
Entrepreneurship and Consulting

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Additional information is available at the end of the chapter

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Abstract

For entrepreneurs, counselling means one of the ways how to overcome the challenges of developing markets and the environment through flexibility and creative innovation potential. It brings effects in the form of problem solving with the help of a counsellor and by adjusting the business entity to the change that this solution brings. All changes, suggested or implemented by counsellors, should contribute directly or indirectly to improving business performance and improving overall business performance. Therefore, the task and the aim of counselling are to find new solutions and optimize the entire corporate system, which is reflected in the savings and economic growth of a business as a measurable effect.

Keywords: entrepreneurship, consulting, trends, effects, innovations

1. Introduction

Dynamic discontinuities, rising dynamics, turbulence of business environment and its complexity require high flexibility, adaptability and effective coordination between particular corporate functions and the environment. Businesses often encounter problems in the course of their work which negatively affect their performance. The dynamics of that is highly influenced by the political and economic changes taking place at state level [1]. Contemporary trade is affected by integration and globalization processes and its manifestation [2]. The effect of such negative impacts influences the success or failure of business. Businesses find that they need more and more information, professional skills and capabilities. The pace of innovation is rapid in a way that corporations, trying to promote business activities only by their internal resources, are encompassing everything, but not a one thing is properly under control.

In order to respond adequately to the dynamics of the business environment, companies can use various modern tools and methods. These include counselling as well that fulfils

its function of upgrading, revitalizing and improving overall corporate performance and maintaining a favourable market and industry position. At the same time, it brings effects not only for the company itself but also for its customers.

The aim of the chapter is to highlight the importance and benefits of business advisory services. In economically advanced countries, counselling is really a service that helps businesses to manage their troubled situation through changes to greater efficiency and prosperity. The services of counsellors are sought not only by those companies who have problems but also by well-established ones. At present, the rationale for the use of counselling continues to grow. The dynamics of the competitive environment, its rapid qualitative changes and the global character of the markets generate the demand for advisory services.

Counselling is a useful professional service that helps businesses analyse and address practical issues in different areas of their work. Current modern counselling is characterized by a number of trends and tendencies leading to perspectives of growth and the development of advisory services potential. Successful are those businesses that do not only act as production and sales but as providing value to the customer [3]. Marketing managers in companies and organizations need to use its tools much more intensively in the upcoming years [4].

For this reason it is also necessary to mention the changing position and the role of marketing in companies. Marketing becomes an integrating element of all other departments in the interests of effective interaction with a customer that helps to overcome the challenges of market and environment development through the flexibility and creative innovation potential of the business. While marketing, together with innovations, is considered to be business functions that bring revenue to business, its implementation often requires a considerable amount of money. In this context, not only marketing productivity is the issue but also the question of the effectiveness of marketing activities, which goes hand in hand with its professional implementation in practice. The ambition of this chapter is therefore to clarify these milestones with regard to marketing counselling.

2. The theoretical basis of counselling and its importance for entrepreneurship

There are several definitions of “counselling” and two basic approaches to ponder counselling in the professional literature. The first is characterized by a broad functional approach. Such an approach regards counselling as a method of giving practical advice and helping to improve management practices as well as individual management performance and performance across the organization. The second approach emphasizes the professional side of counselling considering it to be a specific professional service. P. Block understands the counselling very broadly: according to him, anyone who acts in a role of “support” could counsel [5].

In general, counselling can be defined as providing services and/or handing over know-how in a certain field by qualified specialists or specialized organizations. It is performed on the

basis of a rigorous systematic and conceptual approach, using the diagnosis of relevant areas, activities and problems and the subsequent assessment of different options for solving a given problem or task. Counselling means activities that aim to make the outcome/result of people or organizations acting differently and more effectively. Counselling is characterized by the fact that its results (recommendations and/or solutions) are provided to someone who has the choice (may or may not accept recommendations/solutions as counselling outcomes).

Generally speaking, businesses turn to counsellors when they feel the need to be advised or find a solution to the problem, provided they do not have their own capacity or appropriate professional competence. There are several ways (reasons) of using advisory services:

- Fixing a specific problem.

It is probably the most common reason why clients turn to consultants. The need for expert advice and/or impartial assistance arises in various situations. The counsellor can either contribute to solving this problem or to minimize the problem and its negative impacts on the business.

- Obtaining or expanding client capabilities.

Clients often turn to consultants if they do not have enough time and staff to deal with a particular problem. Employees cannot address the problem either due to lack of experience, lack of qualification or being busy with other projects. The advantage is that the consultant leaves the client's organization after the service was provided. Clients turn to consultants and seek their help, which is based on a temporary basis. It is therefore not necessary to recruit new employees.

- Getting information.

Businesses often need new, up-to-date information for their further decision-making or their own business activity. The counsellor then performs function of an informant. The client is provided with the information the counsellor has in his/her database or he/she obtains it from available sources or ways that client has no access to. The counsellor can not only get this information for the client but also process and evaluate it.

- Need for new ideas.

It happens often that the company has a problem with which management and employees are too closely connected to that they do not see its context and do not perceive all its aspects and dimensions. They are simply not able to find an effective solution. External counsellors with relevant competencies can be useful and helpful to resolve such a problem. By not being internalized in the client's organization, it has the prerequisites for it to be able to permeate all the circumstances of the problem, determine its nature and causes and recommend solutions.

- The need for an impartial and unbiased opinion.

This fact is partly related to the previous situation, but more often it refers to the policy of a particular company. For example, the management of a company may believe that the proposals and recommendations submitted by its own staff are not unbiased. For example, an

unbiased advice from a consultant may be necessary in a situation where company faces a serious decision and its possible adoption. Another example may be a situation where there is a risk that the management decision of an enterprise will be based or influenced by lack of expertise, operational blindness, lack of information and so on.

- The need for organizational change.

Deep-rooted ideas and habits are a big problem in a situation where the company faces significant organizational change. In this case, the consultant is expected to have the knowledge and experience leading to this change. The main contribution of the consultant to the strategy of change in the client's organization lies in the fact that he/she possesses the necessary qualification, advisory technique and alternative point of view. Through his/her activity and approach, he/she influences the behaviour of those involved in managing changes in the business.

- Need to diagnose the problem and find its solution.

Diagnostic skills and abilities represent one of the most important professional competencies of counsellors and are an expression of their professionalism. It is for this ability that consultants are in demand. The subject of diagnosis may be the internal situation of the business or the external environment in which the company operates. Diagnosis may be complex, but it may be narrowed and limited to one problem or circuit of problems. After the diagnosis and specification of the problem, the client can ask the counsellor for suggestions on how to deal with it.

- The need for education.

Clients often use advisory services to educate their employees. Many consultants provide lecturing and trainings as complement to their main activity—consulting activity. Vocational trainings can be focused on new methods, techniques and technologies. The trainings can focus on improving the professional skills of the client's employees. Lecturing and training can be done as part of the counselling activities or separately from these activities.

- Introducing new methods and systems.

Every organization needs to work as efficiently as possible. In this context, the client expects the consultant to introduce new organizational, planning and controlling methods and systems. The consultant can tailor these procedures and systems to "tailor-made" it to the client. When finding solutions, the consultant can use a variety of creative techniques. Creative counselling is very important for recognizing potential solutions and making them accessible to the client by working in their terms.

There are a number of signals that indicate the need for consulting services [6]:

- Absence of a written business plan.
- Inexplicably low morale.
- Regular, repeated increase in expenditure.

- Regular shortage of cash.
- Chronic delay of supply of goods.
- Loss of market position.
- Burnout staff.
- Excessive workload without achieving goals.
- Continued defects in deliveries.
- Lack of information about competition or the market.

M. Kubr, as the usual motives or reasons for using advisory services, states the following [7]:

- Curiosity.
- Uncertainty.
- Need to have an alibi.
- Improving the achieved results.
- Learning.

P. Block defines the areas in which the consultant can help the client [5]:

- Solving a specific technical or business issue.
- Teaching clients how to solve a similar problem in the future independently.
- Improve the way the organization manages its resources, uses its systems and cooperates internally.

Current modern counselling is characterized by a number of trends and tendencies leading to perspectives of growth and the development of the potential of advisory services. Five basic approaches to modern counselling can be identified:

- Counselling as a profession.
- Counselling as a service.
- Counselling as a method.
- Counselling as a change.
- Counselling as an ecosystem.

2.1. Counselling as a profession

The development of counselling towards profession and *professionalism* is part of an intensive effort that seeks to create a profession out of counselling. Consultants as professionals follow the main trends in theory and practice. At the same time, they create a specialized group with their own working methods, their own set of standards of behaviour and their own workflows.

2.2. Advice as a service

The product of advisors and advisory organizations is consulting services. These are specific expert services provided by qualified experts and/or specialized organizations to solve a specific problem.

Advisory services fall into the category of business services. From the point of view of the effects of their actions leading to changes in production systems, productivity and efficiency, consultancy services are part of the intensive knowledge services. They are characterized by the application of a high level of knowledge aimed at solving the problems of business process-related clients with highly qualified employees with a high level of education and professional qualification—advisory, consulting of information technology, legal, accounting, architectural-engineering research-development, advertising, market research, marketing and personal services. Counselling services are very innovative; they use predominantly internal and implicit sources of innovative activities and have very strong contacts with suppliers and clients [8].

2.3. Advice as a method

Advisor's approach is conceptual and strictly methodical: from problem identification and diagnostics, through collection, analysis and evaluation of relevant data, investigation and diagnosis of resolution of the problem. Counsellor uses a variety of methods; creative steps; looks for new, tailor-made solutions; identifies and verifies individual alternatives or assists the client in implementing and controlling the chosen alternative. This procedure is referred to as counselling.

2.4. Counselling as a change

Traditional perception of counselling is usually associated with the role of a counsellor in which he/she acts as someone who advises others. It does not take into account other aspects, areas, procedures and tasks of advisory performance, such as implementation, monitoring and control, outsourcing, etc. At present, however, advice is expected to be more than just "good advice." Counselling is no longer judged by what it does (giving advice), but through the changes it brings [9]. The common aspect of consulting contracts is that they assist in planning, designing and organizing change/changes in the client's business.

2.5. Advice as a system

The classic model of counselling is outdated, and modern counselling is currently a system consisting of six elements and relationships between them. The elements of the counselling system are:

- On the demand side: (1) individual clients, (2) businesses and organizations and (3) contracts/projects.
- On the supply side: (4) consulting industry, (5) consultancy providers and (6) individual consultants.

Relationships between the elements of the counselling system are based on the life cycle of the counselling process, selection, relationships, changes, portfolio, professionalism and reputation [9].

These approaches to advanced counselling complement and support each other. Professionalism and service are the basis for the common use of methods and procedures in a particular process. They create a complex system based on balanced methods, practices, styles and principles with the aim to recommend or find a solution to a specific problem and reach a change in the organization of the client.

Counselling brings effects in a problem solution by the counsellor's help and adjusting to the change that this solution inevitably brings. As part of counselling, there are specializations for each functional area of the company, including marketing counselling. Marketing consulting generally represents a comprehensive approach in the field of management consulting (or economic consulting), which offers methods and procedures aimed at effective marketing performance, improvement of the management procedures and strengthening of the competitiveness of the company. The characteristic feature of marketing consulting is that it deals with the relationships of a particular company with its business environment (customers, competitors, suppliers, purchaser and public) as well as with the internal environment of the company itself (its organizational structure, relations and atmosphere of management and marketing culture). Marketing consulting performs the following functions:

- Diagnostic function: Considered to be the core of consulting and marketing consulting and helps clients to identify and understand the nature of the problem.
- Information function: Based on the information the counsellor provides about the identified problem, the client is able to make strategic reactions to the problem.
- Evaluator: The consultant evaluates alternative solutions to the problem/problems of the client and expresses the opinion/qualified estimation regarding the priority of the proposed solution, in active cooperation with the client.
- Therapist: Consulting services create solutions that are related to the symptoms of something "unhealthy" in the company.
- Implementation function: The counsellor is involved, directly or indirectly (e.g. through lectures, trainings, etc.), in the implementation process of the chosen solution to the problem.

The role and purpose of marketing consulting are to find new solutions and optimize the entire marketing system, which is reflected in the savings and economic growth of the company as a measurable effect. However, marketing advisory also helps with such measures like image improving, customer loyalty, etc. where it is difficult to measure the effect of counselling.

3. Materials and methodology

Counselling and marketing consulting services are economic and highly professional activities that affect the competitiveness of companies by causing changes in the corporate system

as well as the utility and efficiency of business and business activities. In spite of its long tradition in the world, the counselling in the conditions of the Slovak Republic began to write its history only after 1989. Its origin and introduction here were directly related to the transition to the market economy and the manifestation of a new phenomenon of competition. After several decades of planned economy and manufacturing-oriented economic policy, during the past 20 years, the Visegrád Four (V4) countries (Poland, Hungary, Czech Republic and Slovakia) have been experiencing a shift towards a market economy combined with intensification of service activity [10]. Most businesses found themselves in an environment of profound changes that varied in depth and intensity. There has been a significant diversion from the supplier's market to the customer's market. Markets have acquired a global character. Businesses have had to learn to respond flexibly to these changes. However, entrepreneurs and business managers have not always been able to solve the problems themselves. These facts represented the main reasons for the development of counselling not only as a discipline but above all a service that aimed to find ways for companies to compete and improve their position in the market and in the industry.

In the light of the above, it raises a number of questions: What is the state and level of use of marketing counselling by companies operating in the Slovak business environment? What criteria do companies apply for choosing providers of such services? What are the expectations of entities established in the Slovak business environment from these services and their providers? What does marketing advice provide to businesses concerning their own performance? How do businesses evaluate relationships with marketing consultants?

Finding answers to these questions was the purpose of an empirical survey aimed at using marketing advice by companies operating in the Slovak business environment. The survey was conducted in two stages—(1) a quantitative survey in 2016 and (2) a qualitative survey in 2017—and was part of a broader consultancy-focused research on counselling.

Within the quantitative survey, 500 domestic and foreign business entities established in Slovakia were addressed. The sample was specified by the criterion of using marketing advisory. Only those businesses that used marketing advisory, i.e. 222 from the businesses addressed, were involved in the survey. Respondents were owners of companies, directors and marketing department managers, depending on the size of the company and its organizational arrangements.

The aim of the quantitative survey was to clarify and assess the situation in the field of marketing consultancy in the business environment in the SR. On the basis of this, the main research problem was formulated: What is the state and level of use of marketing consulting by enterprises established in the Slovak business environment? From the basic research problem, the following partial descriptive (descriptive) research problems have been formulated through structured genesis:

- What are the attitudes and approaches of businesses to marketing consulting?
- What are the areas in which marketing consulting is applied?
- What is the frequency of the use of marketing consulting?

- What are the businesses' expectations from marketing consulting?
- What are the benefits of marketing consulting for businesses?
- What criteria for choosing a provider of marketing consulting are applied?
- What are the limits and barriers to applying marketing consulting from the point of view of the companies surveyed?

In formulating the conclusions, we relied on the hypotheses that we set out on the assumption that marketing advice provides effective help to businesses in solving marketing and business problems. Greater specialization of external consultants enables higher economic efficiency. Based on the above, we have determined the following descriptive hypotheses that have been formulated in relation to descriptive research problems:

- H1: Marketing consulting has become a regularly used service to help businesses.
- H2: In practice, there are several reasons for using marketing consulting. This is in particular inadequate quality of internal performance, pressure to reduce costs, higher objectivity, more qualified and professional approach and achieving a long-term competitive advantage.
- H3: The use of specialized external consulting subjects' services enables businesses to respond flexibly to changes and turbulence in the business environment, to adapt to trends and new marketing perspectives, to mobilize creative innovation potential and to focus on creating and delivering value to customers.
- H4: The high price, negative experience and underestimation of the benefits are major limitations in the use of marketing consulting.

All respondents said they considered marketing consulting to be useful and effective, provided it is done professionally, cheaply and quickly.

Concerning the intensity of the use of marketing consulting services, this service was bought by all 222 respondents more than once; the regular use of these services was declared by 37% of users. The most frequently used marketing consulting services were the following: web site creation (94%), marketing research (81%), public relations (62%), online marketing (45%), advertising (44%) and mystery shopping (30%) (**Table 1**).

The biggest effects of marketing consulting reported by respondents are as follows: better knowledge of customers and competitors (90%), introduction of new ICT (85%), information needed for their business activity (84%), competitive pricing policy (66%), higher quality of products (60%), development of new products (53%), better brand reputation (50%), improved customer image (50%), more satisfied customers (46%), improving customer relationships (44%), improving the strategy in relation to customers and competitors (42%), higher sales (35%), new business opportunities (35%) and lower marketing and business costs (30%) (**Table 2**).

All respondents plan to continue to use marketing consulting. On the part of marketing consultants, however, they expect a price reduction for their performance (95%), an acceleration

Most frequently used marketing consulting services	Percentage of using
Web site creation	94
Marketing research	81
Public relations	62
Online marketing	45
Advertising	44
Mystery shopping	30
Source: own processing.	

Table 1. The most frequently used marketing consulting services in the Slovak business environment.

The greatest effects of marketing consulting	Percentage of using
Better knowledge of customers and competitors	90
Introduction of new ICT	85
Information needed for their business activity	84
Competitive pricing policy	66
Higher quality of products	60
Development of new products	53
Better brand reputation	50
Improved customer image	50
More satisfied customers	46
Improving customer relationships	44
Improving the strategy in relation to customers and competitors	42
Higher sales	35
Source: own processing.	

Table 2. The greatest effects of marketing consulting from the point of view of the Slovak business environment.

of the delivery time of the service (88%) and solutions that (a) contribute to higher revenues (95%), (b) ensure differentiation and the source of competitive advantage (52%) and higher product quality (50%), (c) reduce customer claims and complaints (49%), (d) increase customer satisfaction (45%), (e) increase customer loyalty and (F) reduce the loss of customers (40%).

When selecting provider of consulting services, respondents are equally interested in the references and the price for these services. As for the shortcomings of marketing consulting services, respondents cited especially high prices and time consumption (75%). The results of the survey confirmed H1–H4 hypotheses.

In the next stage, we conducted a qualitative survey where we used the interview method on a sample of 30 respondents. They were managers of marketing staff but also the owners,

directors and executive directors who are in charge of purchasing such service. The interview had several stages (preparation, introduction, fixation, interview itself, conclusion and termination). The conversation always took place with only one person in the form of a semi-structured interview. The interview included observations that enabled the respondent's non-verbal communication to be monitored. The interview was conducted in the respondent's work environment. The average length of one interview was 65 minutes. Within both interviews and observations, we did not record all the findings, but only selective entries were realized. As a means of support of the validity of a qualitative survey, the following triangulation has been chosen:

- Two research methods: interview and observation.
- The investigated situation was monitored by two researchers.
- We have evaluated the obtained data from the point of view of the clients of the consulting services (clients) and from the point of view of the consultants (consultants).

In a qualitative survey, we chose the procedure of constant comparison of the phenomena investigated, in which we did not establish the hypothesis. We wanted to know in particular the attitudes, opinions and expectations of the respondents from the marketing consulting, the reasons and areas of their further use/termination of the service, the reasons for the decision on the selection criteria of the consultant, the intensity of the relations with the consultancy providers and the ideas for improving the qualities of subject providing marketing consulting.

As in the previous survey, respondents, in their statements within the qualitative survey, stated that marketing consulting is perspective and is useful and they plan to continue using it. According to respondents, the customer and the competition are the biggest reasons for the use of marketing consulting services. Negative or even reluctant attitudes towards marketing consulting have been observed only sporadically. The results of the quantitative survey have shown a massive predominance in the use of specialized marketing consulting services. We were interested in the reasons for which respondents do not use general marketing consulting at the same intensity. The reasons for which more intensive services are not being used or general marketing consulting is not being used at all as well as other marketing services are not being used, include lack of information on these services; a narrowed/distorted view of marketing itself; lack of finances, experience and insight into these capabilities on the part of internal capacities; and also a restrained approach to purchasing such services and postponing them "at a later date."

Providers of marketing consulting are uniquely chosen on the basis of references because they are a guarantee of experience for them. The references provided by the advisor are not validated. The equivalent criterion for choosing a consultant is the price. It suits them if they can continue to work with the current counsellor as it saves time and money for choosing a new one, and moreover, the original provider understands them better, understands their environment and is able to adapt himself/herself better.

Counselling is important to them, but they do not think about it. It can be said that they anticipate it more than demand it.

In terms of long-term cooperation, they expect from the service providers' price reduction, individual approach and less time to implement the project. They also expect better service providers' orientation in the problem and new solutions that will be better than previous ones.

The gestures, mimics and visions of respondents during a qualitative survey have shown their positive impressions/attitudes, thoughts, increased attention, readiness and openness. For some topics, especially as regards the price and the education of an advisor as the criteria for choice, we were surprised by their awkwardness but also concentration.

4. Conclusions and recommendations

It can be said that marketing consulting has become a common service in our country. Consultants consider it beneficial and useful with the prospect of further growth. Nevertheless, it is still a young and dynamically evolving service, which is confirmed by our finding as well. It is the limitations of both actors of counselling process (buyer and consultant), which restricts the intensive and complex use of marketing consulting services.

In particular, buyers are unaware of, misunderstand, or underestimate these services, which do not allow them to use their full potential as well as the potential of marketing itself. Also limited financial options, the reluctance to spend funds on these services have their share on the restrictions in terms of the perspective of its more intensive use. When selecting a service provider, the cost approach over the corresponding qualification prevails, with the exception of the repeated purchase of consulting services from the original provider. Clients expect effects from the consultancy on the economic side (revenue growth, more customers, increased sales, etc.) as well as noneconomic indicators (brand awareness, customer loyalty, better customer and partner relationships). We have also experienced symptoms of management schizophrenia, in terms of the cost of consulting services, the intensity of their use and the effects of their use.

On the part of the advisory service providers, these limits are manifested in particular in the absence of continuous cooperation and post-contract control, lack of communication with the client and the absence of feedback.

The core of effectiveness of marketing consulting is an effective guidance approach. It identifies two critical aspects of problem solving in the contracting organization, which are:

1. Technical aspect.
2. Qualitative aspect.

Both critical aspects are the basic prerequisites for the final result of the consulting activity with respect to finding effective solutions and optimizing the entire marketing and business performance.

The technical aspect of counselling addresses the nature of the problem that is (will be) the subject of counselling and the way in which this problem can be assessed and resolved. Therefore, an effective counselling requires intensive systematic and disciplined work,

based on a thorough counselling diagnosis of solid facts and subsequent counselling therapy in the form of search for real and pragmatic solutions.

In the case of counselling diagnostics, consideration should be given to the fact that the business is an unknown object for the consulting firm and the diagnosis is processed for commercial purposes [11]. The counselling therapy expresses ways to solve business problems by external counselling subjects. It consists of searching for and proposing effective measures with regard to the diagnosis result—a diagnosis and also of research, formulation and verification of procedures, approaches, methods and techniques that lead to the achievement of desired results (therapies) in areas that are the subject of counselling diagnostics.

Without therapy, diagnostics would not make sense, and therapy without diagnosis would be unhelpful and would not have the desired effect. Therefore, the diagnostic and therapeutic phases form the core of the counselling process and counselling activity as a whole. It should be emphasized that both the diagnosis and the therapeutics must be focused not only on the identification and solving of the marketing problems themselves but also on the identification of the causes of these disorders and their sources.

Experience shows that defects in effective counselling process occur both on the part of providers of advisory services and on their buyers' side. In order to eliminate the aforementioned defects of an effective marketing counselling process on the part of providers of counselling, it is desirable that the relatively well-established process of counselling diagnosis with the emphasis on establishing a diagnosis in marketing is applied to the counselling process on two levels:

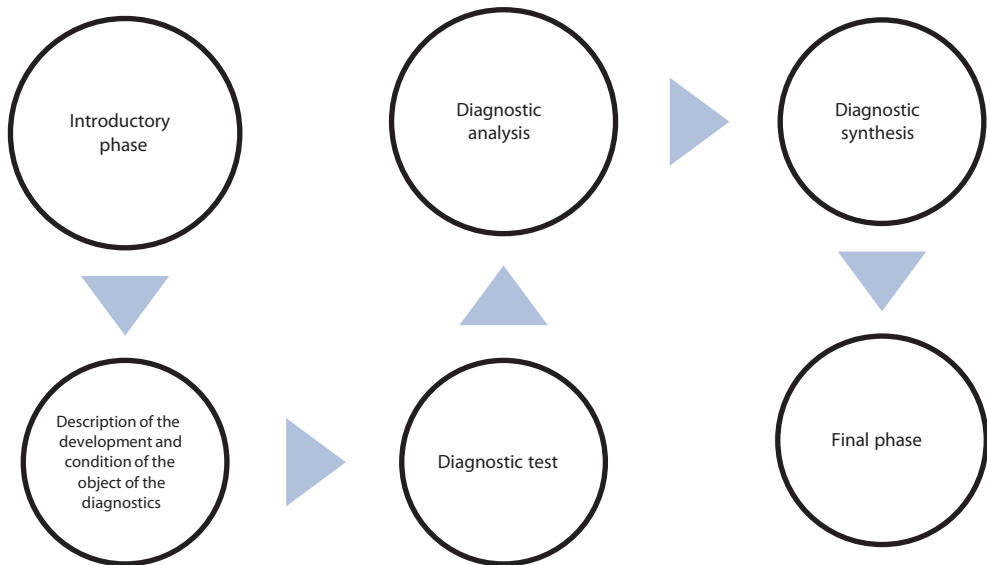
1. Diagnostics and diagnosis of marketing as a leading management concept based on the value of the business and the value provided to the customer.
2. Diagnostics and diagnosis of marketing as a business function.

The following algorithm can be used to diagnose an enterprise's marketing activity (**Scheme 1**):

1. Introductory phase.
2. Description of the development and condition of the object of the diagnostics.
3. Diagnostic test.
4. Diagnostic analysis.
5. Diagnostic synthesis.
6. Final phase.

The individual steps of the diagnostic activity are explained in the following text:

1. Introductory phase
 - Selection of object of the diagnostics: marketing as the leading management concept and marketing as a business function and business philosophy:



Scheme 1. Algorithm of the diagnostics of the company's marketing activity. Source: own processing.

- Marketing diagnostics as a leading management concept begins at the top of the business goal pyramid assessing the vision and mission of the business and their evaluation in relation to the goals set followed by diagnostics of corporate integrity, identity, culture and work atmosphere.
 - Marketing diagnostics as a business function starts with diagnostics of marketing organization and its position within the corporate organizational structure and continues with diagnostics of the marketing environment, diagnostics of the marketing planning system, diagnostics of marketing mix tools and diagnostics of customers.
 - Selection of behavioural characteristics of the diagnosed object: diagnostics of marketing strategy/diagnostics of marketing implementation.
 - Selection of diagnostic methods and procedures: depending on the behaviour characteristics of the diagnosed object; proper selection of methods of diagnostics is the determinant of effective diagnostic activity.
 - Formulating the test criterion: the expressions and limits of the normal behaviour of the diagnosed object.
2. Description of the development and condition of the diagnosed object
- Measuring the behaviour of the diagnosed object.
 - Description of the development and state of behaviour of the diagnosed object.

3. Diagnostic test

- Comparison of the behaviour of the diagnosed object with the test criterion and identifying faults and shortcomings (abnormalities).
- Naming the existence/non-existence of a problem/failure in marketing.
- Classification of the problem type: structured, unstructured and poorly structured.

4. Diagnostic analysis:

- Analysis of the frequency, intensity and demonstration of the problem(s) and analysis of the consequences of problems.
- Prediction of the further development of the problem and analysis of causes of the problem.

5. Diagnostic synthesis

- Formulation of the problem in terms of its severity, the urgency of the solution and the main cause.

6. Final phase

- Coordination of the counsellor and the client in proposing of corrective actions.
- Diagnostic test of progress: verification of the effectiveness of corrective actions.

The mentioned process of consulting diagnostics aimed at marketing is characterized by the following tendencies:

- Already in the initial phase of the counselling process, it is possible to recognize what is and is not a marketing problem/disorder and to distinguish it from problems/disorders of another type.
- An enterprise is understood as an entity that defines its vision, mission and goals (existence, survival).
- Marketing is considered in terms of interaction with other business functions and entrepreneurial activity.
- Marketing is viewed as a set of mutually dependent tools, activities and operations that allow the existence (survival) of an enterprise.
- Marketing is considered from a procedural point of view.
- Identification of existing, potential or future change represents the core of counselling diagnostics and the starting point of counselling diagnostic therapy.

The position of counselling diagnostics or diagnosis in marketing is determined by the following initiatory effects:

- Fault recognition, i.e. deviations/changes from the ex post state (i.e., "disease" formation).
- The need for ex ante business potential verification (i.e. prevention and development activities).

An important determinant of effective diagnostic activity in counselling is the time factor [12]. The teamwork plays a dominant role here. The project manager (project leader) is the most responsible person for fulfilling the projects' goals. His key role, however, lies in the synergy with project and support teams. He has to work with the people he usually did not choose and who have different interests and abilities [13, 14]. A large part of the management activities are related to the actual process management over time and the coordination of the various work areas associated with the communication between the participants in the project. The participation of the consultant's customer is also a necessary condition for the diagnostic activity. The last but not least important area is the creation of interpersonal relationships, motivation of project team members to eliminate potential conflicts. Therefore, the ability to influence others and excellent communication skills are necessity.

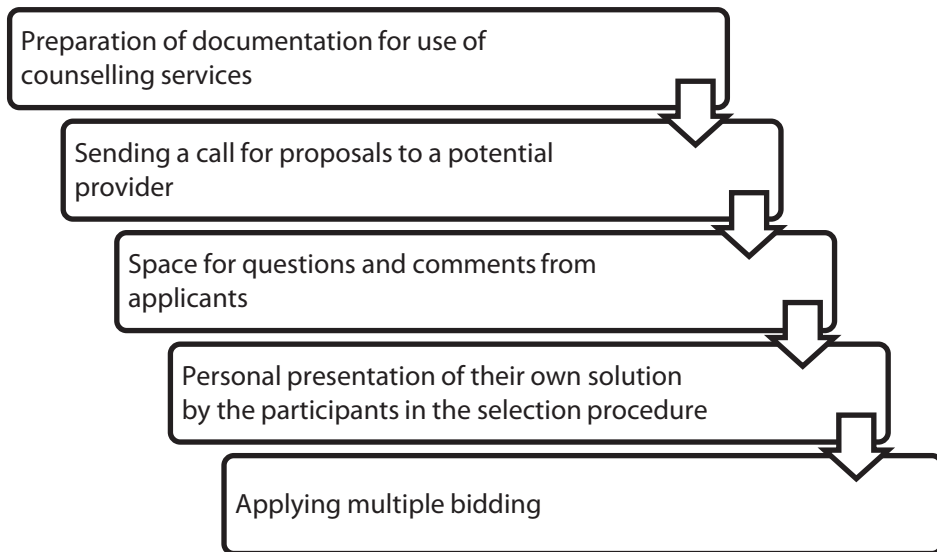
The qualitative aspect of counselling expresses the relationship between the counsellor and the client: the way employees in the contracting organization respond to changes and how the counsellor can help them to implement changes. The rate of participation between the consultant and the client is one of the key determinants of an effective counselling approach. In general, counselling is considered to be participatory if:

- Client works together with the consultant.
- Project and the relevant action plan determine when and how the client's staff work with the consultant.
- Progress is assessed, together with important issues and the project plan, i.e. its methodology is adapted flexibly to a particular situation.
- Consultant prepares the client for active cooperation by providing information and training.
- Consultant consistently applies a participatory approach at all levels in the contracting organization.

The most common reason for the continuation distortion and eventually distortion of the effect of the whole counselling process on the part of the counselling service providers is problems associated with the choice of the provider. These issues are both procedural and substantive.

From the procedural aspect of the ordering of counselling services, it is worth highlighting in particular the absence of a system and standards in the area of selection of counselling service providers and time factor. Many companies have no experience with the selection of providers, which has a negative impact on the entire counselling process. It is advised to have this process standardized, which can result in minimizing errors associated with the choice of a provider. In the framework of a selection procedure (not a competition in a public tender), the customers of the counselling services can apply the following algorithm (**Scheme 2**):

1. Preparation of documentation for the use of counselling services: this is exclusively an internal phase. It is necessary to define in particular the scope of the assignment and the financial possibilities corresponding to this assignment. Last but not least, it is important



Scheme 2. Algorithm of the choice of consulting services provider. Source: own processing.

to define the timeframe for the execution of the contract, as well as the place and manner of performance of the contract. It is appropriate to process the abovementioned facts in the form of documents for the selection of the provider/providers of advisory services. They represent a minimal but sufficient basis for the next procedure when ordering counselling service.

2. Sending a call for proposals to a potential provider: the invitation may be sent to them in writing by post or electronically or both ways. The optimal content of this call is the following: the objective and purpose of the tender, the conditions for participation in the tender, the content of the tender, the price specification, the deadline and method of posing the additional questions and comments, the selection criteria of the provider, the date and place of the service, evaluation of offers, declaration of results and design of contract. The content of this call is appropriate for larger orders/projects. In the case of smaller contracts/projects, some parts may be omitted. In the case of larger and more complex or potentially sensitive projects, it is appropriate to ask candidates first to take part in the selection procedure for a confidentiality statement and to ask them to complete the prequalification questionnaire. The call must be sent in proper time. It is advised to address several subjects.
3. Space for questions and comments from applicants: in order to avoid misunderstandings concerning the tender, it is appropriate to provide the applicants with the time and space for their questions and input comments.
4. Personal presentation of their own solution by the participants in the selection procedure.
5. Applying multiple bidding (especially pricing).

From the factual point of view, it is necessary to focus especially on the criteria for participation in the competition, which must be aligned with the nature of the existing problem and with the specific requirements of the client. The choice of the consultant service provider to its customers is one of the significant determinants of the quality of their relationship. There are no generally valid rules or criteria that will guarantee the right choice for the choice of an advisory service provider.

In practice, several criteria have proved successful:

- **References.** They reflect the professional competence and experience of a consultant. Clients can request them from an applicant or directly from their previous clients or check them in writing or by phone.
- **Cost of counselling services.** The question of price should not be dominant when choosing a provider of counselling services and should not overcome professional competence, quality or good relationships. However, it should be noted that only a few clients can afford to ignore the price of the offer. The counsellors should use rates according to standard practice. Also, the method of pricing must be agreed before the work begins. If it is in place, the client may recognize the requirement for higher fees (e.g. timing).
- **Professional integrity.** It should be a basic prerequisite for choosing a particular (individual) counsellor representing particular counselling agency. It connects counsellor's professional behaviour and professional ethics. If the client has any doubts about this criterion, particular counsellor should not be considered at all.
- **Professional competence.** It should be a necessary prerequisite for choosing a particular counsellor. It refers to the degree and type of the higher education of a counsellor and their further education, length and type of practice in counselling, references from previous clients, membership in a professional association and other professional activities of the counsellor (e.g. publications, participation in professional conferences, etc.). Lack of education and qualification of a counsellor in the counselling process rules out the effective and professional approach that the client assumes and expects when entering into the counselling relationship. It may also result in insufficient knowledge and skills regarding the use of appropriate techniques, programmes and procedures, which will ultimately affect the outcome and success of the entire counselling process.
- **Mutual trust.** It creates the basis for mutual relationships between the counsellor and the client. The client believes in counsellor's integrity and professional judgement. The counsellor believes the client's word and likes to work with him.
- **Project concept (offers).** The professional competence of the counsellors is not the only and sufficient criterion for their choice. They must also demonstrate their competencies through their own approach to the project (problem, task) to be addressed.
- **Ability to fulfil commitments.** The counsellors must be able to deliver what they committed to, including supervision and control in the counselling process.
- **Ability to mobilize additional resources.** The client should consider whether and to what extent the counsellor is willing and able to go beyond the originally agreed range of assignment, if this necessity occurs during work.

- The counsellor's image. It is created by the clients' perception of the counsellor. Sometimes the reputation of the counsellor is a substitute for applying a more specific criterion, but sometimes it is only a complement to other criteria.

One of the conditions for mastering the relationship between the counsellor and the client is effective communication. The counsellors can bring the best solutions for the client: but if they do not inform the client about them effectively, the benefits of such solutions will be zero.

The modified model of an effective marketing consulting process consists of five stages: the zero stage and the three main stages and the post-counselling phase, each of which contains two counselling phases.

0. Zero stage.

1. Initiation. The first step is the basis of an effective counselling process. It occurs on the part of the client (buyer) when the client becomes aware of a particular problem, disorder or lack of marketing performance that can be more or less obvious. What follows is the clarification of what the client expects from such a service and from its provider (i.e. purpose and benefits), on the basis of which the tender documents are processed as a call.
2. Consultant selection. At this stage, the client is first contacted by potential consultants, initiating a contract/project, bidding by applicants and presenting them. The roles and relationships between client and consultant are clarified. The zero stage ends with the choice of the counselling service provider.

A. The diagnostic stage.

3. Initial diagnostic phase followed by preliminary diagnostics or the so-called pre-diagnostics of the situation/problem, identifying and defining the problem and determining the conditions for its solution. The consultant then draws up an offer/project plan, including a contract, with the client. Once the proposed conditions have been agreed, the contract/project is officially proposed and signed.

4. Diagnostics itself presents a key step in the entire counselling process. It is about creating presumptions for diagnostics processing. On the basis of the facts based on the real status and situation, the consultant performs the following operations:

- Diagnostic analysis (analysis of the quantity, intensity and manifestations of a problem/problems, analysis of the consequences of problems, prediction of further development of the problem, analysis of causes of problems and their sources).
- Diagnostic mission (praxeological verification of the analysis conclusions).
- Diagnostic synthesis (formulation of the problem in terms of its severity, urgency of the solution and main cause).

Diagnosis is then established and verified, the details of the problem are examined, and the diagnosis is summarized. In counselling practice, it often happens that it is not possible or not appropriate to separate the diagnostic phase from the next stage that solves the problem. This

is particularly so because the operations and procedures usually used in the diagnostic phase can only be implemented in a pragmatic way. At the same time, it increases the likelihood that all work and diagnostics will actually be effective.

B. Therapeutic stage.

5. Implementation proposal. Consultants develop alternatives to solutions, which they evaluate from different viewpoints (causes and sources) and draw the client's attention to the benefits and possible risks associated with the implementation of individual solutions. They will submit them to the client, who will jointly review the strengths and weaknesses of the diagnosis. Based on the assessment of the different solutions, the consultant will propose and develop a plan for the implementation of the chosen solution and submit it for approval to the client.

6. Implementation. Consultant provides synergy even when implementing the chosen solution. This phase often brings many surprises regarding the feasibility of the chosen solution. The role of the consultant lies in the additional diagnosis and correction of the proposed solution. The implementation phase also involves the (pre)training of the client and the beginning of the intensive realization of the chosen therapeutic steps on the basis of the (definitive) diagnosis, usually by the client's own capacities (**Scheme 3**).

C. Stage of termination of counselling activities.

7. Evaluation of counselling activity. In this step, the consultant provides the client with a final report on the order/project in which he/she assesses the diagnostic activities, the course of the contract/project and its milestones; summarizes the variants/therapeutic steps in the form of proposed solutions with an emphasis on the alternative chosen, its benefits and (potential) risks and describes participation in its implementation.

8. Perspective of counselling relationship. At the end of this stage, the commitments with the client are balanced; the future possible cooperation and the termination of the counselling activity are outlined.

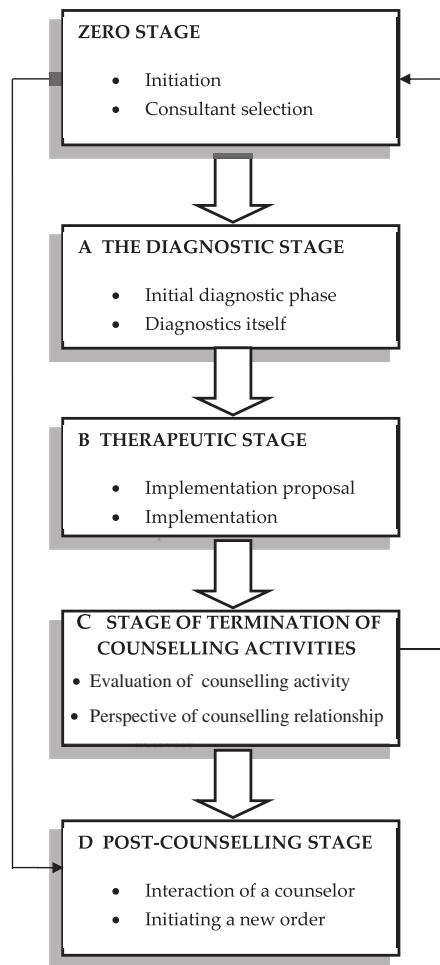
D. Post-counselling stage.

9. Interaction of a counsellor. Consultant maintains contact with the client even after the end of the contract/project, provides him/her with possible cooperation (based on free consulting capacity) and monitors the effectiveness of the proposed and implemented measures or the course of their implementation and the client's satisfaction with his/her services.

10. Initiating a new order. The client or consultant may initiate a new order or modify the original order. In this case, the second step of the null phase is omitted.

Throughout the counselling process, intensive communication and collaboration take place between the consultant and the client. One form of this interaction can be consultation days, fulfilling the information, evaluation and control functions.

The modified model of the counselling process is characterized by higher efficiency than the classic model by:



Scheme 3. The modified model of an effective marketing consulting process. Source: own processing.

- Simplifying the phasing of the steps of the individual stages of the counselling process.
- Integrating the methodical (technical) aspect of the counselling process with a higher level of participation of both its actors (consultant-client).
- Counselling diagnostics is linked to counselling therapy with a view to identifying causes and sources of disruptions in marketing and entrepreneurial activity.
- Considering the zero life cycle of the counselling process with the aim of minimizing errors and defects in its further stages.
- Expanding the life cycle of the counselling process to post-counselling activities.

- Guaranteeing continuous, intensive and effective communication between the consultant and the client at each stage of the life cycle of the counselling process.
- Is based on the principle of feedback and multiple control throughout the life cycle of the counselling process.
- Containing added value in the form of counselling in both the therapeutic and post-counselling phases.
- Assuming the transfer of responsibility for the resulting effect of counselling to the consultant through active and intensive participation at all stages of the life cycle of the counselling process.

The modified efficient counselling model is more transparent, motivating and flexible than the classic one. It can be recommended for each type of marketing counselling. It examines and evaluates all parameters of marketing effectiveness. It can be implemented in the form of total or functional diagnostics and therapeutics of corporate marketing as well as the revision of marketing efficiency.

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