Introduction to Careers in Strategic Management Consulting

Cornell University Career Services
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Agenda

• What is ‘Strategic’ Management Consulting
• Who are the major players
• What we do
• Career pros and cons
• What Strategy Consulting firms look for
• Practical positioning tips
Strategy Consulting segments

**Strategy Segment**
- Strategic Planning
- Financial Strategy
- Organizational Strategy
- Marketing and Branding Strategy

**IT Strategy and Planning**
- Systems Strategy and Architecture
- Enterprise Architecture
- IT Management
- Business Performance

**Operations Management Segment**
- Operations Management Consulting
- Financial Operations
- Operational Risk
- Organizational Operations
- Performance Improvement
- Customer Interaction Management
- R&D and Product & Service Development Operations
Who are the major players?

**Leading Strategy Consulting firms**
- Accenture
- A.T. Kearney
- Bain & Company
- Booz & Company
- The Boston Consulting Group
- Capgemini
- Deloitte
- Ernst & Young
- IBM Global Business Services
- KPMG
- McKinsey & Company
- Monitor Group
- Oliver Wyman Group
- PwC
- Roland Berger Strategy Consultants

**Key features in common**
- Typically serve the largest global and domestic (‘Fortune 500’ level) clients
- Multi-office / international in scope
- Provide a full service offering across all major industries (corporates)
  - In addition, most serve government ministries, non-profits, industry associations
  - Dedicated sector and functional practices
- Compete in the marketplace of ideas
- Services and ideas are multi-disciplinary
- Aimed at client service and problem-solving in teams
- Recruit from top schools
- Employ an ‘apprenticeship’ model
- Have a partnership / professional services feel

*~$60BN business: 10-15% CAGR*
What do we do?

**Inductive (aka scientific) method**

<table>
<thead>
<tr>
<th>Develop hypotheses</th>
<th>Gather facts</th>
<th>Conduct analyses</th>
<th>Form conclusions</th>
<th>Present &amp; implement recommendations</th>
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<tbody>
<tr>
<td>Bring in-house experiences, know-how to bear</td>
<td>Interviews, primary and secondary research, surveys, benchmarking</td>
<td>Rigorous, fact-based, applied analytics …</td>
<td>…leading to sound, quantifiable, effective advice</td>
<td>Work in collaboration with clients to implement practical solutions that generate lasting impact</td>
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**Goal:** Deliver quantifiable business impact to leading companies via depth of insight and practical action plans
Sample projects

Developing a strategy for a large I-bank to better capture inflows into hedge funds, private equity and other alternative investments.

Aiding a top international company with a US expansion strategy across consumer business for presentation by the CEO to the Board.

Optimizing the annual investment project portfolio, process and governance.

For a health insurance consortium, recommending a product launch strategy for a new consumer-driven healthcare plan.

Advising a major European firm on their strategy for growing the size and profitability of its US retail operations.

Assisting a leading Chinese co. upgrade their risk management in line with international best practice (risk modelling, processes, organization and governance).
Rapid growth in skills development and responsibilities

Consultant
- 2-3 years
- Content expertise
- Leadership and problem solving skills
- Client relationships

Senior Consultant
- 3-6 years

Partner / Principal
- 7+ years

Specialization offers the advantage of gaining expertise early, with downstream opportunities for ‘breadth’

Generalist positioning offers exposure to multiple industries and classes of management problems and successive deepening

Apprenticeship & Formal training program
Strong launching pad for future career

Advanced degree programs
- MBA
- PhD
- JD

Other opportunities
- Politics
- Teacher
- Author/Playwright
- Psychologist
- Entrepreneur

Industry
- Investment banking and private equity
- Economic Research at the Federal Reserv
- Strategic planning at Citigroup and Merrill Lynch
- Not-for-profits / Foundations

New Hire

Partner
What consulting firms look for

- Intellectual curiosity coupled with self-confidence
  - Peripheral vision – look beyond received wisdom
  - Develop your view of the world
  - What leads to the greatest client impact?

- Problem-solving capacity
  - Resourcefulness – many trick ponies
  - Novelty – new ways of looking at old problems
  - How do you best leverage the team's efforts?

- Horsepower in your work product; desire to over-deliver
  - Do more than what is expected, on time, accurately, comprehensively
  - Don't spin your wheels – emphasis on output, not input

- Commitment to the firm
  - People who embrace our values
Practical tips for positioning in this market

- Use the segmentation we’ve discussed to target your search: like every other business, consulting firms are specialized and pride ourselves on our differentiation

- With talent flooding back into consulting, think about your own competitive differentiation
  - What about you is unique and marketable?
  - Make it easy for a recruiter to pick your resumé out of a stack

- With operational excellence / risk management / corporate governance / globalization on the corporate agenda, how can a Cornell background work to your advantage?

- Advantages to being a big fish/small pond:
  - Visibility/mentorship
  - Assignment ‘reps’
  - Career advancement (also, greater risk)
  - Fewer resources

Advantages to being a small fish/big pond:
  - More management opportunity
  - Lasting impact?
  - Career stability; possibly more opportunities
  - Resources for things like training

- Don’t uproot; grow where you’re planted

- Take lots of finance, microeconomics, financial engineering, project finance, cost benefit analysis, with maybe a little game theory thrown in – analysis is the tool of our trade starting out