

Coordinating and developing specialist management expertise ('consulting') within the NHS

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About the research

In order to deliver healthcare effectively and efficiently, we need it to be well organised, as recognised in the recent [NHS 10-year plan](#) and [leadership and management framework](#). Our ongoing project explores the use of specialist management expertise (often termed 'consultancy') from both external and internal (NHS) sources.

Our research found that external consultancy is mostly inefficient and should only be used in limited contexts, while internal consultancy is key. These findings provide evidence for the first time to support [UK government guidelines on consultancy use](#) and are consistent with the recent rise in the development of internal consultancy in the public sector [internationally](#).

We revealed a rich and established ecosystem of internal consultancy provision with a diverse range of services, from strategy to data analytics, and a wide geographical reach. However, it was clear that communication and coordination between of these internal resources is lacking, with each other as well as with external providers. This lack of coordination impacts clients and limits management development and knowledge sharing across the NHS. The current flux across the NHS system as a whole and government demands to reduce spend on external consultants presents a policy opportunity to develop an effective internal consultancy infrastructure to support healthcare delivery.

Policy recommendations

- **The over-use of external management consultancy in the NHS is costly and inefficient.** Expenditure should be reduced overall in favour of internal resources. When externals have to be used, projects should include internal staff and other mechanisms to share knowledge and help embed change.
- **Internal consultancy services are poorly communicated and their benefits not well recognised.** A clear and user-friendly database of internal consultancy provision is needed to increase visibility for prospective clients and to support opportunities for providers to collaborate with each other and with external organisations (e.g joint bids).
- **Short-term funding regimes and an inability to compete with external providers make internal consultancy vulnerable.** Coordination of internal consultancy should be started to help align its development with workforce planning, but also to allow for flexibility, innovation and competition. This should include the use of internal consultancy providers to support individual development, e.g. secondments.

Key findings

- The use of external consultants in the NHS has been shown to be inefficient in general. Emerging findings from across the NHS in England suggest that internal consultancy should be prioritised, except in very limited contexts such that a blend, albeit of mostly internal resources, is optimal.
- There is no official data on the overall NHS consulting landscape. Our qualitative research, based on interviews, documentary sources and a workshop of providers, reveals, for the first time, a range of different organisations with different levels of internality/externality to the NHS.
- Internal consultancy provision is well established in the NHS with a wide variety of services offered, both locally and nationally. It offers deep NHS and system understanding; trust, legitimacy and, in many cases, strong clinical credibility; lower cost; and a focus on resolution and capability building rather than dependency on outside help. However, it is not monitored or coordinated so its value is not recognised beyond clients and visibility is poor.
- Consultancies report challenges associated with a lack of clarity over procurement procedures; financial insecurity; small scale and limited scope for partnerships; and a structural tension with NHS employment models.

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Further information:

Research report: [Internal Management Consulting in the NHS in England](#)

Find out more about this research: [Improving management consultancy use in the NHS](#)