of its actions which is the True Strategy.</i>	PoD
Strength	The relative power and autonomy of either a <i>Business</i> or its <i>Environment</i>	Coc019
Structure	The examination of an Issue, Business, process etc in a comprehensive, sequential, objective and clear fashion to ensure the most consistent, accurate and comprehensive understanding.	
Success Level	The point at which a process is considered within parameters and no further investigation or <i>Monitoring</i> is required. Frequently a different level to a <i>Target</i>	PoM
Supply Chain	The entities by which the Business is supplied with its Non-Commodity products. Whilst technically its Commodity products are part of the Supply Chain they tend to receive secondary attention	Cap Pract
System	A System manages an existing Process (see <i>Programme</i>)	CoC006
Target	The point at which a Process is considered to have succeeded and fulfilled the wider requirements of the Business. Different to the <i>Success level</i> .	PoM
Transformational Change	A Change which alters the nature of the activities of the business transformationally – either changing the direction of change and/or being of such an extent that a series of incremental changes could not achieve the same change.	PoCTM
Transitional Management Plan	The plan for managing the Business not included in the Change/Trial Management Plan – typically the Management Plan less aspects affected by the Change/Trial.	PoCTM
Trial	A temporary alteration to the nature or activities of the Business.	PoCTM
Trial Management	The act of conducting a temporary alteration to the nature or activities of the Business to establish whether it is feasible, successful and desirable.	PoCTM

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Ultimate product	The final or completed product offered for sale by the Business.	
Unforeseen	The failure to anticipate an event or situation (normally an <i>Exception</i>) which could have been anticipated. See <i>Foreseen</i> .	
Value	The difference between the ability of the product to meet the needs of the customer prior to the (relevant) activities of the business being taken and subsequent to them being taken.	CoC001
Value chain	The chain of entities between <i>End supplier</i> whose efforts ultimately satisfy the <i>End consumer</i> , involvement in which is defined by the addition of <i>Value</i> at every stage	CoC001
Volatility	The consistency of adherence to a regular frequency. With a low Volatility actions take place at regular intervals and amounts; with a high Volatility the intervals and amounts are irregular, unpredictable and uneven	
Workflow System	How a business and its component units and staff organise themselves to schedule Actions, distribute Outputs, provide Inputs and make Decisions	PoM
Worst-case	The least attractive Outcome which can be envisaged which is considered when making a Decision.	

Clients frequently make decisions and choose solutions because they are:

Economical	The cheapest
Expedient	The quickest
Easy	Require the least effort to implement

Consultants recommend solutions on the basis of:

Effectiveness	How well they achieve the required aim
Efficiency	How many resources they consume
Reliability	How reliable they are
Risk	The likelihood of failure both now and in the future
Flexibility	What other tasks they can be applied to
Appropriateness	How they fit with overall strategy
Restrictiveness	What they prevent due to their inherent constraints

Requirements	What the p/s must achieve – what it must have and do (and not do) in order to successfully meet the Objectives.
Design	How such a p/s should be constructed in order to function efficiently, effectively and reliably.
Specification	The nature of the detailed construction of the p/s to include every minor component.
Creation	The actual manufacture of the programme or system. If referred to as the detail , this is providing the creation but not the research.
Implementation	The incorporation of the programme or system into the workings of the client organisation; its introduction, explanation and frequently its oversight until successfully established and error-free.
Actions to achieve	The actions required (often in sequence, with their requirements) to take the information provided by the BMC and pursue it to creation/implementation.
Review	The review of the current p/s in relation to the Objectives and its requirements, design, specifications, creation or implementation. Frequently p/s will diverge from their initial intent for good reasons and bad – this identifies these divergences.
Timeline	The order in which actions need to be taken, planned and explained, taking note of critical paths, deadlines, resource shortages and unresolved issues. It shows decision and commitment points, start and end dates.

For clarity Product used to describe the economic output of the Business.

Where in *Italics*, complimentary definition which is relevant to the definition – capitals where in the Glossary but not necessary to accompany.

Parties to a sale & Financial definitions