

Is Traditional Consulting Dead?

By Jan Malasek

There is a spotlight focused on the traditional consulting model. Increasing economic pressure and the need for faster sustainable results are profoundly changing the way companies choose to leverage and engage traditional consulting services. The days of partners selling the work and junior consultants delivering the projects while learning the subject matter may be gone.

Globalization and advances in technology have accelerated the speed and flow of information, requiring companies to adapt quickly and prudently to dynamic market conditions. The supply chain is no exception. The fact is that today's projects are getting more targeted, are shorter in duration and require deep domain expertise to generate the type of results for which companies are looking.

Since the end of the last major consulting downturn in the early 2000s, and with the advent of merger and acquisition (M&A) activity that has displaced some very accomplished talent, a new breed of consulting talent is emerging to address today's pressing business opportunities and challenges – the independent supply chain consulting professional. Independent consultants are highly equipped to deliver the type of results companies desire by virtue of the fact that they have “been there, done that” for other organizations, are typically more seasoned, can quickly orient in the particular business situation and can speak the business language aligned with senior executives of client companies. The rise of the independent supply chain consulting market is driven by several key factors. They include the following:

Need for Specific Expertise – The complexity of today's supply chain challenges requires deep domain expertise. From sourcing in new low-cost countries to evaluating complex supply chain technology, it is not enough to bring in junior resources with excellent analytical and team facilitation skills. It is critical to engage consultants with direct subject-matter expertise who can “jump in” and immediately make an impact.

Smaller, Focused Projects – Gone are the days when a supply chain-consulting project lasted many months, if not years, and the winning consulting firm was able to entrench itself and its paradigms deeply into the client organization. Market pressures are such that firms are forced to deal with very specific issues on a short-term basis, often without advanced planning or notice.

Speed and Flexibility – Large, traditional consulting services are usually not economically structured to dispense senior-level talent for isolated projects at the drop of a hat. Independent consulting professionals enable companies to quickly retain the exact skill set and experience they desire, when and where they need it, without a long-term commitment.

Cost and Value – Independent consulting professionals are often trained by top-tier consulting firms, and they usually have the experience necessary to produce better results for less money – a winning proposition for any client. For many of these professionals, the entrepreneurial nature, compensation and variety included in the independent consulting model are very appealing, providing a greater degree of autonomy regarding the development of their careers

and work experiences than can be found within large consulting organizations.

So, will companies stop buying from traditional consulting firms? Of course not. There are plenty of reasons why companies will continue to utilize traditional consulting models. First and foremost, the relationships between top-tier consulting firm partners and company executives run quite deep. In addition, some client situations may call for the specific thought-leadership developed by a consulting firm and rolled out by its teams.

However, companies should think about how they can leverage the independent consulting market to expand particular aspects of their business that require expert support. Smart companies are discovering that the independent consulting market is filled with high-caliber talent that can deliver faster, better results for targeted projects at a significant cost savings over traditional consulting alternatives. In the changing corporate landscape of today, such an addition to a company's pool of options is very welcome. ■

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