

Bulletin – September 2023

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Simon Binyon

Keith Earnshaw

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Royal Society of Chemistry Consultancy Group

RSC: <https://my.rsc.org/groups/home/157>

The Consultancy Group

The Group is one of the Royal Society of Chemistry's many Interest Groups. The Interest Groups are member-driven groups which exist to benefit RSC members, and the wider chemical science community, in line with the RSC's strategy and charter.

The Group provides a forum for RSC members who are consultants. The Group arranges meetings and workshops to provide networking opportunities and training in aspects of setting up and running a consultancy business.

Spices, Skulduggery and (some) Science.

The Library, Burlington House, London W1J 0BA
6.00pm Wednesday 6th December 2023

In this special 'spicy' seasonal event at Burlington House, a collaboration of the Marketing, Management and Consultancy Interest Groups, learn some spicy science and hear some spicy stories of skulduggery in bringing spices to market.

The presenter, Alan Bodley, is a chemist, marketeer, and a member of the Marketing Interest Group. Alan will educate you on the chemistry of some spices and

tell tales of how, over many centuries, the trade in spices drove exploration, exploitation, and economies. And all this will be followed by your chance to taste some of these spices in suitably festive fare whilst networking with colleagues from your interest group and beyond.

There will be a small charge to cover the cost of tea, coffee, wine and food. Numbers will be limited, so please book early through the RSC Events database page.

RSC and CICA Joint Meeting

York CVS, Priory Street Centre, 15 Priory Street, York
YO1 6ET
24th October 2023

11.00am Arrive Coffee/Tea

11.30am Bill Edwards - Plastics and Waste

The uses of plastics in packaging particularly food. There is a plastic identification exercise followed by consideration of the means of disposing of plastics. The alternative of living without plastics is considered.

12.15pm RSC Business

13.00pm Buffet Lunch

13.30pm Ellis Marshall, Net Zero Industry Innovation Centre (NZIIC), Teeside University

The NZIIC at Teeside are involved in carbon capture, the development of the hydrogen economy, smart energy systems, development of circular economies and the digital monitoring and simulation Laboratory.

14.15 CICA Business

14.30pm Networking

The fee for the meeting: £20.00
Please transfer to CICA Bank Account
NatWest Bank: Sort Code: 60-08-30
Account Number 63095572

Please label payment as RSCCICA with an abbreviation of your name. Please also email Peter Smallwood and confirm your attendance.

peter@chemical-associates.co.uk

Further event information can be found by contacting the RSC using the following details:

Royal Society of Chemistry,
Tel: +44 (0) 1223 432509
Fax: +44 (0) 1223 423623
Email: eventsdatabase@rsc.org

Consultancy – Valuing the Service

When undertaking work as a consultant one of the most important issues to consider is how to value the services being offered. This is no different to the supply of any other service whereby time is the actual 'product' being sold.

Should the services be offered as a fixed fee or should there be a call off against a pre-agreed Schedule of Rates? Most important of all, as technical consultants, how do we establish how to 'position' ourselves in the consultancy market in terms of the actual rates we charge.

It should be highlighted immediately that this article does not seek to advise what consultants should be proposing in terms of their fees. Doing so would be unwise as it depends on the individuals involved. The main points to emphasise are the disparity between chemical (and other technical) consultancies and certain other areas of consultancy and also the need to embrace any such commercial discussions.

1. Basis of the contract

Initially there is the need to establish the basis of the consultancy contract for work being undertaken. It is not unusual to hear clients say: "I want you to do this for me, and this is how much I will pay you for that work". To which the response should always be: "No – that is not acceptable. You can tell me what you want me to do (and I will cost that work) – or you can tell me what your budget is, and I will tell you what I can do for you within that budget".

It is therefore essential to establish the brief, often referred to as the Terms of Reference (TOR). For a fixed brief, a fixed fee can be offered. Any additional work outside of this brief should be costed separately at a later date.

It is often dispiriting when, during the initial conversation with a potential client, we hear the phrase "I don't know what I want you to do, but I want a fixed price for you doing it"!!

Under these circumstances, it is not unusual to offer a Schedule of Rates (expressed as £/hour or day) for the

staff that may be working on the project – depending on their grade and level of experience. This is especially useful when the TOR cannot be fixed. Monthly time sheets would then be offered to the client demonstrating which member of staff has done what, costed by individual staff members and hence a monthly total can be calculated. Pre-agreed expenses (e.g. mileage, accommodation etc.) would also be added to the monthly total.

This approach is commonly referred to as a T&E (time and expenses) reimbursable contract.

It is also recommended that Professional Services Agreement (PSA) is prepared detailing the services to be provided and the commercial basis of the agreement. The detail of any such PSA is beyond the scope of this article, but its importance cannot be over emphasised.

2. Valuing the service being offered

It must be emphasised that a number of technical and engineering disciplines have historically been less than enthusiastic about discussing and refining the commercial details of the services being offered. It is almost as if any discussions of a commercial nature are somehow detracting from our abilities as chemists and engineers.

Effectively, we as an industry have been undervaluing our worth as technical consultants for quite some time.

Let's compare this with certain other service industries who also sell time – accountancy and law immediately spring to mind. The clients of these accountants and lawyers are prepared to pay fees which, historically, seemed out of reach for the technical consultant. The clients accept it – and possibly even expect it. The perception here (rightly or wrongly) is that if the fee is high, then the service being offered must also be of the highest quality. Somehow this way of thinking has not (yet) crossed over to the more technical consultancies.

It is suggested that the accountant or lawyer has worked no harder for their degree and/or other advanced postgraduate qualifications than the equivalent chemist or engineer. Indeed, with chemists frequently entering into consultancy towards the back end of their career, the combined qualifications and experience should be attracting a significant premium compared with a 24 year old management consultant. Although it could also be argued that individuals may have a much more personal interest/liability when

requiring a lawyer than a chemical consultant unless evidence is required to be given in a legal setting.

3. Moving Forward

The question is therefore how we rectify this disconnect between the value we place on our services and the fee that the client is expected to pay. Unfortunately, there is no easy answer. The purpose of this article is to highlight and raise the profile of the issue and to ensure that technical consultants embrace any such commercial aspects, discuss it fully with their clients, and to be aware of, and confident in, their commercial value as a technical consultant and resultant benefit to the client's business.

In first accepting that there is indeed a disparity with other service providers, we can then begin to raise awareness of this important issue. The change and move towards parity with our colleagues in the fields of law and accountancy is not going to happen overnight. It is however necessary to first accept that there is such a disparity and to move forward in terms of valuing our own worth.

The main point to emphasise, again, is that we should all be ready to demonstrate the necessary levels of professionalism and commercial awareness needed to establish the basis of any such contract – and well before the work begins. Whilst it is accepted that we will go on to demonstrate our abilities and prowess as chemists or engineers, we must also embrace any such necessary commercial details which are equally as important when working as a professional consultant.

Simon Binyon C.Chem FRSC
Managing Director: ARL Consulting Ltd

Directory of Consultants

The Royal Society of Chemistry has a list of consultants that are registered with them. It can be found at:

<https://www.rsc.org/membership-and-community/directory-of-consultants/>

The Directory is a service provided by the Royal Society of Chemistry to members, professionals and the public. The information supplied in this directory, and the services offered and delivered, are entirely the responsibility of the consultants themselves, and not the Royal Society of Chemistry.

The consulting experts listed in this directory are all full members of the Royal Society of Chemistry and are bound by the RSC [Code of Conduct](#).

The Royal Society of Chemistry is not responsible for the content of external websites.

If you wish to be added to the Directory, please complete the application forms found on the RSC webpage above.

Member Articles

The members of the Consultancy Group come from a wide range of industries, as can be seen from the list of areas of expertise outlined above. Is there an area of your knowledge and expertise that you think might be of interest to others in the Group?

The Group is keen to encourage information dissemination and networking to provide a background to consultancy activities.

If you have, or could write, a 200-300 word piece which outlines aspects or anecdotes that you think will be of interest to other members, please contact the Secretary via the following link:

<https://www.rsc.org/membership-and-community/connect-with-others/through-interests/interest-groups/consultancy/#contact>

The author of an article published in this bulletin will receive a £25 Amazon gift voucher.